

ADX Holdings Pte. Ltd. (“ADX Marketing”)

Statement of Policies and Procedures

Effective Date: November 26, 2024

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SECTION ONE: PURPOSE OF POLICIES

Section 11 of these Policies includes an arbitration agreement and class action waiver that apply to all claims brought against ADX Marketing. Please read them carefully.

1.01 Introduction

ADX Holdings Pte. Ltd., a Singapore company ("ADX Marketing"), sells a variety of technology products and services (collectively, "products") to consumers in Asia and the United States.[1] Products are purchased and delivered electronically at www.adxsales.com. Each consumer has an individual account at the company. There are three (3) groups of consumers who buy products: (1) Customers, (2) Elite Members, and (3) Independent Marketing Consultants ("Consultants"), each of which is defined below. Customers, Elite Members and Consultants are all governed by the Terms of Use, Privacy Policy, and Refund Policy posted on the website. This **ADX Marketing Statement of Policies and Procedures** (the "Policies") applies to **Elite Members and Consultants**. An Elite Member or Consultant who observes another Elite Member or Consultant committing a violation is expected to report the alleged violation to ADX Marketing via a support ticket in the ADX Member Center (www.adxsales.com).

1.02 Definitions

As used in these Policies, the terms below have the following definitions:

(1) **Customers**: Customers are individuals or businesses that purchase products from ADX Marketing for their personal use and are not Elite Members or Consultants. Some, but not all, Customers purchase products based on recommendations by Consultants. In this case, the Customer identifies the referring Consultant when they buy products through their account so the Consultant can be compensated under the ADX Marketing Compensation Plan (the "Compensation Plan"), applicable solely to Consultants. The Customer is then a participant in the Consultant's downline. Customers may continue to purchase products as 'Customers,' or choose to advance to the 'Elite Member' status under the provisions in subsection (2) below, or to join the ADX Marketing Network (or "Network") as a 'Consultant' under the provisions in subsection (3) below.

(2) **Elite Members**: Elite Members are Customers who purchase products for their personal use and choose to pay the annual Elite Membership Fee (or "Fee") in the amount of $59.95. The Fee entitles Elite Members to special benefits including: (a) eligibility to participate in product promotions, (b) product materials, and (c) invitations to ADX sponsored events**.** Elite Members are not authorized to act as independent contractors to promote and sell products. Elite Members are not Consultants in the Network – they have no downlines. Elite Members are not eligible to receive bonuses or commissions under the Compensation Plan. Some, but not all, Elite Members purchase products based on recommendations by Consultants. In this case, the Elite Member identifies the referring Consultant in their account application so the Consultant can be compensated under the Compensation Plan. The Elite Member is then a participant in the Consultant's downline. Elite Members may continue to purchase products as 'Elite Members,' or choose to join the Network as a 'Consultant' under the provisions in subsection (3) below.

(3) **Consultants**: Consultants are members of the ADX Marketing Network in the legal capacity of an independent contractor. Participation is strictly voluntary. Consultants must pay the annual Fee described above in subsection (2). Consultants are vetted by ADX Marketing during the application process before they are authorized to join the Network. As Network members, Consultants have authority to promote products, to sponsor new Consultants, and to participate in the Compensation Plan. Consultants may also purchase products for their own personal use.

(4) **Inactive Consultant**: An "Inactive Consultant" is a Consultant who is up to date on their annual Fee but has not purchased any products for a period of thirty (30) days.

[1] ADX Marketing is a wholly owned subsidiary of ADX Labs, Inc. located in Minneapolis, Minnesota.

1.03 **Compliance with Company Policies, Training and Updates.**

ADX Marketing honors all applicable federal, state, and foreign laws and regulations governing network marketing and requires every Consultant and Elite Member to do the same. It is, therefore, very important that each Consultant and Elite Member reads and understands the information contained in these Policies and any other policies, rules or procedures that may be published or disseminated by ADX Marketing, typically through the ADX Member Center, including but not limited to, the Foreign Corrupt Practices Act ("FCPA") and Anti-Money Laundering ("AML") policies. Consultants and Elite Members are required to understand and comply with all company policies to the extent any policies apply to them. For example, some Policies included in this statement apply solely to Consultants such as those pertaining to membership in the Network, the sponsorship of new Consultants, and the Compensation Plan. In addition, Consultants shall attend any compliance training sessions which may be requested by ADX Marketing from time to time.

If a Consultant or Elite Member has any questions regarding any rule or policy, they should contact ADX Marketing's Compliance Team through the ADX Member Center. Failure to comply with any one of these Policies or other company policies may result in termination of their accounts or benefits or other appropriate action as determined by the company.

ADX Marketing reserves the right to modify these Policies and any other company policies at any time. If the company does so, the updated version will be posted on the ADX Member Center site and electronic notification will be sent to Consultants and Elite Members. Continued business with ADX Marketing will be subject to the updated version. For example, the Policies included in this 2024 statement are updated from the *2019 ADX Marketing Statement of Policies and Procedures* to reflect changes in applicable law, business operations and new products offerings. This set of 2024 Policies supersedes and replaces the 2019 Policies.

SECTION TWO: APPLICATION PROCESS FOR ELITE MEMBERS AND CONSULTANTS

The process to apply for an account and purchase products for Elite Members and Consultants is described below. ADX Marketing reserves the right to decline any application for any reason in its sole discretion.

2.01 **Becoming an ADX Marketing Elite Member or Consultant.**

An applicant who wishes to become an ADX Marketing Elite Member or Consultant may do so when each of the following requirements are fulfilled:

a) The applicant completes the Know Your Customer ("KYC") form available on the ADX Marketing website and provides copies of their government issued ID, tax ID, W-8BEN form and any other information or documents reasonably requested by ADX Marketing;

b) The applicant acknowledges they have read and agree to comply with: (i) these Policies and (ii) the Non-investment Statement by clicking on the designated boxes when they submit the KYC form (the Non-investment Statement is also included as Section 2.15 in the Policies);

c) The applicant pays the annual Fee ($59.95 USD);

d) By submitting an KYC form each applicant represents and warrants that they are not a resident of any country subject to sanctions by any governmental agency, as examples only, Russia, Iran, North Korea, nor are they personally subject to any governmental sanctions or under investigation for a possible violation. Elite Members and Consultants shall immediately provide ADX Marketing with written notice of any such sanctions or investigation; and

e) ADX Marketing must approve applicant as an Elite Member or Consultant.

2.02 **Return Policy for Fees**: ADX Marketing offers a full refund of the Fee if the Elite Member or Consultant requests a refund within thirty (30) days after the payment date and any other period that state law may so require.

2.03 **No Product Purchase Required to be a Consultant.**

No product purchase is required to become a Consultant.

2.04 **Fictitious and/or Assumed Names.**

Neither a person nor an entity may apply as an Elite Member or Consultant using a fictitious or assumed name.

