

TruConnect Direct

INDEPENDENT AGENT POLICIES AND PROCEDURES

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Table of Contents

1.0 Corporate Mission Statement.....	5
2.0 Introduction	5
2.1 Incorporated into Independent Agent Agreement	5
2.2 Purpose of Policies	5
2.3 Changes to the Agreement	6
2.4 Eligibility	6
2.5 Other Activities of TruConnect Direct	6
2.6 Delays	6
2.7 Policies and Provisions Severable	6
2.8 Waiver	7
3.0 Becoming an Independent Agent	7
3.1 Independent Agents Joining Options	7
3.2 No Product Purchase Required	8
3.3 Independent Agent Benefits	8
3.4 Term and Renewal of an Independent Agent’s TruConnect Direct Business	9
3.5 Authorization to Use Name and Likeness	9
4.0 Operating a TruConnect Direct Business	10
4.1 Adherence to TruConnect Direct Independent Agent Compensation Plan.....	10
4.2 Cash or Monetary Incentives	10
4.3 Advertising.....	10
4.3.1 General Advertising.....	10
4.3.2 Independent Agent Websites.....	11
4.3.3 Blogs, Chat Rooms, Social Networks, Online Auctions, and other Online Forums.....	11
4.3.4 Domain Names and Email Addresses	12
4.3.5 Trademarks and Copyrights.....	12
4.3.6 Media and Media Inquiries.....	12
4.3.7 Unsolicited Email.....	12
4.3.8 Unsolicited Faxes	13
4.3.9 Giveaways, Lotteries, and Drawings	13
4.4 Stacking Prohibited	13
4.5 Telemarketing Techniques	13
4.6 Slamming Prohibited	14
4.7 Bonus Buying Prohibited	14
4.8 Company Retail Rule	14
4.9 Product Claims	14
4.10 Product/Service Warranty Disclaimer	14
4.11 Business Entities	15
4.12 Changes to a Business Entity	15
4.13 Change of Sponsor	16
4.14 Cancellation and Re-Application	16
4.15 Unauthorized Claims and Disclosure	16
4.15.1 Unauthorized Claim Indemnification	16
4.15.2 Income Claims.....	17
4.15.3 Income Disclosure Statement	17
4.16 Commercial Outlets	18
4.17 Trade Shows, Expositions and Other Sales Forums	18

4.18 Conflicts of Interest	18
4.18.1 Non-solicitation	18
4.18.2 Sale of Competing Products or Services	19
4.18.3 Independent Agent Participation in Other Direct Selling Programs.....	19
4.18.4 Business Activity (Genealogy) Reports.....	20
4.18.5 Survival	20
4.19 Targeting Other Direct Sales	20
4.20 Cross-Sponsoring	21
4.21 Errors of Questions	21
4.22 Government Approval or Endorsement	21
4.23 Identification	21
4.24 Income Taxes	22
4.25 Independent Contractor Status	22
4.26 Use of Company Name and Proprietary Marks	22
4.27 Confidentiality Agreement	23
4.28 Insurance	23
4.29 International Marketing	23
4.30 Adherence to Laws and Ordinances	23
4.31 Minors	24
4.32 One TruConnect Direct Business Per Independent Agent and Per Household	24
4.33 Actions of Household Members or Affiliated Individuals	24
4.34 Requests for Records	24
4.35 Roll-up of TruConnect Direct Business	25
4.36 Sale, Transfer or Assignment of TruConnect Direct Business	25
4.37 Separation of a TruConnect Direct Business	25
4.38 Sponsoring	26
4.39 Succession	26
4.40 Transfer Upon Incapacitation of an Independent Agent	27
5.0 Responsibilities of Independent Agents	27
5.1 Customer Acquisition and Independent Agent Sponsoring	27
5.2 Presentation of TruConnect Direct Business, Products and/or Services	27
5.3 Privacy	28
5.4 Change of Address or Telephone Number	28
5.5 Continuing Development Obligations	28
5.5.1 Ongoing Training.....	28
5.5.2. Increased Training Responsibilities.....	28
5.5.3. Ongoing Sales Responsibilities.....	28
5.6 Non-desparagement	29
5.7 Providing Documentation to Applicants	29
5.8 Reporting Policy Violations	29
5.9 Vendor Confidentiality/Communications	29
6.0 Sales Requirements	29
6.1 Sales of Products and/or Services	29
6.2 No Territory Restrictions	30
6.3 Restrictions on Third Party Use of Credit Cards and Checking Account Access	30

7.0 Bonuses and Commissions.....	30
7.1 Bonus and Commission Payments	30
7.1.1 Eligibility for Commissions.....	30
7.1.2 Weekly Payments.....	30
7.1.4 Monthly Payments.....	30
7.1.5 Commission Documentation Delivery.....	30
7.1.6 Commission and Bonus Inquiries.....	30
7.1.7 Minimum Payment Amount	31
7.2 TCDZone Business Reports and Information	31
8.0 Returns and Inventory Repurchase.....	32
8.1 Returns by Independent Agents Upon Cancellation	32
8.2 Procedures for Returns	32
9.0 Dispute Resolution and Disciplinary Proceedings	32
9.1 Disciplinary Sanctions	32
9.2 Grievances and Complaints	32
9.3 Mediation	33
9.4 Arbitration	33
9.5 Class Action	34
9.6 Indemnity	34
9.7 Governing Law, Jurisdiction and Venue	35
9.8 Survival Provision	35
10.0 Sales Taxes	35
11.0 Downgrades and Cancellations	35
11.1 Effect of Cancellations	35
11.2 Involuntary Cancellation	36
11.3 Voluntary Cancellation	36
11.4 Non-Renewal	37
12.0 Recurring Billing Policies and Procedures	37
13.0 Definitions	38

1.0 CORPORATE MISSION STATEMENT

Using the power of networking to build high sales volume, brand awareness and a very strong market position, TruConnect Direct will be known as a company that conducts its activities with integrity and professionalism. The company will develop a reputation for professional products and services and success will be measured by consistent profitability, real growth and as a measure of the satisfaction of the company's customers and vendors. TruConnect Direct will diversify its product and service offering, over time, to remain a market leader within its chosen markets.

2.0 INTRODUCTION

TruConnect Direct, hereinafter referred to as "TruConnect Direct" or "Company," is a marketing company formed to sell various Products and Services on behalf of TruConnect, which is a company primarily engaged in the sales of telecom services to residential customers. The Company may also sell other products and services in the future.

TruConnect Direct embodies and encourages entrepreneurship, teamwork, and financial independence with a compensation plan that positions our family of Independent Agents with a lucrative and flexible opportunity.

2.1 Incorporated into Independent Agent Agreement

These Policies and Procedures, in their present form and as amended from time to time at the sole discretion of TruConnect Direct, are incorporated into and form an integral part of the TruConnect Direct Independent Agent Agreement. Throughout these Policies and Procedures, when the term "Agreement" is used, it collectively refers to the TruConnect Direct Independent Agent Agreement, these Policies and Procedures, and the TruConnect Direct Independent Agent Compensation Plan.

