

## **EllieMD Policies & Procedures (An extension of the Independent Contractor Agreement)**

**Independent Contractor Agreement:** This Agreement includes all legal documents that govern the relationship, terms, and conditions along with the Policies & Procedures with EllieMD and the Independent Brand Partner. A Business Entity and Leader Addendum would also be considered part of The Agreement. They are part of the contractual relationship between EllieMD referred to as “EllieMD” or “Company” and the Independent EllieMD Brand Partner referred to as “Brand Partner”, The Agreement also includes the EllieMD Compensation Plan, which outlines how The Brand Partner earns compensation through commission pay. The Agreement may be amended as needed at the Company’s discretion.

The following outlines terms, procedures, and policies for your EllieMD Business -

- 1. Independent Contractor Status:** Brand Partners are independent contractors and not employees, legal representatives, or franchisees of EllieMD. The Brand Partner are solely responsible for paying all expenses they incur, including but not limited to travel, food, lodging, secretarial, office, long-distance telephone, and other business expenses. **Brand Partners SHALL NOT BE TREATED AS ELLIEMD EMPLOYEES FOR FEDERAL OR STATE TAX PURPOSES.** The Company is not responsible for withholding and shall not withhold or deduct FICA, or taxes of any kind from Brand Partner compensation. Brand Partners are not entitled to workers’ compensation or unemployment security benefits from EllieMD. In all written, graphic, or digital material used for EllieMD business purposes, The Brand Partner must represent themselves as an independent representative or Independent Brand Partner. In verbal or written conversations, the Brand Partner shall not lead anyone to believe that they are employees of EllieMD.
- 2. Enrollment:** The Brand Partner agrees to remit a non-commissionable enrollment fee of \$49.00, (or less depending on the enrollment option), for establishing the Brand Partner’s business account and access to a suite of digital business resources, including their virtual back office. The Brand Partner must provide a valid Social Security Number or current US Work Visa to enter an Independent Contractor Agreement. Failure to provide the required information may result in termination of the Agreement and/or the suspension of any payments or Commissions due under the current Compensation Plan until a valid Social Security Number or US Work Visa is provided.
- 3. Minors:** A person recognized as a minor in his or her state of residence may not enroll as a Brand Partner. Brand Partners must be 18 years of age or older.
- 4. Income Taxes:** As an independent contractor, you are responsible for paying local, state, and federal taxes on any income generated as an EllieMD Brand Partner. Every year, EllieMD will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year. To facilitate this reporting, you must provide EllieMD with your Social Security Number, Employer Identification Number, or Taxpayer Identification Number as appropriate.
- 5. Adherence to the Agreement:** The Brand Partner must comply with The Agreement and the Company’s terms, procedures, and policies. If you do not, then it is your sole recourse to notify the Company and cancel your Brand Partner Agreement. Failure to cancel constitutes your

acceptance of the Policies & Procedures. You must be in good standing, and not in violation of The Agreement to be eligible for earnings through the current EllieMD Compensation Plan.

- 6. Amendments to the Agreement:** The Company reserves the right to amend The Agreement at its discretion. Amendments shall be effective 30 days after notice and publication of the amended terms or policies. A copy of the current Policies & Procedures is posted in the Brand Partner's Virtual Back-Office. Amendments shall not apply retroactively to conduct that occurred before the effective date of the amendment. If you do not agree to any amendments, your sole recourse is to cancel your Brand Partner account.
- 7. Ethical Business Practices.** Brand Partners shall always conduct their EllieMD business in a manner that reflects favorably at all times on the EllieMD products, services, opportunity, name, and brand. The Brand Partner shall not engage in deceptive, misleading, or unethical conduct or practices that could harm EllieMD, reputation, the products, or services. The Brand Partner shall comply with all laws, rules, regulations, and governmental requirements applicable to the operation of her/his independent EllieMD business and the performance of her/his obligations under this Agreement, including the marketing, promotion, and sale of EllieMD products and services. In addition, the Brand Partner shall: (i) not publish or use any misleading or deceptive advertising material regarding EllieMD; (ii) not make any statements, representations, guarantees, or warranties regarding the products that are inconsistent with those set forth in EllieMD product packaging or marketing materials (whether with regard to prices, quality, performance, standards, grades, contents, style or model, place of origin, availability, or otherwise); (iii) not distribute the EllieMD products or services outside of EllieMD's suite of business tools; (iv) not alter or modify any EllieMD branding/packaging, or take any action that affects or could affect the appearance, quality, content, or performance of any EllieMD product; (v) not place orders for the sole purpose of achieving a title, Rank, incentive, award, or bonus; (vi) not sell the EllieMD products, services or business through any online third party marketplaces such as Amazon.com, Walmart.com, eBay or any similar sites; and (vii) not make any online postings, or link to or from any postings or other material that is sexually explicit, obscene, pornographic, offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise), is graphically violent, is solicitous of any unlawful behavior, that engages in personal attacks on any individual, group, or entity, or is in violation of any intellectual property rights of the EllieMD or any third party.
- 8. Sales in Authorized Countries Only:** Brand Partner may only operate an EllieMD business or engage in EllieMD business activities in countries EllieMD is authorized to conduct business in. Due to legal and tax considerations, EllieMD products and services purchased in the United States cannot be delivered or sold in any foreign country for resale.
- 9. One Account Per Brand Partner:** A Brand Partner may not be a party to more than one Independent Brand Partner Agreement. There may be more than one Brand Partner per household. Each Brand Partner must operate as a standalone unit and each account is meant to represent that single Independent Contractor.
- 10. Term and Renewal of the Agreement:** The Agreement is on a month-to-month basis. A Brand Partner may cancel The Agreement at any time and for any reason. To continue as a Brand

Partner beyond the initial term of this Agreement, unless the Brand Partner has been terminated, each time they log into their virtual back office, accept a customer order or a commission payout, and/or pay their monthly \$5 technology fee, their Agreement is renewed.