2.05 **Identification Number.**

All Elite Members and Consultants are assigned an ADX Marketing account number for purposes of their business with ADX Marketing. ADX Marketing will use this number in all internal transactions. Each Consultant is required to obtain a government-issued identification based on their resident country. Any penalties or fines that may result from the use of an incorrect government identification number furnished to ADX Marketing will be the sole responsibility of the Elite Member or Consultant. All Elite Members and Consultants are obligated to maintain current updated personal information with the ADX Member Center and advise the company of any changes as necessary, for example, an address or name change, etc., so that the company has accurate information about them.

2.06 **Consultant Status.**

A Consultant is authorized as an independent contractor to promote and sell ADX Marketing's products, and to participate in ADX Marketing's Compensation Plan. An active Consultant is also authorized to act as a "Sponsor" and sponsor new Consultants into the ADX Marketing Network (See Section 4). New Consultants join their Sponsor's downline. Consultants are eligible to participate in ADX Marketing sponsored events such as training, motivational and recognition occasions (payment to cover out of pocket costs may be required).

2.07 **Legal Age.**

Elite Members and Consultants must be 18 years of age or older.

2.08 **Simultaneous Interests for Consultants.**

A Consultant and spouse and dependents may not have simultaneous beneficial interests in more than one Consultant position. For example, a shareholder of a corporation that is a Consultant may not become an individual Consultant. No individual may have, operate or receive compensation from more than one ADX Marketing business.

2.09 **Corporations, Partnerships, and Limited Liability Companies.**

Corporations, Partnerships, Limited Liability Companies, or other forms of business organizations may become an Elite Member or Consultant when the application process described in Section 2.01 is completed and they have provided copies of the following documents within thirty (30) days after the Application is accepted; otherwise, the Elite Member or Consultant position may go into suspension:

a) Articles of Incorporation, Partnership Agreement, and/or other governing documents, as applicable;

b) A complete list of all directors, officers and shareholders involved in a corporation, all general and limited partners of a partnership, members of a limited liability company, as applicable; and

c) Other documents and information that may be reasonably requested by ADX Marketing upon submission of the Application and from time to time in its sole discretion.

Shareholders, directors, officers, partners, and members, as applicable, of an Elite Member or Consultant entity shall agree to comply and be bound by the Application and the Policies included in this statement as legal representatives of the entity and in their individual capacity.

Elite Members and Consultants must promptly provide written notice to ADX Marketing of all changes to the type of business entity they use to operate their ADX Marketing business, and of any additions or removals of shareholders, partners, members, directors and officers. Any such changes must be approved in writing by ADX Marketing before implementation.

2.10 **Sale, Transfer or Assignment of Consultant Business.**

Although an ADX Marketing business operated by a Consultant is privately owned and independently operated, the sale, transfer or assignment (collectively referred to as a "Transfer") of an ADX Marketing business is subject to certain limitations. Before a Consultant completes a Transfer, they must submit a written request to ADX Marketing including sufficient details about the purported Transfer for ADX Marketing to evaluate the request. Any Transfer completed without ADX Marketing's prior written consent shall be null and void. If ADX Marketing approves the request, each of the four (4) criteria are applicable (in addition to additional conditions that may be reasonably imposed):

1) The transferring Consultant's existing upline and downline of sponsorship shall be maintained.
2) The buyer, transferee, or assignee, as applicable, should not be a current Consultant. If they are a current Consultant, they must terminate their existing membership account and cease to engage in any ADX Marketing business for a period of twelve (12) months before acquiring any interest in a different ADX Marketing business through a Transfer.
3) All debt obligations of the transferring Consultant business must be paid in full.
4) The transferring Consultant must be in good standing, not in suspension under Section 5.02, and not in violation of any of the terms of the Policies in this statement, or similar Consultant requirements in effect.

2.11 **Independent Contractor Status.**

A Consultant is an independent contractor. A Consultant is not a franchisee, joint venture partner, business partner, employee, or agent of ADX Marketing, and Consultant is prohibited from stating or implying, either orally or in writing, otherwise. A Consultant has no authority to bind ADX Marketing to any obligation. ADX Marketing is not responsible for payment or co-payment of any employee benefits. A Consultant is fully responsible for their own liability, health, disability, and workmen's compensation insurance. Consultant sets Consultant's own hours and determines how to conduct Consultant's business, subject to the Policies and similar rules and regulations provided by ADX Marketing. A Consultant is responsible for Consultant's own managerial decisions and expenditures, including all income and self-employment taxes.

2.12 **No Exclusive Consultant Territories**.

There are no exclusive territories for marketing or sponsoring purposes, nor shall any Consultant imply or state that Consultant has an exclusive territory.

2.13 **Legal Compliance.**

Consultants and Elite Members shall comply with all applicable laws and regulations concerning the purchase of products from ADX Marketing, and in the case of a Consultant, their business operations. If a government official tells a Consultant or Elite Member that a law or regulation applies to them, the Consultant or Elite Member shall be polite and cooperative, and immediately send a copy of the law or regulation to ADX Marketing.

2.14 **Governmental Approval or Endorsement**.

No government agency has formally authorized or approved the ADX Marketing program discussed in this statement. Neither Elite Members nor Customers shall state, represent or imply, directly or indirectly, that the ADX Marketing program or Compensation Plan have been "approved," "endorsed," or otherwise sanctioned by any government agency.

2.15 **Non-Investment Statement.**

The purchase and sale of ADX Marketing products are not intended to be investments. **All transactions completed by Consultants and Elite Members for the purchase and/or distribution of products are for personal use or consumption and are not intended as investment activities.** Consultants and Elite Members are expressly prohibited from representing or implying that their purchases of products constitute investments. ADX Marketing disclaims any responsibility for actions or consequences resulting from any direct or indirect misrepresentations made by Consultants or Elite Members.

2.16 **Income Disclosure for Consultants.**

The Compensation Plan available to Consultants as members of the Network is an exciting opportunity that rewards them for selling ADX Marketing products and for sponsoring other participants as new Consultants who do the same. Results are never guaranteed and will vary depending on a multitude of factors including market conditions, commitment levels, availability of time and resources, and the sales skills of each Consultant. Since ADX Marketing has only recently launched in the United States, it lacks enough statistical data to prepare reliable income disclosures with data, but the company will publish one as soon as sufficient data is available to present. Any numbers that may originate from hypothetical examples from the Compensation Plan do not reflect actual results and do not include the expenses associated with building an independent business, which may exceed the commissions received. Individual Consultant expenses include the annual Fee ($59.95) and additional expenses that a Consultant may find necessary for purposes of growing their own individual business.

If income projections were presented to a Consultant prior to their enrollment in the Network, such projections are not necessarily representative of the income, if any, that they can or will earn through their participation in the Compensation Plan. ***These income projections should never be considered as guarantees or projections of a Consultants' actual earnings or profits.*** As with all business endeavors, there will naturally be those who dedicate a significant amount of time, effort, and personal funds yet still fail to generate any income.

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SECTION THREE: TERM AND RENEWAL OF CONSULTANT NETWORK MEMBERSHIP AND ELITE MEMBER ACCOUNTS

3.01 **Term**

Subject to termination by any party under Section 5, the "Term" of Consultants' membership in the ADX Marketing Network shall begin on the date of acceptance by ADX Marketing and end twelve (12) months from the acceptance date (the "Anniversary Date"). The Term of Elite Members' status shall begin on the date of acceptance by ADX Marketing and end on their 12-month Anniversary Date.