It is the responsibility of each Independent Agent to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When Sponsoring a new Independent Agent, it is the responsibility of the Sponsoring Independent Agent to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the TruConnect Direct Independent Agent Compensation Plan prior to his or her execution of the TruConnect Direct Independent Agent Agreement.

2.2 Purpose of Policies

TruConnect Direct uses a direct sales platform to market Products and Services through Independent Agents. It is important to understand that an Independent Agent's success and the success of his or her fellow Independent Agents depend on the integrity of the men and women who market these Products and Services. To clearly define the relationship that exists between an Independent Agent and TruConnect Direct, and to explicitly set a standard for acceptable business conduct, TruConnect Direct has established the TruConnect Direct Independent Agent Agreement.

TruConnect Direct Independent Agents are required to comply with all of the Policies and Procedures, as well as all federal, state, and local laws governing their TruConnect Direct business and their conduct. Because an Independent Agent may be unfamiliar with many of these standards of practice, it is very important that each Independent Agent reads and abides by the Agreement. Please review the information in these Policies and Procedures carefully. It explains and governs the relationship between an Independent Agent, as an independent contractor, and the Company. If a TruConnect Direct Independent Agent has any questions regarding any policy or rule, he or she should not hesitate to seek an answer from his or her Independent Agent Sponsor or from the Agent Support Department at 844-823-4567.

2.3 Changes to the Agreement

Because federal, state, and local laws, as well as the business environment, periodically change, TruConnect Direct reserves the right to amend the Agreement and its prices at its sole and absolute discretion. By executing the Independent Agent Agreement, an Independent Agent agrees to abide by all amendments that TruConnect Direct elects to make. Amendments shall be effective upon five (5) days notice to all Independent Agents that the Agreement has been modified. The Company shall provide or make available to all Independent Agents a complete copy of the amended provisions by one or more of the following methods: (1) posting on the Company's official web site; (2) electronic mail (e-mail); (3) fax-on-demand; (4) voice mail system broadcast; (5) inclusion in Company periodicals; (6) inclusion with commission checks; (7) special mailings or (8) notifications on the Company's mobile applications. The continuation of the Independent Agent's TruConnect Direct business or an Independent Agent's acceptance of commissions constitutes acceptance of any and all amendments.

2.4 Eligibility

Ongoing eligibility requirements are outlined in the TruConnect Direct Independent Agent Compensation Plan. Each Independent Agent understands that Company will not pay compensation for periods when he or she is not eligible.

2.5 Other Activities of TruConnect Direct

Each Independent Agent acknowledges that TruConnect Direct reserves the right to offer and/or sell Products and Services directly to the public or to resellers using marketing and sales channels other than this agent commissioning program.

2.6 Delays

TruConnect Direct shall not be responsible for delays or failures in 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, fire and death, curtailment of a party's source of supply, or government decrees or orders.

2.7 Policies and Provisions Severable

If any provision of the Agreement in its current form or as may be amended is found to be invalid or unenforceable for any reason, only the invalid portion 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.

2.8 Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. However, no failure of TruConnect Direct to exercise any right or power under the Agreement or to insist upon strict compliance by an Independent Agent with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of TruConnect Direct's right to demand exact compliance with the Agreement. Waiver by TruConnect Direct can be effectuated only in writing by an authorized officer of the Company. TruConnect Direct's waiver of any particular breach by an Independent Agent shall not affect or impair TruConnect Direct's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Independent Agent. Nor shall any delay or omission by TruConnect Direct to exercise any right arising from a breach affect or impair TruConnect Direct's rights as to that or any subsequent breach. The existence of any claim or cause of action of an Independent Agent against TruConnect Direct shall not constitute a defense to TruConnect Direct's enforcement of any term or provision of the Agreement.

3.0 BECOMING AN INDEPENDENT AGENT

3.1 Independent Agents Joining Options

To become an Independent Agent with TruConnect Direct an individual must complete the online Enrollment process at www.TruConnectDirect.com or using the TruConnect Direct mobile application. Upon joining at any one of the three agent levels, Silver, Gold or Business, the applicant, if approved, will receive home-office support for all current Products and Services. In addition, Gold and Business agent levels will receive a TruConnect Direct Business Building Kit which contains various marketing and training materials. The Silver agent level is free (\$0.00), the Gold level is \$49.00 and the Business Level is \$99.00. All levels allow the applicant, upon approval, to participate in the TruConnect Direct Independent Agent Compensation Plan.

The \$49.00 and \$99.00 costs are fully refundable within seven (7) calendar days of the Independent Agent's joining by submission of a written request for a refund using the TruConnect Direct Refund Request Form along with return of the TruConnect Direct Business Building Kit and as otherwise set forth in Section 8 of these Policies.

To become an Independent Agent, each applicant must meet all of the following requirements:

- a) Be of the age of majority in his or her state of residence.
- b) Reside in the United States, a U.S. Territory, or any country that TruConnect Direct has officially announced is open for business.
- c) Have a valid Social Security or Federal Tax ID number.

- d) Have a valid physical address; postal boxes and postal stores will not be accepted.
- e) Purchase a TruConnect Direct Business Building Kit, unless signing up for the Silver Agent Level.
- f) Submit a properly executed TruConnect Direct Independent Agent Agreement to TruConnect Direct electronically during the online joining process.

3.2 No Product Purchase Required

No person is required to purchase Products and Services or sales aids or to pay any charge or cost to become a Silver Independent Agent. To familiarize new Independent Agents with TruConnect Direct's Products and Services, sales techniques, sales aids, and other matters, the Company recommends that they utilize the resources provided in the TCDZone.

3.3 Independent Agent Benefits

Once a TruConnect Direct Independent Agent Agreement has been accepted by TruConnect Direct, the benefits of the Compensation Plan and the Agreement are available to the new Independent Agent. These benefits available include:

- a) Commissions & Bonuses. As an TruConnect Direct Independent Agent, you can benefit from the Compensation Plan, which gives you the potential to create immediate and residual commissions and bonuses from the customers and Independent Agents that you enroll.
- b) TruConnect Direct Business Building Kit. Each new TruConnect Direct Gold or Business level Independent Agent receives a Business Building Kit. This kit can include a variety of marketing materials to help you to enroll new customers and to sponsor new Independent Agents. Kit contents depend upon an Independent Agent's enrollment level.
- c) TCDZone Back Office. As an active TruConnect Direct Independent Agent, you are provided a software license for exclusive access to TCDZone. This dynamic online interface allows you to monitor every aspect of your TruConnect Direct business, including, but not limited to:
 - Independent Agent organization genealogy reports in multiple formats that will allow you to review your organization's population and productivity
 - Commission reports that will enable you to have visibility into your income from your organization's productivity
 - Monitoring tools to view your past and current productivity in graphical formats
 - Reporting on your personal and Downline Customers
 - Communication preference management
 - Access to TruConnect Direct marketing and sales tools at your fingertips: videos, presentations

- The ability to manage your upcoming earned commissions and bonuses
- Access to important forms and documents - corporate news, announcements, new product announcements, etc.