EllieMD also reserves the right to terminate the Agreement with a Brand Partner who violates any of its policies, fails to pay their technology fee, meets the activity requirements, or defaults payment on their own personal order.

**A participant in the EllieMD Independent Brand Partner program has a right to cancel at any time, regardless of reason:** Cancellation must be submitted in writing to the company via email from the email account EllieMD has on file for the Brand Partner. Resignation requests must be submitted to [care@EllieMD.com](mailto:care@EllieMD.com).

- 11. Conflict of Interests:** EllieMD Brand Partners may sell for other Direct Sale companies or Affiliate programs if the product offering is not in direct competition with EllieMD. An example would be other telehealth companies or prescription-based companies within the United States. The exception would be partnering or selling for a company that has been or was created by EllieMD's Founder Hanieh Sigari. Brand Partners may not promote another direct sale or Affiliate program on their EllieMD team page or any EllieMD Group Page.

If a Brand Partner is engaged in another direct selling program or business, not founded, or co-founded by Hanieh Sigari, it is the responsibility of the Brand Partner to ensure that their EllieMD business is operated separately from all other direct selling programs. EllieMD can evaluate requests on a case-by-case basis because some products or services are complementary and will be permitted to be marketed alongside EllieMD products.

- 12. Assignment of Rights and Delegation of Duties:** Brand Partner may not assign any rights under the Agreement without the prior written consent of EllieMD. Any attempt to transfer or assign the Agreement without the written consent of the Company may result in the termination of The Agreement.
- 13. Waiver of Right of Publicity:** Brand Partners grant EllieMD an irrevocable license to reproduce and use their name, photograph, video, personal story, testimonial, or likeness in its advertising or promotional materials, including but not limited to use in online forums. The Brand Partner waives all claims for remuneration use and all rights to inspect or approve all draft, beta, preliminary, and finished material.
- 14. General Conduct:** Brand Partners shall safeguard and promote the good reputation of EllieMD and its products, and must avoid all illegal, deceptive, misleading, unethical, or immoral conduct or practices. Brand Partners agree they will exhibit high moral character in their personal and professional conduct. Brand Partners shall not engage in any conduct that may damage the Company's goodwill or reputation. While it is impossible to specify all misconduct that would be contrary to this provision, and the following list is not a limitation on the standards of conduct to which Brand Partners must adhere under this section, the following standards specifically apply to Brand Partner activities:

- Deceptive conduct is always prohibited.

- If The Agreement is canceled for any reason, the Brand Partner must discontinue using the EllieMD name, and all other EllieMD intellectual property, and all derivatives of such intellectual property, in postings on all social media, websites, or other promotional material.
- The Brand Partner may not represent or imply that any state or federal government official, agency, or body has approved or endorsed EllieMD, its program, or its products.
- The Brand Partner must not engage in any illegal, fraudulent, deceptive, or manipulative conduct in their business or personal life that, in the Company's sole discretion, could damage the Company's reputation.

**15. Social Media:** In addition to meeting all other requirements specified in these Policies & Procedures, should the Brand Partner utilize any form of social media in connection with their EllieMD business, including but not limited to blogs, Facebook, TikTok, LinkedIn, YouTube, or Pinterest, the Brand Partner agrees to each of the following:

- **Before promoting EllieMD services or business opportunities on social media, the Brand Partner must go through the product and income claims compliance training on EllieMD's training app.**
- The Brand Partner is responsible for the content they produce and their postings on any social media site on any social media account they own, operate, or control. The content of this material must align with the EllieMD policies and brand standards.
- The Brand Partner shall not make any social media postings, or link to or from any postings or other material that is sexually explicit, obscene, pornographic, offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, national origin, creed, religion, gender, gender identity, sexual orientation, physical or mental disability, or otherwise), is graphically violent, is solicitous of any unlawful behavior, that engages in personal attacks on any individual, group, or entity, or is in violation of any intellectual property rights of the Company or any third party.
- No product sales or enrollments may occur on or through any social media site. Social media postings must link only to the Brand Partner's EllieMD replicated website for sales and recruiting.
- It is each Brand Partner's responsibility to follow the social media site's terms of use.
- The Brand Partner shall respect the privacy of other social media users. Brand Partners shall not engage in abusive social media practices including but not limited to harvesting or trolling for connections, shaming, or bullying others.

**16. Earnings Claims.** When presenting or discussing the EllieMD opportunity or Compensation Plan to a prospect, The Brand Partner may not make income projections, income claims, income testimonials, or disclose their EllieMD income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records), or the income of any other EllieMD Brand Partner. Nor may the Brand Partner make "lifestyle" income claims. A "lifestyle" income claim is a statement or depiction that infers or states that the Brand Partner can enjoy a luxurious or successful lifestyle due to the income they earn from their EllieMD business. Examples of prohibited lifestyle claims include, but are not limited to, the following types of representations:

- That a Brand Partner (or his/her spouse) was able to quit his/her job.
- That a Brand Partner was able to replace his/her income from a job.
- That a Brand Partner was able to pay for a child's private school or college education due to

their EllieMD earnings.

- That a Brand Partner was able to acquire expensive or luxury material possessions (e.g., homes, cars, jewelry, boats, recreational vehicles, etc.) due to their earnings with EllieMD.
- That because of his/her EllieMD earnings the Brand Partner was able to travel to exotic or expensive destinations.

The income claims restrictions also apply to in-person presentations and promotional materials distributed by a Brand Partner including social media postings. The Brand Partner shall not make any earnings claims when promoting EllieMD as a business or income opportunity except as specifically outlined in materials published by EllieMD.