3.02 **Annual Renewal of Fees**

Consultants must renew their position in the Network each year by paying the annual Fee on or before their Anniversary Date. If a Consultant does not pay the Fee on or before their Anniversary Date, they shall be deemed to have voluntarily terminated their Consultant position relationship with ADX Marketing and will be reclassified as a Customer. The former Consultant will lose all rights to Sponsor new Consultants, and to receive commissions and bonuses under the Compensation Plan. The former Consultant will maintain their downline for a grace period of 180 days following its reclassification as a Customer. If the former Consultant fails to renew its membership in the Network by paying the Fee within this grace 180-day period, they will lose their downline and the downline will automatically roll up to the first upline Consultant. Consultants may choose to utilize the "Recurring Billing" option available through the ADX Member Center in which case the annual Fee will be charged to their accounts.

Consultants may elect to become Elite Members if they continue to pay the annual Fee and cease promoting products and sponsoring new Consultants. In this case, the Consultant's downlines will be moved up to the first upline Consultant.

Elite Members must renew their status with the company each year by paying the annual Fee on or before their Anniversary Date. If an Elite Member does not pay the Fee on or before their Anniversary Date, or within a thirty (30) day grace period, they shall be deemed to have voluntarily terminated their Elite Member status with ADX Marketing and will be reclassified as a Customer. The former Elite Member will lose all rights to receive special benefits as described in Section 1.02 (2). Elite Members may choose to utilize the Recurring Billing option described above.

3.03 **Inactive Consultants.**

An Inactive Consultant (as defined in Section 1.02 (4)), will be reclassified as a Customer upon expiration of the thirty (30) day inactive period.

3.04 **Expired Government ID/KYC Forms.**

Elite Members and Consultants are obligated to update KYC documents when they expire. For example, government IDs expire on the expiration date specified on the ID, and W-8BEN forms expire three (3) years from the signature date. If an Elite Member or Consultant fails to provide current documentation to ADX Marketing within ninety (90) days after expiration of their KYC, they will be reclassified as a Customer until such documentation is received and approved by the company.

SECTION FOUR: SPONSORSHIP BY CONSULTANTS

4.01 **Sponsoring.**

A Consultant may sponsor other Consultants in countries where ADX Marketing conducts business. Sponsors shall ensure that each new Consultant has received, has access to and understands these Policies and similar guidance required by ADX Marketing from time to time. A Consultant will be compensated only for the generation of sales volumes, not for sponsoring new Consultants into the Network. The most current version of the Compensation Plan will be available to higher level Consultants on the ADX Member Center site.

Sponsoring Consultants shall identify and distinguish between personal communications and official communications of ADX Marketing to their downlines.

4.02 **Multiple Applications.**

If an applicant submits multiple Applications that list different Sponsors, only the first completed Application to be received by ADX Marketing will be accepted. The decision of ADX Marketing regarding the official Sponsor is final.

4.03 **Training Requirement.**

Consultants are required to ensure the adequate training of new Consultants they sponsor, including all training provided by ADX Marketing. Sponsors shall maintain an ongoing professional leadership role with Consultants in the organization and shall fulfill the obligation of performing a bona fide supervisory, distribution and selling function in the sale or delivery of products. Upon request, a Consultant must be able to provide ADX Marketing with evidence of ongoing fulfillment of Sponsor responsibilities, including training.

4.04 **Income Claims.**

Consultants shall truthfully and fairly describe and present the Compensation Plan. Consultants shall not guarantee or estimate compensation, draws, expenses or deductions attributable to potential sales of products. No income projections, including those based solely on mathematical projections or "ideal projections" of the Compensation Plan may be made to prospective Consultants. Consultants shall not represent Consultant's income as an indication of the success assured to others since income success depends upon many variables. Commission payment amounts may not be used as marketing materials. No past, potential or actual income claims may be made to prospective Consultants. Consultants shall not guarantee commissions or estimate expenses to prospects.

4.05 **Transfer of Sponsorship.**

Although it is strongly discouraged and seldom permitted, a Consultant may transfer to a different Sponsor or sponsorship downline, subject to the written approval of ADX Marketing, which may be withheld in its sole discretion, and subject to each of the following conditions:

a) A request for transfer must be submitted in writing to ADX Marketing explaining the reason for the transfer. ADX Marketing may require Consultant to provide additional information, documentation and approvals prior to providing its written consent for the transfer;

b) A $100 USD transfer fee must be paid to ADX Marketing;

c) If the Consultant is transferring from one Sponsor in a group to a Sponsor in a different group, ADX Marketing will require written approval from all Consultants in the existing group which are upline from the transferring Consultant; and

d) Any transfer approval shall be limited to the Consultant requesting the transfer and not to the transferring Consultant's downline, subject to prior written approval from ADX Marketing.

4.06 **Non-Transfer Option.**

In the event a Consultant wishes to transfer from one Sponsor to another and not follow the process described in Section 4.05 above, the Consultant has the option to follow the process outlined in this Section 4.06:

a) Consultant must terminate its current membership account (Consultant's former group will remain the same as before the account termination);

b) Consultant must remain inactive for a period of twelve (12) months following termination of their account (as used in this Section 4.06, "inactive" means no purchase of products from ADX Marketing, no sales of products to Customers, no sponsoring of any new Consultants, no participation in Consultant activities, e.g., training or ADX Marketing events, and no operation of any ADX Marketing business);

c) Upon expiration of the 12-month waiting period, Consultant must complete a new Application and complete the process included in Section 2.02 under a new Sponsor.

The transferring Consultant may submit a written request to ADX Marketing asking the company to waive or reduce the 12-month waiting period, which will be decided in the company's sole discretion.

4.07 **New Consultant's Association with Sponsor Consultant.**

As a general matter, ADX Marketing recognizes that a potential Consultant should be entitled to sign on with any Consultant sponsor of their choosing. However, a unique circumstance exists when an existing Consultant has undertaken a very serious sales and relationship effort to cause a prospective customer to become, not merely a one-time Customer, but a new Network Consultant. In this situation, ADX Marketing has determined that the very serious efforts of the selling Consultant should be honored and respected. To this extent, ADX Marketing has adopted a policy that a Customer or Elite Member who decides to become a Consultant will be deemed to be associated and sponsored by the original Consultant who expended the effort to sign up the Customer or Elite Member as a Consultant.

4.08 **Prohibited Application and Enrollment Activities.**

The following application and enrollment activities by Consultants are strictly prohibited by ADX Marketing and considered as fraudulent:

1) Submission of Customer, Elite Member, or Consultant account Applications on behalf of individuals or entities without their knowledge and their personal execution of an Application form, as applicable.
2) Any attempted enrollment of Customers, Elite Members, individuals, or entities in the Network without their knowledge and written permission.
3) Completion of an account Application or enrollment in the Network of an individual or entity that does not exist ("phantoms").