The TCDZone is the ultimate business development tool which truly enables you the potential to effectively manage your journey to financial independence. Certain components of the TCDZone are only available based upon Independent Agent levels of participation.

TruConnect Direct Agent Support Department. Trained TruConnect Direct Support Specialists are available to address your business support needs. Our Support Department provides Independent Agents with answers to questions about products, procedures and other relevant information needs, so that you and your team are always up to date. Our TruConnect Direct Support Specialists are experts when it comes to understanding our program requirements. They understand what it means to be a successful entrepreneur and have the best interests of our Independent Agents in mind at all times. Contact our Agent Support Department, toll-free, by calling 1-844-823-4567.

3.4 Term and Renewal of an Independent Agent’s TruConnect Direct Business

The term of this Agreement is one (1) year from the date of its acceptance by TruConnect Direct (subject to prior cancellation pursuant to Section 11). Independent Agents must renew their Independent Agent Agreements each year in the manner designated by the Company.

3.5 Authorization to Use Name and Likeness

By executing the Independent Agent Agreement, each Independent Agent grants to the Company and its affiliates and its agents the absolute, perpetual, and worldwide right and license to use, record, photograph, publish, reproduce, advertise, display, edit, and sell in any manner for all purposes, his or her name, photograph, likeness, voice testimony, biographical information, and other information related to the Independent Agent’s business with the Company (collectively the “Likeness”) in marketing, promotional, advertising, and training materials, whether in print, radio or television broadcasts (including cable and satellite transmissions) audio and videotapes on the Internet or in other media (“Publicity Materials”) for an unlimited number of times, without compensation, in perpetuity. Each Independent Agent waives any right to inspect or approve any Publicity Materials including or accompanying his or her Likeness.

Each Independent Agent further releases the Company from any liability or obligation that may arise as a result of the use of his or her Likeness, including without limitation, claims for invasion of privacy, infringement of right of publicity and defamation (including libel and slander). An Independent Agent may withdraw his or her authorization of any use of his or her Likeness that has not already been publicized by providing written notice to the Company. The Independent Agent agrees that any information given by Independent Agent, including his or her testimonial, is true and accurate.

4.0 OPERATING A TRUCONNECT DIRECT AGENT BUSINESS

4.1 Adherence to the TruConnect Direct Independent Agent Compensation Plan

Independent Agents must adhere to the terms of the TruConnect Direct Independent Agent Compensation Plan as set forth in official TruConnect Direct literature. Independent Agents shall not offer the TruConnect Direct opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official TruConnect Direct literature. Independent Agents shall not require or encourage other current or prospective Customers or Independent Agents to participate in TruConnect Direct in any manner that varies from the program as set forth in official TruConnect Direct literature. Independent Agents shall not require or encourage other current or prospective Customers or Independent Agents to execute any agreement or contract other than Official TruConnect Direct materials in order to become an TruConnect Direct Independent Agent.

Similarly, Independent Agents shall not require or encourage other current or prospective Customers or Independent Agents to make any purchase from, or payment to, any individual or other entity to participate in the TruConnect Direct Compensation Plan other than those purchases or payments identified as recommended or required in Official TruConnect Direct Materials.

4.2 Cash or Monetary Incentives

TruConnect Direct strictly prohibits Independent Agents from offering any cash or monetary incentives, promotions, prizes, or bonuses to their Downline or Upline as a method of influencing Enrolling or Customer acquisition.

Further, TruConnect Direct prohibits the use of cash or monetary incentives, promotions, prizes, or bonuses, other than those offered by the Company, for the purpose of sponsoring new Independent Agents.

4.3 Advertising

4.3.1 General Advertising

All Independent Agents shall safeguard and promote the good reputation of TruConnect Direct and Products and Services. The marketing and promotion of TruConnect Direct, the TruConnect Direct opportunity, the Compensation Plan, and Products and Services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices.

To promote the Products and Services and the opportunity TruConnect Direct offers, Independent Agents must only use the sales aids and support materials produced by TruConnect Direct or made available through an Independent Agent's TCDZone. TruConnect Direct has carefully designed its overall branding, Compensation Plan and promotional materials to ensure that each aspect of the TruConnect Direct program is fair, truthful, substantiated, and in compliance with the known legal requirements of federal and state laws. It is imperative that only the materials approved by TruConnect Direct be utilized in any and all sales, marketing and promotional

efforts and activities.

Accordingly, Independent Agents that choose to produce their own literature, advertisements, sales aids, or promotional materials must seek prior written approval from the TruConnect Direct Compliance Department by completing and submitting a Marketing Approval Form found in the TCDZone in the Library section. It is important to note that materials must be re-approved every six (6) months in order to ensure that they remain in compliance with current best practices.

Independent Agents are not permitted, under any circumstances, to create side businesses selling sales aids or training to other TruConnect Direct Independent Agents and doing so is cause for the termination of the involved Agent(s) contract with TruConnect Direct.

If an advertising violation is discovered, it must be brought to the Company's attention immediately via Compliance@TruConnectDirect.com. Any Independent Agent found violating the TruConnect Direct advertising policy, including but not limited to, logo reproduction on any marketing materials, websites, or sales aids, will be subject to disciplinary action outlined in Section 9.1. Any questions about the TruConnect Direct advertising policy and use of the TruConnect Direct Logo should be addressed by calling the Agent Support Department at 1-844-823-4567.

4.3.2 Independent Agent Websites

The Company prohibits the use of personal websites and encourages the use of the corporate replicated website. Independent Agents are prohibited from independently designing a website that uses the names, trademarks, service marks, logos, or descriptions of TruConnect Direct or its Products and Services, or otherwise promotes (directly or indirectly) TruConnect Direct or its Products and Services or the TruConnect Direct opportunity.

An Independent Agent may not, in any instance, use "blind" ads on the Internet that make Products and Services or income claims, which are ultimately associated with the Products and Services, the TruConnect Direct opportunity or the TruConnect Direct Compensation Plan. The use of any other Internet website or web page (including, without limitation, auction sites such as eBay) to in any way promote the sale of Products and Services, the TruConnect Direct opportunity or the Compensation Plan is a breach of the Agreement and may result in any of the disciplinary sanctions set forth in Section 9.1.

4.3.3 Blogs, Chat Rooms, Social Networks, Online Auctions, and other Online Forums

Independent Agents may utilize such online forums for the sole purpose of communicating within their Downlines provided they pre-register with the Company. Such postings may not in any way position TruConnect Direct in a negative manner and must be in compliance with Section 5.6 (Non-Disparagement) of these Policies and Procedures. Independent Agents may not represent themselves as "TruConnect Direct" or any other misleading nomenclature on any online blogs, chat rooms, social networks, online auction sites or any other online presence that may lead one to believe that such page or posting is maintained by TruConnect Direct. Furthermore, any online blogs, chat rooms, social networks, or other online forums that are utilized must always, without exception, include the email address Compliance@TruConnectDirect.com so that TruConnect Direct's Compliance Department can be an informed party, regardless of the

compliant nature of any electronic distributions as described above.

4.3.4 Domain Names and Email Addresses

Independent Agents may not use or attempt to register any of TruConnect Direct's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name or into any electronic mail address.