**17. Compensation Plan and Program Claims:** When presenting or discussing the EllieMD compensation plan, you must make it clear to prospects that financial success in EllieMD requires commitment, effort, and sales skills. You must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include, but are not limited to:

- It is a turnkey system.
- The system will do the work for you.
- Just get in and your downline will build the company for you.
- The Company does all the work for you.
- You do not have to sell anything.

The above are examples of improper representations about the compensation plan and the Company's program. You must not make any representations, that could lead a prospect to believe that they can be successful without commitment, effort, and sales skill.

**18. Product Claims:** Brand Partner must not make claims, including but not limited to testimonials, about EllieMD's products or services that are not contained in official EllieMD literature or posted on EllieMD's official website. Under no circumstances shall any Brand Partner state or imply that any EllieMD products or services are useful in the diagnosis, treatment, cure, or prevention of any disease, illness, injury, or other medical condition.

**19. Brand Partner Web Sites and Mobile Apps:** Brand Partners may create their own blogs, websites, or mobile apps to promote their EllieMD business. However, no product sales or enrollments may be processed other than on the official Company website. Online forums for the sale of EllieMD products and the enrollment of EllieMD Brand Partners are not permitted. This includes but is not limited to, personal websites, online retailers (e.g., Amazon) online auctions (e.g., eBay), and classified listings (e.g., Craigslist). If a Brand Partner wishes to create her own website to promote the Company products and/or the EllieMD opportunity. The website must clearly and conspicuously identify the Brand Partner who is operating the external website and must clearly and conspicuously disclose that they are an Independent EllieMD Brand Partner, and that the website is not an EllieMD's corporate website. Websites that do not identify the Brand Partner who is the promoter of the site and/or that he/she is promoting EllieMD's services or the EllieMD opportunity (so-called "blind" websites) are not permitted. The website must comply with all provisions of these Policies & procedures.

**The Company reserves the right to rescind approval for any approved external website, and**

**Brand Partner waive all claims against EllieMD, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising from or relating to such rescission.**

**20. Sales Tools:** Brand Partner must use only EllieMD-approved sales aids, advertising, promotional materials, and marketing methods (collectively “Sales Tools”) when promoting the EllieMD business or EllieMD’s products or services. These materials are available in the Click Up Resource Library of the Brand Partner’s Back Office. Any attempt to create and sell Sales Tools to another EllieMD Brand Partner will result in the suspension or termination of the offending Brand Partner’s independent replicated website and The Agreement.

**21. Trademarks and Copyrights:** The name “EllieMD” and other names and logos as may be adopted by the Company are proprietary trade names, trademarks, and service marks of the Company. The Company grants the Brand Partner a limited license to use its trademarks and trade names in promotional media for as long as the Brand Partner’s Agreement is in effect. Upon cancellation of a Brand Partner’s Agreement for any reason, the license shall expire, and the Brand Partner shall immediately discontinue all use of the Company’s trademarks and trade names. Under no circumstances may a Brand Partner use any of EllieMD’s trademarks or trade names in any email address, website domain name, social media handle, or social media name or address.

EllieMD commonly puts on live and recorded events as well as webinars and telephone conference calls. During these events, Company executives, Brand Partner, and guests appear and speak. The content of such events is copyrighted material owned exclusively by the Company. Brand Partners may not record company functions for any reason, whether such an event is live, a webinar, via conference call, or delivered through any other medium.

In addition, the Company produced Sales Tools, videos, audio, podcasts, and printed material is also copyrighted. Brand Partner shall not copy any such materials for their personal or business use without the Company’s prior written approval. The company will provide digital assets for the Brand Partner’s use in their virtual back office.

**22. Sales Outlets:** To support the Company’s direct selling distribution channel and to protect the independent contractor relationship, The Brand Partner agrees that they will not physically (from the shelf) sell EllieMD products in any service-related establishment or any retail, wholesale, warehouse, or discount establishment, or any online retail, auction, or buy-sell site (including but not limited to Amazon, eBay, etc) without prior written approval from EllieMD.

**23. Trade Shows and Professional Expositions:** Notwithstanding the restrictions outlined in the Trademarks & Copywrite Policy above, Brand Partner may display and promote EllieMD products, services, and business opportunities at professional trade shows if the following requirements are adhered to -

- a) When registering to participate in such an event, a Brand Partner must identify themselves as an “Independent EllieMD Brand Partner on all trade show contracts and registration forms.
- b) Only one Brand Partner is permitted per trade show event. The first Brand Partner to register for a trade show event with the trade show sponsor or promoter shall be the only Brand

Partner permitted to participate in and display at the trade show event. Before registering for a trade show event, it is recommended that Brand Partner check with the trade show promoter to determine if there already is another Brand Partner participating. The Brand Partner may, if they wish team-up to jointly share and register a booth with other Brand Partners. The trade show booth must always be staffed for the duration of the trade show.

- c) A Brand Partner participating in a trade show must comply with all state and local requirements regarding the collection and remittance of sales taxes for sales of products made at the show.

**24. Change of Sponsor:** As a rule, The Brand Partner may not change their Sponsors (the Brand Partner under whom they are enrolled). The only means by which a Brand Partner may change her/his Sponsor (the Brand Partner selected upon enrollment or the upline of the selected Sponsor in the event of termination of a sponsoring Brand Partner) is by voluntarily terminating the Agreement and remaining inactive as a Brand Partner for six (6) calendar months. The Brand Partner will lose all rights to her/his former Downline upon termination. Following the six-calendar month period of inactivity, the former Brand Partner may reenroll under a new Sponsor. Brand Partner may not entice other Brand Partner to leave their current line of sponsorship and join under a new Sponsor. In the event a Brand Partner improperly changes her/his Sponsor, EllieMD reserves the sole and exclusive right to determine the final disposition of the Downline organization that was developed by the Brand Partner in her/his second line of sponsorship. Brand Partner WAIVE ALL CLAIMS AGAINST ELLIEMD, ITS OFFICERS, DIRECTORS, MEMBERS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM ELLIEMD'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW A BRAND PARTNER WHO HAS IMPROPERLY CHANGED HER/HIS SPONSOR.