4.09 **Cross-Sponsoring Prohibition.**

Cross-Sponsoring is strictly prohibited. "Cross-Sponsoring" is defined as the enrollment or attempted enrollment by a Sponsor of a Consultant in their team when such Consultant has an existing Application on file with ADX Marketing, and/or who has been part of a different Sponsor team within the preceding twelve (12) months. The use of a spouse's or relative's name, trade names, DBA's, assumed names, corporations, partnerships, trusts, federal ID numbers, fictitious ID numbers, any straw-man or other artifice to circumvent this policy is prohibited. Sponsors shall not demean, discredit or defame other Sponsors in an attempt to entice a Consultant to change teams. This Policy shall not prohibit the transfer of an ADX Marketing business in accordance with Section 4.05 or 4.06. If Cross-Sponsoring is discovered, it must be brought to ADX Marketing's attention immediately. ADX Marketing will resolve the matter within its sole discretion, including without limitation, taking disciplinary action against the Sponsor and/or Consultant who encouraged or participated in the Cross-Sponsoring.

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SECTION FIVE: RESIGNATION AND TERMINATION OF CONSULTANTS AND ELITE MEMBERS

5.01 **Voluntary Resignation.**

Subject to payment of all amounts due and owing ADX Marketing for products, a Consultant or Elite Member may voluntarily terminate their Consultant or Elite Member status by: 1) not paying the annual Fee; or 2) by sending a written notice of resignation to ADX Marketing. A voluntary resignation is effective upon receipt of such notice by ADX Marketing. A Consultant or Elite Member who resigns their Consultant or Elite Member status may reapply as an Elite Member or entry level Consultant twelve (12) months after resignation. When a Consultant voluntarily terminates their membership, Consultant's downline shall automatically roll up to the first upline Consultant.

5.02 **Suspension.**

A Consultant may be suspended for violating any terms of the Policies in this statement, the Compensation Plan, and other Consultant requirements provided by ADX Marketing. When a decision is made to suspend Consultant, ADX Marketing will provide notice to Consultant by electronic notification of the reason for the suspension, the effective date and length of the suspension period, and the steps necessary to remove such suspension, if any. Such suspension may or may not lead to termination of Consultant's position which will be determined by ADX Marketing in its sole discretion. ADX Marketing may take certain actions during the suspension period, including but not limited to, any or all of the following:

a) Prohibit Consultant from holding Consultant meetings or attending events as a Consultant of ADX Marketing, or using any of ADX Marketing's proprietary marks and/or materials;

b) Withhold commissions and bonuses due Consultant during the suspension period;

c) Prohibit Consultant from purchasing products and services from ADX Marketing; and/or

d) Prohibit Consultant from sponsoring new Consultants, contacting current Consultants, or attending Consultant meetings.

An Elite Member may be suspended for violating any applicable terms of the Policies. ADX Marketing may take certain actions in its sole discretion during the suspension period, including but not limited to, prohibiting the Elite Member from purchasing products from ADX Marketing. Such suspension may or may not lead to termination of the Elite Member's account which will be determined by ADX Marketing in its sole discretion.

Consultant or Elite Member may appeal their termination as set forth in Section 5.05. If ADX Marketing, in its sole discretion, determines that the violation that caused the suspension is continuing, has not been satisfactorily resolved, or a new violation involving the suspended Consultant or Elite Member has occurred, the suspended Consultant or Elite Member may be terminated under Section 5.03.

5.03 **Termination.**

A Consultant or Elite Member may be terminated for violating the terms of any Policy included in this statement, and a Consultant may also be terminated for violating the terms of the Consultant Compensation Plan, and other Consultant requirements provided by ADX Marketing. ADX Marketing, in its sole discretion, may terminate a Consultant or Elite Member in violation of any Policy or Consultant requirement, as applicable, without placing them on suspension. ADX Marketing will provide Consultant or Elite Member with notice of the termination by electronic notification. Termination will be effective thirty (30) days from the date of the notification. Consultant or Elite Member may appeal their termination as set forth in Section 5.05.

5.04 **Actions of Immediate Family and Affiliates.**

If an individual who is part of an Elite Member or Consultant's immediate family or household engages in any activity which, if performed by the Elite Member or Consultant would violate any one of these Policies, such violation may be deemed a violation by the Elite Member or Consultant. ADX Marketing reserves the right to take disciplinary action against the Elite Member or Consultant under these Policies. If an individual who is associated in any way with an Elite Member or Consultant business entity as described in Section 2.09 violates any one of these Policies, such violation may be deemed a violation by the Elite Member or Consultant business entity, and ADX Marketing reserves the right to take disciplinary action against the entity.

5.05 **Appeal.**

If a Consultant or Elite Member wishes to appeal their suspension or termination, ADX Marketing must receive the appeal in writing within fifteen (15) days from the date of notice of suspension or termination. If no appeal is received within the fifteen (15) day period, the suspension or termination will automatically be deemed final. If Consultant or Elite Member timely submits a notice of appeal, ADX Marketing will review the appeal and notify Consultant or Elite Member of its decision within thirty (30) business days after receipt of the appeal. The decision of ADX Marketing is final and is not subject to further review. If neither the suspension nor the termination is rescinded, the suspension or termination will remain effective as of the date stated in the original suspension or termination notice.

5.06 **Effect of Termination.**

Immediately upon termination for any reason, the terminated Consultant or Elite Member shall:

a) Remove and permanently discontinue the use of the trademarks, service marks, trade names and any signs, labels, stationery, or advertising referring to or relating to any ADX Marketing product/service, the company, and the Network, including without limitation, on Consultant's website and in social media;

b) Cease to represent themselves as a Consultant or Elite Member of ADX Marketing;

c) Consultants will lose all rights to their position in the Network, to sponsorship, their position in the Compensation Plan, and to all future commissions and bonuses under the Compensation Plan;

d) Promptly and without further demand pay in full all amounts due and owing to ADX Marketing; and

e) Take all action reasonably required by ADX Marketing relating to protection of its confidential and proprietary information.

ADX Marketing has the right to offset the following amounts from commissions or bonuses due to Consultant at the time of termination: (1) any amounts owed by Consultant to ADX Marketing, and (2) an estimate of the reasonable amount that Consultant owes under the terms of its indemnity obligation, if any, incurred pursuant to Section 11.03 below.

5.07 **Reapplication.**

The acceptance of any reapplication of a terminated Consultant or Elite Member - or the application of any family member of a terminated Consultant or Elite Member shall be in the sole discretion of ADX Marketing and may be denied.

SECTION SIX: TRANSFER OF ACCOUNTS

6.01 **Acquisition of Account.**

Any Elite Member or Consultant wishing to acquire an interest in another Elite Member or Consultant's ADX Marketing account ("Account") shall first terminate their existing Account and wait twelve (12) months before becoming eligible for a transfer. Following the 12-month waiting period, Elite Member or Consultant may re-apply as an Elite Member or Consultant under Section 2.01. All Account transfers are subject to compliance with the transfer process included in Section 6.02.