4.3.5 Trademarks and Copyrights

TruConnect Direct will not allow the use of its trade names, trademarks, designs, symbols or copyrights by any person, including Independent Agents, without its prior written permission. Independent Agents may not produce for sale or distribution any recorded Company events and speeches without prior written permission from TruConnect Direct, nor may Independent Agents reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations. Written permission may be obtained through TruConnect Direct compliance at Compliance@TruConnectDirect.com.

4.3.6 Media and Media Inquiries

Independent Agents must refer all media inquiries regarding TruConnect Direct, Products and Services or their independent TruConnect Direct business to Compliance@TruConnectDirect.com. This requirement is to insure that accurate and consistent information is provided to the public. Independent Agents are prohibited from utilizing radio or television media for the advertising, distribution or promotion of Products and Services or the TruConnect Direct opportunity without the express written consent of TruConnect Direct. In the event that TruConnect Direct does grant permission for the use of such media, TruConnect Direct must pre-approve all produced materials and shall have full rights to the use of these materials.

4.3.7 Unsolicited Email

TruConnect Direct does not permit Independent Agents to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. Any email sent by an Independent Agent that promotes TruConnect Direct, the TruConnect Direct opportunity, or Products and Services must comply with all applicable laws, including without limitation, the following:

- a) There must be a functioning return email address to the sender.
- b) There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
- c) The email must include the Independent Agent's physical mailing address.
- d) The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.

e) Any deceptive subject lines and/or false header information are strictly prohibited.

All opt-out requests, whether received by email or regular mail, must be honored. If an Independent Agent receives an opt-out request from a recipient of an email, the Independent Agent must forward a copy of the opt-out request to the Company at Compliance@TruConnectDirect.com

TruConnect Direct may periodically send commercial emails on behalf of Independent Agents. By entering into the Agreement, the Independent Agent agrees that the Company may send such emails and that the Independent Agent's physical and email addresses will be included in such emails as outlined above. The Independent Agent shall honor opt-out requests generated as a result of such emails sent by the Company.

4.3.8 Unsolicited Faxes

Independent Agents may not use nor transmit unsolicited faxes nor use an automatic telephone dialing system relative to the operation of their TruConnect Direct business except in compliance with applicable laws. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator, and (b) to dial such numbers. The term "unsolicited faxes" means the transmission via telephone facsimile of any material or information advertising or promoting TruConnect Direct, its Products and Services, the Compensation Plan or any other aspect of the Company that is transmitted to any person. All Independent Agents must comply with all local, state or federal laws governing faxes.

4.3.9 Giveaways, Lotteries, and Drawings

Independent Agents who wish to promote their business or the Products and Services through gifting of a prize or other promotions must get the prior written approval of the Company. Under no circumstances may an Independent Agent promote or offer a lottery, which includes but is not limited to, selling "raffle tickets," or charging any other fee of any kind in order to allow an individual to be included in the promotion or giveaway.

If an Independent Agent chooses to move forward with a promotion, the Independent Agent must register the promotion with TruConnect Direct's Compliance Department, receive prior written approval, which may be withheld in TruConnect Direct's sole discretion, and purchase the "prize" in full before promoting, advertising, or conducting said giveaway.

4.4 Stacking Prohibited

Stacking is the fraudulent manipulation of the TruConnect Direct Independent Agent Compensation Plan in order to obtain higher commission payments. An example of stacking occurs when an Independent Agent places a customer under another Independent Agent in order to receive a higher per customer commission. Another example would be the placing of an Independent Agent under another Independent Agent for the purpose of receiving a higher per customer commission payment. Stacking activities subject the Independent Agent(s) involved to termination of their Independent Agent agreement with the Company.

4.5 Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have regulations that define "Do Not Call" registries. The government's telemarketing regulations broadly define the term "telemarketer" and "telemarketing" so that an Independent Agent's inadvertent action of calling someone whose telephone number is listed on the federal "Do Not Call" registry could cause an Independent Agent to violate the law.

Therefore, Independent Agents must not engage in telemarketing in the operation of their TruConnect Direct businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of TruConnect Direct's Products and Services, to sponsor them for the TruConnect Direct opportunity, or to enroll customers. "Cold calls" made to prospective customers or Independent Agents that promote either TruConnect Direct's Products and Services or the TruConnect Direct opportunity constitute telemarketing and are prohibited.

4.6 Slamming Prohibited

Independent Agents must never switch, or attempt to switch, any individual or entity to TruConnect Direct's Products and Services on behalf of TruConnect Direct, unless the person has authorized the transfer by completing the necessary legal documents.

4.7 Bonus Buying Prohibited

Should the Company offer bonuses related to the sales of various products, Independent Agents may not inventory load nor encourage others to load up on inventory for the sole purpose of qualifying for these bonuses.

4.8 Company Retail Rule

Although the primary function of the Company is to sell Products and Services to the general consuming public, the Company realizes that its Independent Agents may wish to purchase Products and Services for personal or family use in reasonable amounts. For this reason, the Company defines a retail sale to include sales to nonparticipants, as well as purchases for personal or family use in reasonable amounts, which are not made solely for purposes of qualification or advancement.

4.9 Product Claims

Independent Agents may not make any claim, representation, or warranty concerning the Company or its Products and Services, except those expressly approved in writing by the Company.

4.10 Product/Service Warranty Disclaimer

EXCEPT AS EXPRESSLY MADE BY THE COMPANY IN WRITING, THE COMPANY MAKES NO WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WORKMANSHIP, NON-INFRINGEMENT, OR ANY OTHER WARRANTY ARISING BY LAW, STATUTE, USAGE OF TRADE OR COURSE OF DEALING

CONCERNING ANY PRODUCT AND SERVICE PURCHASED FROM OR THROUGH THE COMPANY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL PRODUCTS AND SERVICES OF THE COMPANY ARE PROVIDED "AS IS," "WITH ALL FAULTS," AND "AS AVAILABLE." THE COMPANY DOES NOT WARRANT THAT ITS PRODUCTS OR SERVICES WILL BE COMPATIBLE WITH ANY HARDWARE OR SOFTWARE SYSTEMS AND THAT ONLINE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. THE COMPANY DOES NOT WARRANT THAT ANY WEBSITE OPERATED, SPONSORED, OR HOSTED BY THE COMPANY OR ANY OF ITS AFFILIATES WILL BE UNINTERRUPTED OR FREE FROM ERROR. THE COMPANY IS NOT RESPONSIBLE FOR INTERRUPTED, INACCESSIBLE, OR UNAVAILABLE NETWORKS, SERVER, SATELLITES AND/OR SERVICE PROVIDERS, OR FOR MISCOMMUNICATIONS, FAILED, JUMBLED, SCRAMBLED, DELAYED, OR MISDIRECTED COMPUTER, TELEPHONE OR CABLE TRANSMISSIONS, OR FOR ANY TECHNICAL MALFUNCTIONS, FAILURES, OR DIFFICULTIES.