**25. Sponsor Reassignment Exceptions:** A Sponsor may release her/his team at any time for any reason. To do so, the Sponsor should email [care@EllieMD.com](mailto:care@EllieMD.com) with a letter of release. EllieMD will decide whether the team reassignment will be effective immediately or on the 1st of the following month. Each team member will compress up to the next qualified Brand Partner. In the case when a Brand Partner feels that she/he is not compatible or comfortable with the assigned Sponsor, the new Brand Partner may request reassignment by emailing [care@EllieMD.com](mailto:care@EllieMD.com) within thirty (30) days of the original assignment. The Brand Partner requesting a Sponsor change may not select a new Sponsor. The Company will assign a new Sponsor based on those qualified to receive lead placements.

**26. Waiver of Claims:** In cases wherein, a Brand Partner improperly changes his/her Sponsor, EllieMD reserves the sole and exclusive right to determine the final disposition of the downline organization that was developed by the Brand Partner in his/her second line of sponsorship. **DISTRIBUTORS WAIVE ANY AND ALL CLAIMS AGAINST EllieMD, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM EllieMD's DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW A DISTRIBUTOR WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR.**

**27. Non-solicitation:** During the term of this Agreement and for 6 (six) months thereafter, a Brand Partner may not directly or indirectly recruit other EllieMD Brand Partner for any other network marketing business. The term "Recruit" means the direct or indirect, actual, or attempted, sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way,

another EllieMD Brand Partner to enroll or participate in another network marketing opportunity.

**28. Multiple Network Marketing Businesses:** (see policy for “Conflicts of Interest”)

**29. Poaching:** Brand Partners are prohibited from poaching prospects from other Brand Partners. It is in poor taste to comment on another person’s post who is promoting EllieMD products with the intent of recruiting the prospect to become your own customer or team member. Likewise, Brand Partners are not permitted to message followers on EllieMD Corporate social posts. EllieMD’s marketing team will follow up with followers commenting on their public posts.

**30. Offering Incentives:** From time to time, The Company may offer specials to potential customers, or new Brand Partners. Existing Brand Partners may share EllieMD-run incentives with the public. We encourage Brand Partners to use the marketing materials provided to them by EllieMD. Brand Partners do not have permission from EllieMD to run raffles, drawings, discounts, or other promotions for new enrollments. This would create an unfair advantage over others. It is therefore not permitted.

**31. Confidential Information:** “Confidential Information” includes, but is not limited to, the identities, contact information, or sales information relating to EllieMD Brand Partner or customers: (a) that is contained in or derived from any Brand Partner’s respective virtual Back-Office; (b) that is derived from any reports issued by EllieMD to Brand Partners to assist them in operating and managing their EllieMD business; or (c) to which a Brand Partner would not have access or would not have acquired but for his/her affiliation with EllieMD. Confidential Information constitutes proprietary business trade secrets belonging exclusively to EllieMD and is provided to Brand Partner in strict confidence. Confidential Information shall not be directly or indirectly disclosed to any third party nor used for any purpose other than the Brand Partner’s use in building and managing his/her Independent EllieMD business.

**32. Handling Personal Information:** If you receive Personal Information from or about a Brand Partner or customers, it is your responsibility to maintain its security. Personal Information is information that identifies or permits you to contact an individual. It includes the name, address, email address, phone number, credit card information, social security or tax identification number, and other information associated with these details.

**33. Product Inventory & Bonus Buying:** The Brand Partner may not carry an inventory of EllieMD products for resale. All products are directly shipped from the Company or EllieMD contracted pharmacies or courier companies to the customer. In addition, bonus buying is strictly prohibited. Bonus buying is the purchase of merchandise to artificially qualify for rank advancement, maintenance, incentives, prizes, commissions, or bonuses not driven by bona fide product purchases by end-user consumers for actual use.

**34. Actions of Third Parties:** If a third party acting on behalf of, or with the active or passive assistance or knowledge of a Brand Partner engages in conduct that would violate the Agreement, the conduct of the third party may be imputed to the Brand Partner. “Knowledge” of misconduct is not limited to actual knowledge. If a Brand Partner engages in acts or omissions that the Brand Partner knows or SHOULD KNOW will enable a third party to violate this Agreement if such action was taken by the Brand Partner, the Brand Partner shall be deemed to



know about the violation.