6.02 **Transfer of Account.**

Any Elite Member or Consultant wishing to transfer their Account to another (acquiring) Elite Member or Consultant must comply with the following requirements:

a) Elite Member or Consultant must submit a written request to ADX Marketing for approval of the transfer;
b) Along with the written request, Elite Member or Consultant must include written consents from both parties agreeing to the purported Account transfer together with copies of their current government IDs;
c) Both parties to the transfer must be in good standing with no outstanding debt to ADX Marketing, and not in suspension under Section 5.02;
d) A transfer fee in the amount of $100 USD shall accompany the request;
e) ADX Marketing reserves the right, in its sole discretion, to require additional terms and conditions, and additional documentation prior to approval of any proposed transfer; and
f) ADX Marketing reserves the right to disapprove any transfer in its sole discretion.

Upon written approval by ADX Marketing, the transferring Account shall be merged into the acquiring Account as a single Account.

6.03 **Circumvention of Policies.**

If ADX Marketing determines that an Elite Member or Consultant Account was transferred to circumvent compliance with Section 6.02, the transfer shall be declared null and void. ADX Marketing reserves the right to take appropriate action up to and including termination against the involved Elite Member or Consultant to ensure compliance with the Policies in this statement.

6.04 **Transfer of Consultant Account Upon Death; Termination of Elite Member Account Upon Death.**

Upon the death of a Consultant their Account will pass to their successors-in-interest as provided by law, however, ADX Marketing will not recognize such a transfer until the successor-in-interest has completed the application process and submitted required information as stated in Section 2.01. Successor must include a certified copy of the death certificate, will, trust or other legal document to evidence transfer of ownership. The successor will thereafter be entitled to all the rights and be subject to all the obligations of an ADX Marketing Consultant including without limitation, the Policies included in this statement.

Upon the death of an Elite Member, their Account shall automatically terminate, subject to ADX Marketing's right to collect unpaid amounts owed by Elite Member prior to death.

6.05 **Transfer of Consultant Account Upon Incapacitation; Termination of Elite Member Account Upon Incapacitation.**

ADX Marketing will not recognize an Account transfer due to the incapacity of a Consultant until the successor-in-interest (or trustee) has completed the application process and submitted required information as stated in Section 2.01. Successor must include a notarized copy of its appointment as trustee and a notarized copy of the trust document or other documentation establishing the trustee's right to administer the Consultant Account. The successor will thereafter be entitled to all the rights and be subject to all the obligations of an ADX Marketing Consultant including without limitation, the Policies.

Upon the incapacitation of an Elite Member, their Account shall automatically terminate, subject to ADX Marketing's right to collect unpaid amounts owed by Elite Member prior to incapacitation.

SECTION SEVEN: CONFIDENTIAL INFORMATION

7.01 **ADX Marketing Confidential Information.**

ADX Marketing may supply to Elite Member or Consultant confidential, proprietary, or trade secret information including, but not limited to genealogical and downline reports, customer lists, customer information developed by ADX Marketing, or developed for and on behalf of ADX Marketing by its Consultants (including, but not limited, to credit data, Customer and Elite Member profiles and product purchase information), Consultant, Elite Member, and Customer lists, manufacturer and supplier information, business reports, commission or sales reports and such other financial and business information which ADX Marketing may designate as confidential, proprietary, or trade secret. All such information (whether in written or electronic form) is confidential, proprietary or trade secret to ADX Marketing and is transmitted to Elite Member or Consultant in strictest confidence on a "need to know" basis for use solely in connection with the purchase of products or Elite Member or Consultant's business with ADX Marketing. Elite Members and Consultants shall use their best efforts to keep confidential, proprietary or trade secret information protected and shall not disclose any such information to any third party, directly or indirectly. Consultants shall not use the information to compete with ADX Marketing or for any purpose other than promoting ADX Marketing's program and its products. Upon expiration, non-renewal, or termination of an Elite Member or Consultant's relationship with ADX Marketing, Elite Member or Consultant shall discontinue the use of such confidential, proprietary or trade secret information and upon request, shall promptly return any confidential, proprietary or trade secret information in their possession to ADX Marketing.

SECTION EIGHT: INTELLECTUAL PROPERTY

8.01 **Trademarks and Copyrights.**

ADX Marketing's name, trademarks, trade names, service marks, service marks, domain names, designs, logos, symbols and copyrighted materials (collectively, "ADX Marketing IP") are owned by ADX Marketing. Any use by Consultants and Elite Members of ADX Marketing IP shall be in strict compliance with these Policies or by prior written permission. Neither Consultants nor Elite Members shall use or attempt to register any ADX Marketing IP, or derivative thereof, without prior written permission from the company. Only ADX Marketing is authorized to create and provide marketing and advertising literature or similar materials using ADX Marketing IP. Subject to prior written permission from ADX Marketing, Consultants and Elite Members may not produce or reproduce for sale, distribution, or personal use any audio or video recordings, or still photographs of ADX Marketing events or of audio or video presentations by the company. ADX Marketing may, in its sole discretion, release a summary video of the event upon its conclusion.

8.02 **Reverse Engineering Prohibited.**

Consultants and Elite Members shall not, directly or indirectly, copy or reverse engineer any ADX Marketing systems, software or similar business structures used in the operation of the company.

8.03 **Use of ADX Marketing Name by Consultants.**

Use of the ADX Marketing name by Consultants on any products not provided or authorized by ADX Marketing is prohibited, except in the manner described below:

Mary Jones
Independent Marketing Consultant
ADX Marketing™

Consultants must always represent clearly that they are Independent Marketing Consultants of ADX Marketing and not an employee or agent of ADX Marketing company.

8.04 **Consultant Imprinted Checks.**

Consultants are not permitted to use ADX Marketing name or any of its trademarks or service marks on their business or personal checking accounts; however, Consultants may imprint their business checks as being an "ADX Marketing Consultant."

8.05 **Consultant Imprinted Business Cards or Letterheads.**

Consultant is not permitted to create Consultant's own stationery, business cards or letterhead graphics using ADX Marketing's trade name and/or trademarks. Only graphics and wording created by or approved by ADX Marketing are permitted. Company approved business card templates for Consultants are provided in the ADX Member Center.

8.06 **Consultant Print and Electronic Advertising.**

Only ADX Marketing-produced or pre-approved promotional and advertising materials may be used to advertise or promote a Consultant's business or sell products of ADX Marketing in any print or electronic media, including on an internet website. No person shall use ADX Marketing name, logos, trademarks, or copyrighted material in any advertising not produced by ADX Marketing or without prior express written permission. ADX Marketing's literature and materials may not be duplicated or reprinted without prior written permission of ADX Marketing. ADX Marketing's consent or approval may be withheld in its sole discretion. Banners, trade show materials and the like must be pre-approved in writing by ADX Marketing.

8.07 **Consultant Internet Restrictions.**

A Consultant is prohibited from using any trademarks of ADX Marketing, including the name "ADX Marketing," the ADX Marketing logo, and the name of any of the products, or any other trade names, trademarks, or distinctive phrases, except for the approved marketing materials provided by ADX Marketing to its Consultants in the ADX Member Center. If a Consultant desires to provide a link on Consultant's personal website directly to ADX Marketing's website, the Consultant must follow the process included in Section 9.02.

8.08 **Consultant Telephone Answering.**

Consultants may not answer the telephone by saying "ADX Marketing" or answer in any other manner that would lead the caller to believe that the call has reached the corporate offices of ADX Marketing.