4.11 Business Entities

A corporation, limited liability company, partnership or trust (collectively referred to as a "Business Entity") may apply to be an TruConnect Direct Independent Agent by submitting its Certificate of Incorporation, Certificate of Organization, Partnership Agreement, or Trust documents (these documents are collectively referred to as the "Entity Documents") to TruConnect Direct, along with a properly completed Business Entity Registration Form. If an Independent Agent Joins online, the Entity Documents and Business Entity Registration Form must be submitted to TruConnect Direct within thirty (30) days of the online joining. If not received within the thirty (30) day period, the Agreement shall automatically be terminated.

The Business Entity Registration Form must be signed by all of the shareholders, directors, officers, members, managers, partners, trustees, employees and other individuals associated with the ownership or management of the Business Entity (a "Principal"), as applicable, who are jointly and severally liable for any indebtedness or other obligation to TruConnect Direct.

To prevent the circumvention of [Section 4.36](#) (regarding transfers and assignments of a TruConnect Direct business), if an additional Principal is added to a Business Entity, the original applicant must remain as a party to the original Independent Agent Agreement. If the original Independent Agent wants to cancel his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with [Section 4.36](#). If this process is not followed, the Independent Agent Agreement shall be a terminated. All bonus and commission checks will be sent to the address of record of the original Independent Agent Agreement. Please note that the modifications permitted within the scope of this Section do not include a change of Sponsorship. Changes of Sponsorship are addressed in [Section 4.13](#).

There is a \$50.00 fee for each change requested, which must be included with the written request and the completed Independent Agent Agreement. TruConnect Direct may, at its discretion, require notarized documents before implementing any changes to a Business Entity. TruConnect Direct will process any request within thirty (30) days of the receipt of the request.

4.12 Changes to a Business Entity

An Independent Agent may change its status under the same Independent Agent Sponsor from an individual to a Business Entity or from one type of Business Entity to another. There is a

\$50.00 fee for each change requested, which must be included with the written request and the completed Independent Agent Agreement. Such changes shall be processed only once per year and must be submitted by November 30 to become effective on January 1 of the following year.

In addition, Independent Agents operating their TruConnect Direct businesses using a Business Entity must notify TruConnect Direct of the addition or removal of any Principals of the Business Entity. Contact TruConnect Direct's Compliance Department for assistance with making changes to a Business Entity.

4.13 Change of Sponsor

TruConnect Direct generally prohibits changes in Sponsorship and the transfer of a TruConnect Direct business from one Sponsor to another is rarely permitted.

Requests for change of Sponsorship must be submitted in writing to the Agent Support Department, and must include the reason for the transfer. Transfers will only be considered if the Independent Agent seeking to transfer submits a properly completed and fully executed Sponsorship Transfer Form, which includes the written approval of his or her immediate Upline Independent Agent, and more specifically, all parties whose income will be affected by the transfer. Photocopied or facsimile signatures are not acceptable. All Independent Agent signatures must be notarized. The Independent Agent who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. The transferring Independent Agent, under no circumstances, may move any of the Independent Agents in his or her TruConnect Direct Downline with his or her transfer.

In cases where in the appropriate Sponsorship change procedures have not been followed, and an Independent Agent has developed a second business, TruConnect Direct reserves the sole and exclusive right to determine the final disposition of the TruConnect Direct business. **Independent Agents WAIVE ANY AND ALL CLAIMS AGAINST TRUCONNECT DIRECT THAT RELATE TO OR ARISE FROM TRUCONNECT DIRECT'S DECISIONS REGARDING THE TRANSFER OR DISPOSITION OF ANY TRUCONNECT DIRECT BUSINESS OR DOWNLINE.**

4.14. Cancellation and Re-application

An Independent Agent may legitimately change Downlines by voluntarily cancelling his or her TruConnect Direct Independent Agent Agreement and remaining inactive (i.e., no Sponsoring, no customer registrations, no attendance at any TruConnect Direct functions, and no participation in any other form of Independent Agent activity or operation of any other TruConnect Direct business) for one hundred eighty (180) calendar days. Following the one hundred eighty (180) calendar days of inactivity, the former Independent Agent may reapply under a new Sponsor.

4.15. Unauthorized Claims and Actions

4.15.1 Unauthorized Claim Indemnification

Each Independent Agent is fully responsible for all of his or her verbal and written statements made regarding TruConnect Direct, the Products and Services, and the Marketing and Compensation Plan that are not expressly contained in Official TruConnect Direct Materials.

Independent Agents agree to indemnify TruConnect Direct and TruConnect Direct's Independent Agents, members, managers, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by TruConnect Direct as a result of the Independent Agent's or his or her agents or employees unauthorized representations or actions. This provision shall survive the cancellation or termination of this Agreement.

4.15.2 Income Claims

The Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in direct marketing. While Independent Agents may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact TruConnect Direct as well as the Independent Agent making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation.

Because TruConnect Direct Independent Agents do not have the data necessary to comply with the legal requirements for making income claims, an Independent Agent, when presenting or discussing the TruConnect Direct business or Marketing and Compensation Plan to a prospective Independent Agent, may not make income projections, income claims, or disclose his or her TruConnect Direct income (including the showing of checks, copies of checks, bank statements, or tax records).

The Company does not guarantee or imply any specific earnings or income. Individual income results may vary significantly and are based on many factors, including an Independent Agent's individual efforts and skills. The Company makes no warranty or representation as to the level of success, if any, Independent Agents may achieve by selling any Product and Service or in soliciting Independent Agents or Enrolling Customers.

4.15.3 Income Disclosure Statement

The Company may develop an TruConnect Direct Income Disclosure Statement ("IDS"). If this occurs, the TruConnect Direct IDS will be designed to convey truthful, timely, and comprehensive information regarding the income that TruConnect Direct Independent Agents earn.

A copy of the IDS, when published by the Company, must be presented to a prospective Independent Agent (someone who is not a party to a current Agreement), and is the only type of income claim or earnings representation is made.

The terms "income claim" and/or "earnings representation" (collectively "income claim") include: (a) statements of average earnings, (b) statements of non-average earnings, (c) statements of earnings ranges, (d) income testimonials, (e) lifestyle claims, and (f) hypothetical claims. All such income claims are prohibited.

Examples of "statements of non-average earnings" include, "The Company's number one Independent Agent earned XXX dollars last year," or "The Company's average (*rank*) makes XXX per month." An example of a "statement of earnings ranges" is "The monthly income for (*rank*) is

XXX on the low end to YYY on the high end."

A lifestyle income claim typically includes statements (or pictures) involving large homes, luxury cars, exotic vacations, or other items suggesting or implying wealth. They also consist of references to the achievement of one's dreams, having everything one always wanted, and are phrased in terms of "opportunity" or "possibility" or "chance." Claims such as "My TruConnect Direct income exceeded my salary after six (6) months in the business," or "Our TruConnect Direct business has allowed my wife to come home and be a full-time mom" also fall within the purview of "lifestyle" claims.

A hypothetical income claim exists when an Independent Agent attempts to explain the operation of the Compensation Plan through the use of a hypothetical example. Certain assumptions are made regarding the: (I) number of Independent Agents Sponsored, (II) number of Downline Independent Agents, (III) average production volume per Independent Agent, and (IV) total organizational volume. When an Independent Agent makes these assumptions when explaining the Compensation Plan, he or she produces income figures that constitute hypothetical income claims.