- 35. Restrictions on Third-Party Use of Credit Cards** A Brand Partner shall not permit other Brand Partners or Customers to use his or her credit card for any purchases from the Company.
- 36. Tampering with Product Packaging:** A Brand Partner shall not alter the original packaging or labeling.
- 37. Non-Disparagement:** Any concerns about EllieMD should be directed to the Customer Service Department by emailing care@EllieMD.com. Brand Partners must not disparage, demean, or make negative remarks to third parties or other Brand Partners about EllieMD, its owners, officers, directors, management, employees, other EllieMD Brand Partners, or the Compensation Plan. The Brand Partner further agrees that they shall not post on social media or otherwise publish in any medium any disparaging, demeaning, or negative remarks about EllieMD, its owners, officers, directors, management, employees, other EllieMD Brand Partner, or the Compensation Plan. Disputes or disagreements between any Brand Partner and EllieMD shall be resolved through the dispute resolution process as outlined in the Dispute Resolution Policy, and the Company and Brand Partner agree specifically not to demean, discredit, or criticize one another on the Internet or any other public forum.
- 38. Sales Receipts:** Retail customers who purchase from a Brand Partner's replicated website will be provided an email with the sales receipt sent by the Company.
- 39. Adjustment to Bonuses and Commissions:** Previously paid Financial Distributions may be reversed, and future financial distributions may be adjusted as a result of a canceled product order or refund. A Brand Partner should not rely on existing DV (Downline Volume) at the close of a Commission period, as returns may cause changes to his or her title, rank and/or Commissions payout. Compensation stemming from product sales is fully earned when the applicable return, repurchase, and chargeback periods to product sales have all expired. If an order is canceled or returned for a refund, or a chargeback occurs, the compensation attributable to the return or refund will be recovered by the Company from the Consultants who were paid commissions or bonuses based on the original sales of such products. Such unearned compensation will be deducted, in the month in which the refund is issued or the chargeback occurs and continuing every pay period thereafter until the commissions are fully recovered from the selling Consultant and upline Consultants who received bonuses and commissions on the sales of the refunded products.
- 40. Reporting Errors:** If a Brand Partner believes that EllieMD has made an error in his/her compensation, the structure or organization of his/her genealogy, or any other error that impacts the Brand Partner's income, he/she must report it to the Company in writing within 60 days from the date on which the mistake occurred. While EllieMD shall use its best efforts to correct errors reported more than 60 days after the date of the error, EllieMD shall not be responsible for making changes or remunerating Brand Partner for losses for mistakes that are reported more than 60 days after the mistake occurs.
- 41. Incentive Trips and Awards** From time to time, the Company may provide incentive trips and other awards to qualified Brand Partners. These awards or trips are provided only to the person

listed on The Agreement. Although the Company may pay some or all of the costs of incentive trips, the Brand Partner agrees to indemnify and hold harmless the Company from any claim, injury, loss or other damage sustained in association with the trip. The Brand Partner or their guest cannot claim upon, or rely upon, any insurance policy of the Company to cover the costs and expenses of any injury, loss, or other damages. The Company may be required by law to include the fair market value of any awards on the Brand Partners' end-of-year tax report. The Brand Partner is liable for all applicable taxes and agrees to hold the Company harmless from claims of tax liability relating to these awards.

If it is discovered that the Brand Partner has made any misrepresentations or has violated the Agreement, they are eligible for such awards. The Company may charge the Brand Partner for any costs incurred by the Company or for any benefits or awards received by the Brand Partner. EllieMD reserves the right at its sole and absolute discretion to disallow participation for any reason it deems necessary.

**42. Product Return Policy:** (see return/refund policy listed in the footer on the public EllieMD website.

**43. Breach of Agreement Procedures** The Company's obligations to the Brand Partner are conditioned upon their faithful performance of the terms and conditions of the Agreement. The Company, in its sole discretion, will determine if a Brand Partner is in breach of the Agreement and may elect any or all available remedies. The Company has a progressive discipline policy designed to provide a structured corrective action process to improve and prevent a recurrence of violations. The Company reserves the right, in its sole discretion, to combine or omit steps depending on the facts of each situation and the nature of the violation. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the violation is repeated, despite counseling or training, and the impact the violation may have on the Company. Notwithstanding the above, a violation may result in immediate suspension or termination.

- **First Step:** Counseling and initial warning letter. A first violation usually occurs because the Brand Partner is not familiar with the Policies and Procedures or the law. While this is not an acceptable excuse for any violation, counseling and an initial warning provide an opportunity for the compliance department to bring to the attention of the Brand Partner the Policies and Procedures and the specific violation, and to provide counseling on complying. The compliance department will also describe expectations and steps the Brand Partner must take to resolve the violation. The compliance department will monitor the file to determine if the noncompliant has been remediated. If so, the compliance department will close the file, and if not, will proceed to the second step as outlined below.
- **Second Step:** Escalated warning letter and temporary suspension of virtual back office. Although it is hoped that the Brand Partner will promptly correct the violation(s), the Company recognizes that this may not always occur. A second written warning indicates the seriousness of repeated violations or sufficient response.
- **Third Step:** Suspension, final written warning or termination to be determined by EllieMD

Compliance Department or Executive team.

The Company reserves the right to combine and omit steps depending on the circumstances of each situation and the nature of the violation. Furthermore, the Brand Partner may be terminated without prior notice or disciplinary action, as deemed necessary or appropriate by the Company in its sole discretion.