8.09 **Violation of Section 8.**

Violation of any of the Policies in this Section 8 by a Consultant or Elite Member is grounds for termination at the discretion of ADX Marketing, and the company reserves the right to pursue legal action for any and all claims allowed under applicable law arising from the unauthorized use of ADX Marketing IP.

SECTION NINE: PROMOTION AND ADVERTISING BY CONSULTANTS

9.01 **Representation of ADX Marketing and Products.**

Consultants shall represent ADX Marketing and its products in a manner that maintains a positive image for the company and its products. The Policies in this Section 9 are designed to ensure ADX Marketing's reputation and integrity which, in turn, benefits Consultants' businesses. The company prohibits Consultants from engaging in any false, deceptive or misleading advertising of the products. Consultants shall represent ADX Marketing and the products as provided in these Policies and any other rules or procedures that may be disseminated by the company.

9.02 **Consultant Websites**.

Consultants may utilize an Internet webpage/website to promote their business through the ADX Marketing official website subject to their use of ADX Marketing templates available at the ADX Member Center. Alternatively, Consultants may develop their own website, subject to the following conditions:

a) Consultants shall use solely the approved text posted on the ADX Marketing official website;

b) Consultants shall not supplement the content of their website with text from any source other than that authorized by ADX Marketing;
c) Consultants shall submit their proposed website(s) to ADX Marketing for prior written approval before their website is available to the public;
d) Consultants' websites must comply with the Policies set forth in Section 8, including without limitation, the use of the ADX Marketing name and ADX Marketing IP; and
e) Consultants must clearly represent that they are Independent Marketing Consultants and are not employees or agents of ADX Marketing.

9.03 **Social Media Usage**.

Consultants may use online blogs, chat rooms, social networks, online auctions sites, videos, or any other similar online forum to market, sell, advertise, and promote ADX Marketing's products subject to compliance with the terms of these Policies, including without limitation, the Policies set forth in Section 8, and other rules and procedures that may be disseminated by the company.

9.04 **Unsolicited Email and Text Restrictions**.

ADX Marketing prohibits Consultants from sending unsolicited commercial emails and texts advertising products unless such emails and texts strictly comply with these Policies, all applicable laws and regulations, and each of the following requirements:

a) There must be a functioning return email or text address to the Consultant as the sender;
b) The email or text must include an "Unsubscribe" link and the Consultant's physical mailing address;
c) Consultants shall promptly honor all opt-out requests received by email or regular mail, or text;
d) The email or text must clearly and conspicuously disclose that the message is an advertisement or solicitation; and
e) The use of deceptive subject lines and/or false header information is strictly prohibited.

9.05 **Unsolicited Telefax Restrictions**.

ADX Marketing prohibits Consultants from using or transmitting unsolicited telefaxes, and from using an automatic telephone dialing system to advertise products, subject to the exceptions expressly described below.

As used in this Section 9.05, the term "unsolicited faxes" means the transmission via telephone facsimile or computer system of any advertisements or promotions of ADX Marketing products, or information about the company without the recipient's prior request or consent.

As used in this Section 9.05, the term "automatic telephone dialing system" means equipment and/or software which has the capacity to store or produce telephone numbers to be called, and to dial such numbers without the recipient's prior request or consent.

Communications from Consultants to the following groups of people are exempt from the prohibitions in this Section 9.05:

1) Any person with whom the Consultant has an established business or personal relationship. As used in this Section 9.05, the term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between Consultant and a person on the basis of an inquiry, application, purchase or transaction by the person regarding ADX Marketing products or the company; and
2) Any individual with whom Consultant has a personal or familial relationship, which relationship has not been previously terminated by either party.

9.06 **Telemarketing Prohibition.**

Consultants shall not engage in telemarketing in their advertising or promotion of ADX Marketing products. As used in this Section 9.06, the term "telemarketing" means the placing of one or more telephone calls to an individual or

entity to induce the purchase of an ADX Marketing product/service, or to recruit them to join the Consultant Network. Telemarketing calls are often referred to as “cold calls" and are prohibited. Consultants shall not place or initiate any outbound telephone calls to any person that delivers pre-recorded messages (or, "robocalls") regarding or relating to ADX Marketing’s products or the company.

Telephone calls in any one of the following cases to prospective Customers and Consultants (“Prospects”) for the purpose of persuading the Prospect to purchase products and/or to join the Network are not subject to this prohibition:

1) If Consultant has an established business relationship with the Prospect. As used in this Section 9.06, the term “established business relationship” means a relationship between a Consultant and a Prospect based on the Prospect’s prior purchase, rental, or lease of goods or services from Consultant, or a financial transaction between the Prospect and Consultant within the eighteen (18) month period immediately preceding the date of the call;
2) If the Prospect has made a personal inquiry of Consultant regarding an ADX Marketing product/service within the three (3) month period immediately preceding the date of the call;
3) If the Consultant receives a written and signed authorization from the Prospect permitting Consultant to call the telephone number(s) specified in the authorization; or
4) Consultants may call family members, personal friends, and acquaintances. As used in this Section 9.06, the term “acquaintance” means someone with whom Consultant has had a first-hand relationship within the preceding three (3) months of the call.

9.07 **Third Party Inquiries**.

Consultants shall promptly direct all inquiries from third parties about ADX Marketing, products, or the Network to the company via the ADX Member Center. As examples only, third parties may include the media, financial institutions, banks, credit card companies, or government authorities. Consultants shall not respond to any such inquiries without first conferring with ADX Marketing to ensure that responses are factually and fully accurate.

9.08 **Participation in Other Marketing Programs.**

Consultants may participate in similar marketing programs operated by companies other than ADX Marketing (“Non-ADX Companies”), subject to the following requirements:

a) Consultants must ensure that their ADX Marketing business is operated entirely separate and apart from their business related to Non-ADX Companies;
b) Consultants shall not display advertisements or promotional materials for ADX Marketing products along with or in the same locations (including virtual meetings) as any similar materials for products or services offered by Non-ADX Companies;
c) Consultants shall not sell any ADX Marketing products at an event sponsored by a Non-ADX Company;
d) Consultants shall not promote the ADX Marketing Network in conjunction with any programs or opportunities offered by Non-ADX Companies;
e) Consultants shall not promote any programs or opportunities offered by Non-ADX Companies while participating in or attending an ADX Marketing convention, meeting, seminar or similar event - or within a five (5) mile radius of such event. If the ADX Marketing event is conducted on the internet or telephonically, Consultant must complete the promotion of Non-ADX Company programs, products or services at least two (2) hours before or after the ADX Marketing event, and use a different conference telephone number or internet address from the ADX Marketing event;
f) Consultant shall not, directly or indirectly, while they are a member of the ADX Marketing Consultant Network, and for a period of six (6) months following termination of their Consultant status, recruit other Consultants or Customers to join any programs, networks or similar opportunities offered by Non-ADX Companies; and

g) Consultant shall not, directly or indirectly, while they are a member of the ADX Marketing Consultant Network, and for a period of six (6) months following termination of their Consultant status, promote or sell any products or services of a Non-ADX Company to any Consultants.