If available, copies of the IDS may be printed or downloaded without charge from the corporate website within the Library section of the TCDZone.

4.16 Commercial Outlets

Independent Agents may not sell TruConnect Direct Products and Services from a commercial outlet without prior written consent from TruConnect Direct's corporate offices.

4.17 Trade Shows, Expositions and Other Sales Forums

Independent Agents may display and/or sell Products and Services at trade shows and professional expositions upon prior written consent of the Company. Before submitting a deposit to the event promoter, Independent Agents must contact the Agent Support Department in writing for conditional approval, as TruConnect Direct's policy is to authorize only one TruConnect Direct business per event. Final approval will be granted to the first Independent Agent who submits an official advertisement of the event, a copy of the contract signed by both the Independent Agent and the event official, and a receipt indicating that a deposit for the booth has been paid.

Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Agent Support Department. TruConnect Direct further reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its Products and Services or the TruConnect Direct opportunity.

4.18 Conflicts of Interest

4.18.1 Non-solicitation

TruConnect Direct Independent Agents are free to participate in other direct marketing business ventures or direct marketing opportunities (collectively "direct marketing programs"). However, during the term of this Agreement, Independent Agents may not directly or indirectly

solicit or recruit other TruConnect Direct Independent Agents for any other direct marketing programs.

Following the expiration, cancellation, or termination of an Independent Agent Agreement, and for a period of twelve (12) months thereafter, with the exception of an Independent Agent who was personally Sponsored by the former Independent Agent, a former Independent Agent may not directly or indirectly solicit, recruit, or hire any TruConnect Direct Independent Agent for another direct marketing program. Independent Agents and the Company recognize that because direct marketing programs are conducted through networks of independent contractors dispersed across the entire United States, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Independent Agents and TruConnect Direct agree that this non-solicitation provision shall apply to all markets in which TruConnect Direct conducts business.

4.18.2 Sale of Competing Products or Services

During the term of the Independent Agent Agreement, Independent Agents must not sell, or attempt to sell, any competing non-TruConnect Direct programs, products, or services to TruConnect Direct Independent Agents. Any program, product, or service in the same generic categories as TruConnect Direct Products and Services are deemed to be competing, regardless of differences in cost, quality, or distinguishing factors.

4.18.3 Independent Agent Participation in Other Direct Selling Programs

If an Independent Agent is engaged in other non-TruConnect Direct direct marketing business, it is the responsibility of the Independent Agent to ensure that his or her TruConnect Direct business is operated entirely separate and apart from any other business in which the Independent Agent participates. To this end, the following must be adhered to:

- a) The Independent Agent shall not display TruConnect Direct promotional materials, sales aids, Products and Services with or in the same web address or URL, or physical location as any non-TruConnect Direct promotional materials, sales aids, and products and services.
- b) The Independent Agent may not offer the TruConnect Direct opportunity or Products and Services to prospective or existing Customers or Independent Agents in conjunction with any non-TruConnect Direct business, opportunity, product, or service.
- c) The Independent Agent may not offer any non-TruConnect Direct opportunity, products, services or opportunity at any TruConnect Direct-related meeting, seminar or convention, or within two (2) hours and a five (5) mile radius of the TruConnect Direct event. If the TruConnect Direct meeting is held telephonically or via the Internet, any non-TruConnect Direct meeting must be at least two (2) hours before or after the TruConnect Direct meeting, and on a different conference telephone number or Internet web address from the TruConnect Direct meeting.

4.18.4 Business Activity (Genealogy) Reports

Business Activity Reports are available for Independent Agent access and viewing within the TCDZone, a Company website. Access to online Business Activity Reports is password protected. **All Business Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to TruConnect Direct.** Business Activity Reports are provided to Independent Agents in strictest confidence and are made available to Independent Agents for the sole purpose of assisting Independent Agents in working on their respective TruConnect Direct business and in the development of their TruConnect Direct business. Independent Agents should use their Business Activity Reports to assist, motivate, and train their Downline Independent Agents. The Independent Agent agrees that, but for this agreement of confidentiality and nondisclosure, TruConnect Direct would not provide Business Activity Reports to the Independent Agent. An Independent Agent shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation, or other entity:

- a) Directly or indirectly use or disclose any information contained in any Business Activity Report to any third party
- b) Directly or indirectly disclose the password or other access code to his or her Business Activity Report
- c) Use the information contained in any Business Activity Report to compete with TruConnect Direct or for any purpose other than promoting or supporting his or her TruConnect Direct business
- d) Recruit or solicit any Independent Agent listed on any Business Activity Report to any other business, or in any manner attempt to influence or induce any Independent Agent to alter his or her business relationship with TruConnect Direct

Upon demand by the Company, any current or former Independent Agent will return the original and all copies of Business Activity Reports to the Company.

4.18.5 Survival

The provisions of this Section 4.19 shall survive cancellation of the Independent Agent Agreement.

4.19 Targeting Other Direct Sellers

TruConnect Direct does not condone the acts of Independent Agents who specifically or consciously target the sales force of another direct sales company to sell Products and Services or to become Independent Agents for TruConnect Direct, nor does TruConnect Direct condone an Independent Agent's solicitation or enticement of Customers of the sales force of another direct sales company to violate the terms of their contract with such other company. Should an Independent Agent engage in such activity, he or she bears the risk of being sued by the other direct sales company.

If any lawsuit, arbitration or mediation is brought against an Independent Agent alleging that he or she engaged in inappropriate recruiting activity of another company's sales force or customers,

TruConnect Direct will not pay any of the Independent Agent's defense costs or legal fees, nor will TruConnect Direct indemnify the Independent Agent for any judgment, award, or settlement.

4.20 Cross-Sponsoring

Actual or attempted cross Sponsoring is strictly prohibited. "Cross Sponsoring" is defined as the Sponsoring of an individual or entity that already has a current Independent Agent Agreement on file with TruConnect Direct, or who has had such an Independent Agent Agreement within the preceding ninety (90) calendar days within a different line of Sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, Business Entities, federal ID numbers, fictitious ID numbers, or any other artifice to circumvent this policy is prohibited. Independent Agents shall not demean, discredit, or defame other TruConnect Direct Independent Agents in an attempt to entice another Independent Agent or Customer to become part of the first Independent Agent's TruConnect Direct business.

This policy shall not prohibit the transfer of any TruConnect Direct business in accordance with Section 4.36. If Cross Sponsoring is discovered, it must be brought to the Company's attention immediately. TruConnect Direct may take disciplinary action against the Independent Agent that changed organizations and/or those Independent Agents who encouraged or participated in the Cross Sponsoring. TruConnect Direct may also move all or part of the offending Independent Agent's TruConnect Direct business to his or her original TruConnect Direct business if the Company deems it equitable and feasible to do so. However, TruConnect Direct is under no obligation to move the Cross Sponsored Independent Agent's TruConnect Direct business, and the ultimate disposition of the organization remains within the sole discretion of TruConnect Direct. **Independent Agents waive all claims and causes of action against TruConnect Direct arising from or relating to the disposition of the Cross Sponsored Independent Agent's TruConnect Direct business.**

4.21 Errors or Questions

If an Independent Agent has questions about or believes any errors have been made regarding commissions, bonuses, Business Activity Reports, or charges, the Independent Agent must notify TruConnect Direct in writing within sixty (60) calendar days of the date of the purported error or incident in question. TruConnect Direct will not be responsible for any errors, omissions or problems not reported to the Company within sixty (60) calendar days.