#### **44. Cancellation or Termination of the Agreement; Disciplinary Sanctions:**

- a) **Voluntary Cancellation.** A participant in EllieMD has the right to cancel at any time, regardless of the reason. Cancellation must be submitted in writing and sent to the Company via email at [Care@EllieMD.com](mailto:Care@EllieMD.com). The written notice must include the Brand Partner's name, address, and Brand Partner I.D. Number. The cancellation email must come from the email address tied to the Brand Partner's account. If the former Brand Partner continues to purchase products from EllieMD, they shall be reclassified as a retail customer. A Brand Partner may also voluntarily cancel the Agreement by failing to pay the monthly Brand Partner Technology fee or by withdrawing consent to the contract.
- b) **Cancellation for Inactivity.** EllieMD also reserves the right to terminate this Agreement if the Brand Partner fails to meet minimum activity or sales requirements. If a Brand Partner fails to generate at least 300 Personal Sales Volume (PV), in a rolling 6-month period, his/her Brand Partner Agreement will be canceled for inactivity. To the extent such a former Brand Partner continues to purchase products from EllieMD, he/she shall be reclassified as a retail customer.
- c) **Suspension or Cancellation for Non-Payment.** A Brand Partner's failure to pay the monthly technology fee when due may result, at the company's discretion, in the suspension or termination of the Agreement. If the technology fee(s) remain unpaid for 60 days, the Agreement shall be terminated. If the former Brand Partner continues to purchase products from EllieMD, they shall be reclassified as a retail customer.
- d) **Cancelation due to non-payment of personal product or services order.** A Brand Partner's failure to pay when due will result in the suspension of the Brand Partner's replicated website and or termination of the Brand Partner Agreement. If a product or service payment that has been placed on a payment plan and the payment is not up to date, the Brand Partner Agreement will be terminated, and the Brand Partner will be sent to collections. Any commissions owed to the Brand Partner will be placed on hold until their balance due is paid. If terminated, the Brand Partner will lose any commissions due including level pay and bonuses. To the extent such a former Brand Partner continues to purchase products from EllieMD, they will be reclassified as a retail customer.
- e) **Termination by EllieMD.** Notwithstanding any other provision in this Agreement, upon any breach or alleged breach by the Brand Partner of this Agreement, EllieMD reserves the right, in addition to any available legal or equitable right to remedy, to terminate this Agreement upon written notice to the Brand Partner.
- f) **Involuntary Cancellation/Termination; Disciplinary Sanctions.** Violation of any term of the Agreement, any illegal, fraudulent, deceptive, or unethical business conduct, or any act

or omission by a Brand Partner that the Company reasonably believes may damage its reputation or goodwill, may result in the suspension or termination of this Agreement, or any other disciplinary measure that EllieMD deems appropriate to address the misconduct. In situations deemed appropriate by EllieMD, the Company may institute legal proceedings for monetary or equitable relief.

- g) **Effect of Cancellation.** A Brand Partner whose business is canceled for any reason will lose all Brand Partner rights, benefits, and privileges. This includes the right to represent yourself as an Independent EllieMD Brand Partner, to sell EllieMD products and services, and the right to receive commissions, bonuses, or other income resulting from his/her sales and the sales and other activities of the Brand Partner and the Brand Partner's former downline sales organization. There is no whole or partial refund for tangible sales kits that are not currently marketable, Brand Partner Back-Office, replicated website, or renewal fees if a Brand Partner's business is canceled.

**45. Reinstatement.** Following the cancellation or termination of a Brand Partner's Brand Partner Agreement, the former Brand Partner may request reinstatement. If the cancellation or termination was due to a policy violation by the former Brand Partner, the Company reserves the right to refuse to reinstate the former Brand Partner. If the reinstatement is approved, the reinstated Brand Partner will be enrolled under his/her original Sponsor unless the period between the cancellation or termination and the reinstatement is six or more months in which case the reinstated Brand Partner may be enrolled under another Sponsor. The downline of the reinstated Brand Partner will not be restored under him/her nor shall the reinstated Brand Partner be restored to his/her former Career Title. The reinstated Brand Partner will be required to complete a new Brand Partner Agreement and purchase a new Enrollment.

**46. Compression:** When a vacancy occurs in a Downline due to the termination or cancelation of a Brand Partner's Distributor Agreement, the Downline of the terminated or canceled Brand Partner will be "compressed" to the most immediate active Upline.

**47. Indemnification:** The Brand Partner agrees to indemnify EllieMD for all costs, expenses, consumer reimbursements, fines, sanctions, damages, settlements, or payments of any other nature that EllieMD incurs resulting from or relating to any act or omission by the Brand Partner that is illegal, fraudulent, deceptive, negligent, unethical, or in violation of the Agreement. EllieMD may elect to exercise its indemnification rights by withholding any compensation due to the Brand Partner. This right shall not constitute EllieMD's exclusive means of recovering or collecting funds due to EllieMD's under its right to indemnification.

**48. Business Transfer Upon a Brand Partner's Death:** Upon the death of the Brand Partner, their EllieMD business may be passed to one of their heirs. Before such transfer, the beneficiary of the business must provide EllieMD with certified letters of testamentary or letters of administration and written instructions of the executor of the estate, or an order of the court, that provides direction on the proper disposition of the business. The beneficiary must also execute an EllieMD Brand Partner Agreement within 30 days from the date on which the business is transferred by the estate to the beneficiary or the business account will be canceled. EllieMD will not divide commissions to multiple beneficiaries. In the event of multiple beneficiaries or transferees the individuals must form a business entity (corporation, LLC, partnership, etc.) and submit an EllieMD Brand Partner Agreement in the name of the business entity. Upon the completion of

these requirements, EllieMD will transfer the business and issue commissions to the individual beneficiary or business entity.

**49. Divorce of a Brand Partner:** EllieMD is not able to divide a downline organization. Consequently, in divorce cases, any settlement or divorce decree must award the business in its entirety to one party. EllieMD will recognize as the owner of the business the former spouse to whom the business is awarded under a legally binding settlement agreement or decree of the court. The former spouse who receives the EllieMD business must also execute and submit an EllieMD Brand Partner Agreement within 30 days from the date on which the divorce becomes final or the business will be canceled.

**50. Dissolution of a Business Entity:** The Company is not able to divide commissions among multiple parties, nor is it able to divide a downline organization. If a business entity that operates an EllieMD business dissolves, the owners of the business entity must instruct the Company on the identity of the proper party who is to receive the business. The EllieMD business must be awarded to a single individual or entity that was previously recognized by the Company as an owner of the business entity; the Company cannot divide the business among multiple parties or issue separate commission payments. The recipient of the EllieMD business must also execute and submit a EllieMD Brand Partner Distributor Agreement to the Company within 30 days from the date of the dissolution of the business entity or the Agreement will be canceled. If the business entity wishes to sell or transfer its EllieMD business to an individual or entity that was not previously recognized by the Company as an owner of the business entity, it must do so according to the policy.