SECTION TEN: PAYMENT OF COMMISSIONS AND BONUSES TO CONSULTANTS

10.01 **Purchase and Sale of Products.**
Below are highlights of how products are purchased and sold:

a) Consultants buy products online directly from ADX Marketing and use them for their own personal use. Consultants also promote products to Customers and Elite Members and other buyers outside of the Network.
b) Customers and Elite Members buy products online directly from ADX Marketing. Some, but not all, Customers and Elite Members buy products as a result of a Consultant's marketing efforts.

10.02 **Basis for Commissions and Bonuses.**
No product purchase is required for Consultants to participate in the Network or to advance within the Network. Commissions and bonuses are paid to Consultants based ONLY on the sale of products and their active participation in the Network as applicable for each product. Consultants cannot earn commissions or bonuses solely from the recruitment of other Consultants. Consultants earn commissions and bonuses from making sales of product to Consultants, Elite Members, and Customers in accordance with the 50% Rule.

10.03 **The 50% Rule.**
To qualify for any commissions or bonuses under the Compensation Plan, a minimum of 50% of Consultants' personal sales volume (or "PSV") must represent product purchases from Customers and Elite Members (non-Consultants), collectively, resulting from Consultants' marketing efforts. For example, if Consultant is required to achieve a PSV of $100 in order to qualify for a bonus, $50 of their PSV must come from sales to Customers and/or Elite Members. ADX Marketing will track sales to Consultants, Elite Members and Customers in their individual accounts to verify compliance with the 50% Rule. All product purchases by Customers and Elite Members must include the Consultant's identity so that ADX Marketing can credit such purchases to the Consultant. On a quarterly basis, the company will conduct random audit verifications. Consultants shall be prepared to assist ADX Marketing in these efforts.

10.04 **Overview of Consultant Compensation Plan.**
The Compensation Plan is designed to incentivize Consultants to create demand for products in the market. Neither Customers nor Elite Members are eligible to participate in the plan. Specific details and terminology in the Compensation Plan may change from time to time. Any particular plan will include the following features:

a) Participation in the Compensation Plan is voluntary.
b) The 50% Rule.
c) Expansion of the Network originates with Consultants sponsoring new Consultants into the Network, however, Sponsor Consultants are only paid based on the sales volume of new Consultants in their downlines.
d) Consultants may be rewarded for active engagement using the products as applicable to certain products.
e) Consultants receive a special bonus for selling products to new buyers who have never done business with ADX Marketing.

10.05 **Prohibited Buying Practices.**

The success of the ADX Marketing Program depends on bona fide sales of products to Customers, Elite Members, and other buyers outside of the Network. Toward that end, each of the following practices are strictly prohibited by ADX Marketing and will result in prompt disciplinary action under Section 5.02 and/or Section 5.03:

1) Stockpiling or purchasing of products primarily for purposes of qualifying for commissions, bonuses and any similar rewards available under the Compensation Plan. **ADX Marketing tracks usage or consumption of products by Consultants (and Elite Members and Customers) in its system to prevent stockpiling.**
2) Purchases in unreasonable amounts to attempt to qualify for monetary rewards or advancement in the program. As used in the Policies, "unreasonable amounts" are purchases of products that cannot reasonably be consumed or resold within a commercially reasonable period of time depending on the nature of the product.
3) Any other actions that are intended to qualify the Consultant for commissions, bonuses, or rewards under the Compensation Plan, or advancement in the Network that are not directly related to a bona fide product purchase by a Customer or Elite Member.

10.06 **Return Policy; Offset of Commissions.**

ADX Marketing offers a full refund for products if they are returned within 72 hours of the purchase date using the *Estimate Refunds* page in the ADX Member Center. Any commissions or bonuses earned and paid on products returned is the obligation of the Consultant and shall be repaid to ADX Marketing by the Consultant originally paid such commissions or bonuses. ADX Marketing has the right to offset such amounts against future commissions and other bonuses paid or owed to Consultant and Consultant's upline who participated in an override.

10.07 **Errors or Questions.**

If a Consultant has any questions about or believes any errors have been made regarding payment of commissions or bonuses, records or reports, the Consultant shall notify ADX Marketing in writing via a support ticket in the ADX Member Center within sixty (60) days of the date of the purported error or incident in question. ADX Marketing is not responsible for any errors, omissions or problems reported to the company after the 60-day period.

10.08 **Consultant Sales Reports.**

ADX Marketing maintains business records on behalf of Consultants, individually, and on the performance of Consultants in the Network, collectively. Consultants may access their individual accounts 24/7. Records regarding performance of the Network are available through the ADX Member Center and include, by way of example, daily statistics, bonus earning reports, cash-out reports, annual payment summaries and purchase reports. All such records shall be treated as Confidential Information under Section 7.

10.09 **Records Requests; Consultant Record Keeping.**

Most Consultant business records are available for download upon request. However, ADX Marketing encourages Consultants to maintain complete and accurate records regarding the operation of their businesses.

10.10 **ADX Marketing Disclaimer (Reports and Records).**

ADX Marketing uses reasonably commercial efforts to maintain and provide Consultants with accurate and complete information under Sections 10.08 and 10.09. However, due to various factors including but not limited to: 1) the inherent possibility of human and/or mechanical error; 2) the accuracy, completeness, and timeliness of orders; 3) denial of credit card and electronic check payments; 4) returned products; and, 5) credit card and electronic check charge-backs, the information is not guaranteed by ADX Marketing or any persons creating or transmitting the information.

SECTION ELEVEN: GENERAL PROVISIONS

11.01 **Choice of Law, Jurisdiction and Venue**.

a) **Asia.** For business conducted in Asia, these Policies are governed by the substantive and procedural laws of Singapore, without reference to any conflicts of law principle that would apply the substantive laws of another jurisdiction to the parties' rights or duties. Consultant and Elite Members in Asia consent to the personal and exclusive jurisdiction of Singapore. This subsection 11.01 (a) governs all claims arising out of or related to these Policies, including without limitation tort claims. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply to any products provided by ADX Marketing.

b) **United States.** For business conducted in the United States, these Policies are governed by the substantive and procedural laws of the State of Wyoming without reference to any conflicts of law principle that would apply the substantive laws of another jurisdiction to the parties' rights or duties. United States Consultants and Elite Members consent to personal and exclusive jurisdiction of the state and federal courts located in Laramie County, Wyoming. This subsection 11.01 (b) governs all claims arising out of or related to these Policies, including without limitation tort claims.

11.02 **Dispute Resolution**.