4.22 Governmental Approval or Endorsement

Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or direct marketing companies or programs. Therefore, Independent Agents shall not represent or imply that TruConnect Direct or its Compensation Plan have been "approved," "endorsed," or otherwise sanctioned by any government agency or official.

4.23 Identification

All Independent Agents are required to provide their Social Security Number or a Federal Employer Identification Number to TruConnect Direct on the Independent Agent Agreement. When joining, the Independent Agent will create a unique Independent Agent Referral Code to

the Independent Agent by which he or she will be identified. This Referral Code will be used to place orders, and track commissions and bonuses.

4.24 Income Taxes

Each Independent Agent is responsible for paying local, state, and federal taxes on any income generated as an Independent Agent. If an TruConnect Direct business is tax exempt, the Federal tax exemption notice and identification number must be provided to TruConnect Direct. Every year TruConnect Direct will provide an Independent Agent Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600.00 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.00.

4.25 Independent Contractor Status

Independent Agents are independent contractors and are not purchasers of a franchise or a business opportunity. The Agreement between TruConnect Direct and its Independent Agents does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Independent Agent. An Independent Agent shall not be treated as an employee for Federal or State tax purposes. All Independent Agents are responsible for paying local, state, and federal taxes due from all compensation earned as an Independent Agent of the Company. The Independent Agent has no authority (expressed or implied) to bind the Company to any obligation.

Each Independent Agent shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Agreement and applicable laws. As an independent contractor, Independent Agents conduct their own independent TruConnect Direct business. Each Independent Agent is responsible and liable for all activities and expenses associated with such business, including the actions of any employees or agents of the Independent Agent, whose activities must be in compliance with these Policies and Procedures and all applicable laws.

4.26 Use of Company Name and Proprietary Marks

The name TruConnect Direct and other names and logos may be adopted by TruConnect Direct are proprietary trade names, trademarks, and service marks of TruConnect Direct. As such, these marks are of great value to TruConnect Direct and are supplied to Independent Agents for their use only in an expressly authorized manner.

Use of the TruConnect Direct name on any item not produced by the Company is prohibited except as follows:

Independent Agent's Name
TruConnect Direct Independent Agent

All Independent Agents may list themselves as described above in the white or yellow pages of the telephone directory under their own name. No Independent Agent may place telephone directory display ads using TruConnect Direct's name and/or logo. Independent Agents may not answer the telephone by saying "TruConnect Direct," or in any other manner

that would lead the caller to believe that he or she has reached corporate offices of TruConnect Direct.

4.27 Confidentiality Agreement

During the term of the Agreement, the Company may supply to Independent Agents confidential information (the "Confidential Information"), including, but not limited to genealogical reports, Customer lists and information, Independent Agent lists and information, trade secrets, manufacturer and supplier information, business reports, commission or sales reports, and such other financial and business information which the Company deems as confidential. All such Confidential Information (whether oral or in written or electronic form) is proprietary and confidential to the Company, and is transmitted to Independent Agents in strictest confidence for use solely in Independent Agents' business with the Company.

Independent Agents must use their best efforts to keep such information confidential and may not disclose any such information to any third party, directly or indirectly, except in strict accordance with the Agreement and these Policies and Procedures.

Independent Agents may not use Confidential Information to sell products or services other than the Company's Products and Services or in connection with any other business during the term of and after cancellation of the Agreement. Upon non-renewal or cancellation of the Independent Agent Agreement, Independent Agents must immediately discontinue all use of the Confidential Information, and if requested by the Company, promptly return all materials in their possession to the Company within five (5) business days of request at their own expense.

4.28 Insurance

An Independent Agent may wish to arrange insurance coverage for his or her business. An Independent Agent's homeowner's insurance policy may not cover business-related injuries or the theft of or damage to inventory or business equipment. An Independent Agent should contact his or her insurance agent to make certain that his or her business property is protected.

4.29 International Marketing

No Independent Agent may export or sell directly or indirectly to others who export the Company's products, literature, sales aids, or promotional material relating to the Company, its Products and Services or the Company's program from the United States, or its possessions or territories to any other country. Independent Agents who choose to Sponsor internationally may do so only in countries in which the Company has registered to operate its business and must comply fully with the rules of operation of a Company Independent Agent position in that country. Any violation of this policy constitutes a material breach of this Agreement and is grounds for immediate cancellation of the Independent Agent.

4.30 Adherence to Laws and Ordinances

Independent Agents shall comply with all federal, state, and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. Independent Agents must obey those laws that apply to them. If a city or county official tells an Independent Agent that an ordinance applies to him or her, the Independent

Agent shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of TruConnect Direct.

4.31 Minors

A person who is recognized as a minor in his or her state of residence may not be a TruConnect Direct Independent Agent. Independent Agents shall not Sponsor or recruit minors into the TruConnect Direct business.

4.32 One TruConnect Direct Business Per Independent Agent and Per Household

An Independent Agent may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary in only one TruConnect Direct business. No individual may have, operate, or receive compensation from more than one TruConnect Direct business. Individuals of the same Immediate Household may not enter into or have an interest in more than one TruConnect Direct business.

In order to maintain the integrity of the TruConnect Direct Independent Agent Compensation Plan, husbands and wives or common-law couples who wish to become TruConnect Direct Independent Agents may own and operate separate distributorships; however, one spouse must personally Sponsor the other. If both spouses are signatories to a single Independent Agent Agreement, neither may own nor operate any other TruConnect Direct business, either individually or jointly, nor may they participate directly or indirectly in the ownership or management of another TruConnect Direct business in any form.

An exception to the one business per Independent Agent rule will be considered on a case-by-case basis in cases in which an Independent Agent receives an interest in another business through inheritance. Requests for exceptions to policy must be submitted in writing to the Agent Support Department.

4.33 Actions of Household Members or Affiliated Individuals

If any member of an Independent Agent's Immediate Household engages in any activity which, if performed by the Independent Agent, would violate any provision of the Agreement, such activity will be deemed a violation by the Independent Agent and TruConnect Direct may take disciplinary action pursuant to these Policies and Procedures against the Independent Agent. Similarly, if any Principal of a Business Entity violates the Agreement, TruConnect Direct will deem such action(s) a violation, and TruConnect Direct may take disciplinary action against the Business Entity.

4.34 Requests for Records

Any request from an Independent Agent for copies of invoices, applications, Business Activity Reports or other records will require a fee of \$2.50 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

4.35 Roll-up of TruConnect Direct Business

When a vacancy occurs in a Downline or Upline due to the termination of an TruConnect Direct business and related Independent Agent Agreement, the vacancy shall not be filled. No Downline Independent Agents shall be moved or "rolled-up" into the vacancy.