**51. Inducing Brand Partner to Violate the Agreement:** Brand Partner shall not directly or indirectly induce, encourage, or assist another Brand Partner to violate the Agreement.

**52. Out-of-Stock Items:** EllieMD works very hard to prevent out-of-stock products. Because we purchase supplies from multiple professional vendors, having backorders may be unavoidable. Should an out-of-stock or backorder occur, information will be provided to the Brand Partner and customer by email, or on a separate note included in the package explaining the action(s) that will be taken. When an out-of-stock situation makes a product temporarily unavailable, we will ship directly to the Customer once the product becomes available. If the product is Permanently out of stock, a substitute product may be offered. If the order has been processed, a credit for the product may be issued to the account or a substitution of equal or greater value may be sent. Please note that out-of-stock products may reduce the personal sale volume of an order, which can affect commissions, awards, recognition, etc.

**53. International Activities:** Brand Partner may not sell EllieMD products or conduct business activities in any country that the Company has not announced is officially open for business.

**54. Dispute Resolution:** If a dispute between a Brand Partner and EllieMD arises from or relates to the Agreement, the EllieMD business, or the rights and obligations of either party, the parties shall resolve the dispute as outlined in the Arbitration and Dispute Resolution Policies, which are incorporated into and made a part of these Policies & Procedures.

**55. Leadership Responsibilities:** One of the key elements of a successful EllieMD business is the

ability to build a team. Building a team empowers a Brand Partner to lead by example and coach others on skill sets and experience acquired in operating the business. It is the responsibility of the Brand Partner to mentor their personally sponsored team members. At the Rank Title of Director, the Brand Partner will be asked to sign an Addendum to the Brand Partner Agreement, called a Leader Addendum. Once signed, this will entitle those who advance to Director or above to receive monthly lifestyle bonuses as outlined in the EllieMD Compensation Plan.

- 56. Respect Intellectual Property Rights:** Brand Partner may not use the name, likeness, photo, logo, training resources, or any other property of another Brand Partner, celebrity, company, organization, or any other person or entity without said party's approval or consent. Acknowledgment of the original author is required. Any use of the EllieMD name or brand assets in support of any personal endeavors, including in books or other writings, requires the advance permission of EllieMD.
- 57. Press/Media:** EllieMD is the primary contact for all press and media relating to EllieMD products, services, programs, or business. Brand Partner must inform EllieMD before the interview is conducted (no exceptions). All Brand Partners wishing to contact or who have been contacted by the media first should contact EllieMD's Marketing Department. Press includes any media network television, newspapers, radio, and all Internet media such as blogs, syndicated columns, broadcast shows, and wire services. Any questions and press or media inquiries must be directed to [care@EllieMD.com](mailto:care@EllieMD.com).
- 58. Indemnity:** The Brand Partner agrees to indemnify and hold EllieMD, its directors, officers, members, managers, and employees harmless from and against all claims, damages, or liabilities (including attorney's fees) arising from or relating to (a) Brand Partner's promotion or operation of her/his EllieMD business; (b) any negligent, reckless or intentionally wrongful act of Brand Partner or any person acting on Brand Partner's behalf; (c) any breach by the Brand Partner of any term of this Agreement; and (d) any claim alleging that the Brand Partner has violated or infringed upon any rights of third-parties, including but not limited to privacy rights or intellectual property rights.
- 59. Severability.** If any provision of this Agreement shall, for any reason, be held unenforceable, such provision shall be severed from this Agreement, and such severed provision shall be reformed only to the extent necessary to make it enforceable. The invalidity of such severed provision, however, shall not affect the enforceability of any other provision of this Agreement and the remaining provisions shall remain in full force and effect.
- 60. Indebtedness:** The Brand Partner agrees that EllieMD may charge, deduct, or withhold, any form of payment or commission in any amount that the Brand Partner owes or is indebted to EllieMD.
- 61. Remedial Actions:** EllieMD reserves the right to take remedial action as necessary to enforce the terms of this Agreement and ensure compliant conduct by Brand Partner. Any breach of this Agreement or any illegal, fraudulent, deceptive, or unethical business conduct by the Brand Partner may result, at EllieMD's discretion, in one or more of the following: (i) a written warning; (ii) requirement that the Brand Partner take immediate corrective measures; (iii) loss of rights to purchase EllieMD products or services or receive future Commissions and bonuses; (iv)

suspension of the Brand Partner's right to engage in EllieMD business; (v) termination of this Agreement; or (vi) any other measure or action that EllieMD, in its sole discretion, determines to be appropriate.

**62. Governing Law and Dispute Resolution:** This Agreement, including any procedural or substantive rights in any arbitration, shall be governed by and construed by the laws of the State of California without giving effect to principles of conflicts of laws. The Federal Arbitration Act shall otherwise govern all matters relating to arbitration. In the event of a dispute, claim or controversy arising from or relating to this Agreement, the Parties agree to try to resolve such dispute informally. In this regard, the aggrieved Party shall send a "Notice of Dispute" to the other Party which contains a brief statement setting forth the facts giving rise to the disputed matter and the relief requested by the aggrieved Party. The Parties agree to use reasonable, good-faith efforts to settle any dispute through consultation and good-faith negotiations within thirty (30) days following delivery of the Notice of Dispute. If the dispute cannot be resolved through negotiation, the Parties agree to submit the dispute to non-binding mediation with a mediator mutually agreeable to the Parties. If the Parties are unable to agree on a mediator, the Parties agree that the American Arbitration Association shall designate a mediator. Unless the Parties agree otherwise, including conducting the mediation telephonically, the mediation shall take place in Los Angeles, California within six (6) months following delivery of the Notice of Dispute. The Brand Partner and EllieMD agree that the dispute resolution procedure outlined in this paragraph is a condition precedent that must be satisfied before initiating any arbitration against the other Party.