In the event of any controversy or dispute between a Consultant or Elite Member and ADX Marketing arising out of or in connection with these Policies or any related business dealings, the parties shall attempt, promptly and in good faith, to resolve any such dispute by engaging such representatives of each party as may be appropriate in the circumstances. If the parties are unable to resolve any such dispute within a reasonable time (not to exceed thirty (30) days), then the parties shall resolve the dispute as stated below:

a) **Asia.** For disputes arising with Consultants and Elite Members in Asia, the parties shall submit such controversy or dispute to non-binding mediation in Singapore. Each party shall bear its own expenses in connection with the mediation and share equally the fees and expenses of the mediator, except as may be provided in any mutually agreeable settlement. If the dispute cannot be resolved through mediation within forty-five (45) days of submission to mediation, then the dispute shall be settled by binding arbitration conducted on a confidential basis with the Singapore International Arbitration Centre (the "SIAC"). Any arbitration shall be held in Singapore before a disinterested arbitrator selected by the SIAC, which shall be conducted in accordance with the SIAC rules of arbitration.

b) **United States.** For disputes arising with Consultants and Elite Members in the United States, the parties shall submit such controversy or dispute to non-binding mediation in Laramie County, Wyoming. Each party shall bear its own expenses in connection with the mediation and share equally the fees and expenses of the mediator, except as may be provided in any mutually agreeable settlement. If the dispute cannot be resolved through mediation within forty-five (45) days of submission to mediation, then the dispute shall be settled by binding arbitration conducted in Laramie County, Wyoming under the American Arbitration Association rules and procedures.

11.03 **Consultants Indemnification Obligations.**

Consultants are solely responsible for all of their verbal and written statements made regarding ADX Marketing and its business operations, the products, the Compensation Plan and similar matters related to the company which are not expressly contained in official ADX Marketing materials written by the company or pre-approved in writing. Consultants shall indemnify and hold harmless ADX Marketing, its shareholders, officers, directors, employees, agents and successors in interest from, and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys' fees, asserted against or suffered or incurred by any of them, directly or indirectly, arising out of or in any way related to, or connected with, allegedly or otherwise: (a) Consultants' unauthorized representations or actions; (b) the operation of Consultants' business; (c) breach of any one of the Policies; (d) any incorrect or wrong data or information provided by Consultant; (d) any copyright violation in connection with materials provided by Consultant; and/or (e) violation of or failure to comply with any applicable Singapore law or United States Federal or State law, as applicable, or similar local laws or regulations.

11.04 **No Class Actions or Representative Proceedings: Waiver of Jury Trial**.

Consultants and Elite Members acknowledge and agree that, to the fullest extent permitted by law, they each are waiving the right to participate as a plaintiff or class member in any purported class action lawsuit, class-wide arbitration, private attorney general action, or any other representative or consolidated proceeding. Unless all parties to an action submitted to arbitration with the SIAC agree in writing, the arbitrator may not consolidate more than one party's claims and may not otherwise preside over any form of any class or representative proceeding. If there is a final judicial determination that applicable law precludes enforcement of the waiver contained in this Section 11.04 as to any claim, cause of action or requested remedy, then that claim, cause of action or requested remedy, and only that claim, cause of action or requested remedy, will be severed from this Policy to arbitrate and will be brought in a court of competent jurisdiction. In the event that a claim, cause of action or requested remedy is severed pursuant to this Section 11.04, then Consultants and Elite Members agree that the claims, causes of action or requested remedies that are not subject to arbitration will be stayed until all arbitrable claims, causes of action and requested remedies are resolved by the arbitrator. Further, the parties understand and agree that each is waiving the right to a trial by jury.

11.05 **Limitation of Damages.**

To the extent permitted by law, ADX Marketing and its affiliates, officers, directors, employees and other representatives shall not be liable for, and Consultants and Elite Members hereby release the company from and waive any claim for loss of profit, incidental, special, consequential or exemplary damages which may arise out of any claim whatsoever relating to ADX Marketing's performance, non- performance, act or omission with respect to the business relationship or other matters between any Consultant or Elite Member and ADX Marketing, whether arising in contract, tort or strict liability. Furthermore, it is agreed that any damages to a Consultant or Elite Member shall not exceed, and is hereby expressly limited to, the value of any products purchased by Consultant or Elite Member, and as to any Consultant, to any commissions or bonuses owed to Consultant according to the business records of ADX Marketing.

11.06 **Force Majeure.**

ADX Marketing shall not be responsible for delays or failures in the performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, flood, fire, death, curtailment of a party's source of supply, or government decrees or orders, epidemics, pandemics, outbreaks of infectious disease or any other public health crisis, including quarantine or other restrictions, or other "acts of God."

11.07 **Severability of Policies**.

If any provision in these Policies is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

11.08 **Non-Waiver.**

No failure of ADX Marketing to exercise any power under the Policies or to insist upon strict compliance by Consultant or Elite Member with any obligation or provision included in these Policies, and no custom or practice of the parties at variance with any Policy shall constitute any waiver of ADX Marketing's right to demand strict compliance with any one of the Policies. ADX Marketing's waiver of any particular violation by a Consultant or Elite Member shall not affect or impair ADX Marketing's rights with respect to any subsequent violation, nor shall it affect in any way in the rights or obligations of any other Consultants or Elite Members. No delay or omission by ADX Marketing to exercise any right arising from a Policy violation will affect or impair ADX Marketing's rights as to that or any subsequent violation. Any waiver by ADX Marketing must be in writing provided by an authorized officer of ADX Marketing.

SECTION TWELVE: CODE OF PROFESSIONAL ETHICS (CONSULTANTS)

Consultants are expected to conduct their business in a legal and ethical manner. Consultants shall at all times treat ADX Marketing representatives, fellow Consultants, Customers, Non-Consultants and others related to their business with respect, honesty, and in accordance with the highest standards of conduct. Therefore, each Consultant agrees

to abide by and subscribe to the code of professional ethics (the "Code of Ethics") contained in this Section 12.

Consultants shall:

12.01 Be honest and fair in all their dealings while acting as a Consultant of ADX Marketing.

12.02 Be courteous and respectful to every person contacted in the course of their ADX Marketing business.

12.03 Perform all professional activities in a manner that will enhance Consultants' reputation and the reputation of ADX Marketing.

12.04 Fulfill their Sponsor leadership responsibilities, as applicable, including training and otherwise supporting fellow Consultants in their uplines and/or downlines.

12.05 Maintain sole responsibility for all financial and/or legal obligations incurred by Consultant in the operation of their business, including without limitation, paying any applicable taxes, e.g., income taxes, sales taxes, and similar personal fees.

Consultants shall NOT:

12.06 Engage in any deceptive or illegal practice, or any practice prohibited by the Policies.

12.07 Solicit consultants or similar sales representatives of another direct sales company to sell ADX Marketing products or to become Consultants for ADX Marketing. Such solicitation could encourage other sales representatives to violate the terms of their agreement or policies of another company. ADX Marketing seeks to promote the reputation of all reputable network marketing companies that are furthering the cause of personal independence for their consultants.

12.08 Use business information from other companies that they may regard as confidential or proprietary (as defined in Section 7).

12.09 Engage in conduct which negatively impacts, disrupts or impairs the reputation or business of ADX Marketing or other Consultants, including, but not limited to: disparagement of ADX Marketing and of its employees including officers or of other Consultants; manipulation of the Compensation Plan; undermine the training systems utilized by ADX Marketing; conduct which is abusive, disrespectful or intimidating of other Consultants, Customers, or ADX Marketing staff; conduct that undermines the relationship between ADX Marketing and Consultants or relationships between Consultants; conduct which is false, fraudulent, dishonest or deceptive in any way; or any other conduct which ADX Marketing deems disreputable or, in any way negatively impacts ADX Marketing or other Consultants.