**63. Agreement to Arbitrate:** THE PARTIES MUTUALLY AGREE THAT ANY CLAIM OR DISPUTE BETWEEN THEM ARISING FROM OR RELATING TO THIS AGREEMENT, THE COMPENSATION PLAN OR THE RIGHTS OF THE PARTIES UNDER THIS AGREEMENT WHICH CANNOT BE RESOLVED BY NEGOTIATION OR MEDIATION SHALL BE RESOLVED BY BINDING INDIVIDUAL ARBITRATION BEFORE A SINGLE ARBITRATOR under THE COMMERCIAL RULES OF THE AMERICAN ARBITRATION ASSOCIATION (THE "AAA"). The Commercial Rules of the AAA are available at [www.adr.org](http://www.adr.org). BY AGREEING TO ARBITRATE, THE PARTIES EXPRESSLY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY.

- a) In the event the AAA is unwilling or unable to hear the dispute, the Parties shall agree to, or an appropriate court shall select, another arbitration provider. Unless otherwise agreed upon by the Parties, any arbitration hearing shall take place in Los Angeles, California, although either Party may elect to participate in the arbitration by telephone. The Party filing the Demand for Arbitration shall be responsible for the initial filing fees and costs charged by AAA and the respondent shall be responsible for payment of filing fees for any Cross-Complaint or Counterclaim. The Parties shall share equally the costs of case management fees, arbitrator fees, or other fees charged by AAA other than the filing fees referenced above. The Parties shall bear their own costs for attorney's fees, court reporter fees, transcript fees, and other litigation costs.
- b) Although this agreement to arbitrate is made and entered into between the Brand Partner and EllieMD, EllieMD's affiliates, owners, members, managers, and employees ("Related Parties") are intended third-party beneficiaries of the Agreement, including this agreement to arbitrate.

- c) This agreement to arbitrate shall survive the termination of this Agreement. Any issues related to the arbitrability of any claim, or the scope, validity, or enforceability of this agreement to arbitrate shall be determined by the arbitrator. If either Party wishes to initiate arbitration, the initiating Party must notify the other Party in writing via certified mail, return receipt requested, or hand delivery via courier. The Demand for Arbitration must include a statement of the legal and factual basis of the claim(s) to be arbitrated. The parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure and the parties shall be permitted to bring motions under FRCP Rules 12. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a final judgment in a court of competent jurisdiction. The arbitrator shall have no authority to hear or preside over any joint, collective, or private attorney arbitration.

**64. Class Action Waiver:** The Brand Partner agrees that by entering into The Agreement to arbitrate the Brand Partner is waiving their right to have any dispute or claim brought, heard, or arbitrated as a class action lawsuit or class action arbitration, any private attorney general lawsuit or private attorney general arbitration, or any joint or consolidated lawsuit or joint or consolidated arbitration of any kind. The Parties agree that an arbitrator shall not have any authority to hear or arbitrate any class or collective action. The Parties agree that any claim that all or part of this class action waiver is unenforceable shall be determined by a state or federal court located in Los Angeles, California and not by an arbitrator.

Notwithstanding the Parties' agreement to arbitrate, either Party may bring an action in a state or federal court located in Los Angeles, California to obtain a restraining order, temporary or permanent injunction, or other equitable relief that may not otherwise be available to either Party in arbitration. Failure by a Party to pursue negotiation and mediation under this Agreement shall not bar an action for equitable relief under this paragraph.

The Parties agree that the state and federal court located in Los Angeles, California shall be the sole and exclusive venue and forum for any lawsuit or court proceeding between the Parties, and each Party consents to personal jurisdiction in such courts and waives any objections to venue, jurisdiction or forum that might otherwise be available to either Party.

Louisiana Residents: Notwithstanding any other provision of this Agreement, if the Brand Partner is a resident of Louisiana, the applicable law, jurisdiction, and venue of any dispute between the parties arising from this Agreement shall be under Louisiana law.

If either Party wishes to bring an action against the other Party for any act or omission relating to or arising from the Agreement, such action must be brought within one (1) year from the date of the alleged conduct giving rise to the cause of action, or the shortest time permissible under state law. Failure to bring such action within such time shall bar all claims for such act or omission. Unless otherwise provided in this Agreement, any notice or other communication required to be given under this Agreement shall be in writing and shall be deemed delivered to the other Party (i) upon personal delivery or delivery by professional courier; (ii) when sent by confirmed electronic mail; or (iii) if mailed by registered, certified or express mail to EllieMD, LLC 704 South Spring Street, Suite 1402 Los Angeles, CA 90016 or to the Brand Partner at the current address on file. If by mail, delivery shall be deemed effective by the date shown on the return receipt or if there is no receipt three (3) days after the date of mailing.



By electronically signing below (clicking the button that you agree to these policies), the person submitting this application and Agreement (i) acknowledges that she or he has read, understands, and agrees to the terms outlined in this Independent Brand Partner Agreement, The Brand Partner Agreement, all above-mentioned addendum(s), including the current EllieMD Compensation Plan; (ii) certifies that all information provided by in connection with this application to become a EllieMD Independent Representative is true and correct; (iii) by clicking the checkbox on the enrollment page, the enrollee intends to enter into a legally binding agreement with EllieMD LLC to become an Independent EllieMD Brand Partner.

\_\_\_\_\_  
Brand Partner's Printed Name

\_\_\_\_\_  
Brand Partner's Signature

Date: \_\_\_\_\_

EllieMD Policies & Procedures, effective date: 5-10-2024