4.36 Sale, Transfer, or Assignment of TruConnect Direct Business

Although each TruConnect Direct business is a privately owned, independently operated business, the sale, transfer, or assignment of TruConnect Direct business and related Independent Agent Agreement is subject to certain limitations. Subject to TruConnect Direct's prior review and written approval, which approval TruConnect Direct may grant or decline at its sole option and discretion, an Independent Agent may sell or transfer his or her TruConnect Direct business and related Independent Agent Agreement to an individual or Business Entity. A sale will be defined as a change in which the individual(s) selling the TruConnect Direct business no longer maintain(s) a financial interest in the TruConnect Direct business upon completion of the sale. A transfer will be defined as a change in name and/or identification number in which the Independent Agent still retains a financial interest in the TruConnect Direct business upon completion of the transfer.

Some examples of transfers are: transfer from one spouse to the other spouse; transfer from an individual to a Business Entity or vice versa, in which the transfer or any individuals having an interest therein still retains a financial interest; transfer or from Social Security Number to FEIN, or vice versa. In all cases, the transferor retains a financial interest/ownership interest after the transfer. The review and approval process will begin when TruConnect Direct has received all of the documentation required in accordance with the requirements set forth in the Business Sale/Transfer Packet (available directly from Agent Support Team), including a check or money order for the applicable processing fees from the Independent Agent who is selling/transferring the TruConnect Direct business. Processing fees are determined by the Level the Independent Agent position has achieved at the time of the sale/transfer, and are to be paid by the seller or transferor to TruConnect Direct.

The applicable processing fees are as follows:

Position Sale Fees	\$1,000.00
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Position Transfer Fees	\$500.00
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4.37 Separation of a TruConnect Direct Business

TruConnect Direct Independent Agents sometimes operate their TruConnect Direct businesses as husband-wife partnerships or other Business Entity. At such time as a marriage may end in divorce or a Business Entity may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of Sponsorship. If the separating parties fail to provide for the best interests of other Independent Agents and the Company in a timely fashion, TruConnect Direct will involuntarily cancel the Independent Agent Agreement.

During the divorce or Business Entity dissolution process, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the TruConnect Direct business pursuant to an assignment in writing whereby the relinquishing spouse or Principal authorizes TruConnect Direct to deal directly and solely with the other spouse or non-relinquishing Principal.
- b) The parties may continue to operate the TruConnect Direct business jointly on a "business-as-usual" basis, whereupon all compensation paid by TruConnect Direct will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the TruConnect Direct business of divorcing spouses or a dissolving Business Entity be divided. Similarly, under no circumstances will TruConnect Direct split commission and bonus checks between divorcing spouses or Principals of dissolving Business Entities. TruConnect Direct will recognize only one TruConnect Direct business and will issue only one commission check per TruConnect Direct business and/or Independent Agent per commission cycle. Commission checks shall always be issued to the same individual or Business Entity. In the event that parties of a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the Independent Agent Agreement shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in the original TruConnect Direct business pursuant to a divorce, he or she is thereafter free to Join under any Sponsor of his or her choosing without waiting ninety (90) calendar days. In the case of Business Entity dissolutions, the former Principal who retains no interest in the Business Entity must wait ninety (90) calendar days from the date of the final dissolution before re-joining as an Independent Agent. In either case, however, the former spouse or Principal shall have no rights to any Independent Agents in his or her former Downline organization or to any former Customer. They must develop the new business in the same manner as any other new Independent Agent.

4.38 Sponsoring

All Qualified Agents must be in Good Standing in order to have the right to Sponsor others into TruConnect Direct. Each prospective Customer or Independent Agent has the ultimate right to choose his or her own Sponsor. If two (2) Independent Agents claim to be the Sponsor of the same new Independent Agent or Customer, the Company shall regard the first application received by the Company as controlling.

4.39 Succession

Upon the death of an Independent Agent, his or her TruConnect Direct business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, an Independent Agent should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a will or other testamentary process transfers an TruConnect Direct business, the beneficiary acquires the

right to collect beneficiary bonuses and commissions of the deceased Independent Agent's TruConnect Direct business provided the following qualifications are met. The beneficiary must:

- a) Produce an original death certificate;
- b) Produce a certified copy of the will or other instrument;
- c) Complete and execute an Independent Agent Agreement;
- d) Comply with terms and provisions of the Agreement; and
- e) Meet all of the qualifications for the deceased Independent Agent's status under the Marketing and Compensation Plan.

Bonus and commission payments relating to a TruConnect Direct business transferred pursuant to this Section will be paid in a single payment jointly to the beneficiaries if more than one. The beneficiary must provide TruConnect Direct with an "address of record" to which all bonus and commission payments will be sent. If the business is bequeathed to joint beneficiaries, they must form a Business Entity and acquire a Federal Taxpayer Identification number. TruConnect Direct will issue all bonus and commission payments and one 1099 to the Business Entity.

4.40 Transfer Upon Incapacitation of an Independent Agent

Should an Independent Agent become incapacitated and unable to work his or her TruConnect Direct business and a family member or legal representative wishes to assume control of the TruConnect Direct business, the Company requires a certified copy of the medical documentation outlining the Independent Agent's condition and his or her inability to manage his or her TruConnect Direct business, and a copy of the legal document setting forth the transfer of ownership to or right to operate the TruConnect Direct business by the family member or legal representative.

5.0 Responsibilities of Independent Agents

5.1. Customer Acquisition and Independent Agent Sponsoring

TruConnect Direct is a direct marketing company that is focused primarily on relationship, or "warm marketing," techniques as outlined in the required training provided to each Independent Agent.

5.2. Presentation of TruConnect Direct Business, Product and/or Services

In the conduct of an TruConnect Direct business, the Independent Agent shall safeguard and promote the reputation of the Products and Services of the Company, and shall refrain from all conduct which might be harmful to such reputation of the Company or to the marketing of such Products and Services or inconsistent with the public interest, and shall avoid all

discourteous, deceptive, misleading, unethical, illegal, or immoral conduct or practices. An Independent Agent shall not interfere with, harass, or undermine other Independent Agents, and at all times shall respect the privacy of other Independent Agents and Customers of the Company.

5.3. Privacy

Independent Agents must take appropriate steps to safeguard and protect all private information provided by a Customer, prospective Customer, or other Independent Agent. The Independent Agent will not use in any way any information provided by a Customer during the Enrollment process or which the Customer may disclose in such process for any other purpose.

5.4. Change of Address or Telephone

To ensure timely delivery of products, support materials, and commission checks, it is critically important that TruConnect Direct's files are current. Street addresses are required for the shipping of products. An Independent Agent planning to move should update his or her personal information via the TCDZone function of the Independent Agent's replicated TruConnect Direct website. To guarantee proper delivery, the Independent Agent must provide two (2) weeks advance notice of all changes to TruConnect Direct.

5.5. Continuing Development Obligations

5.5.1 Ongoing Training

Any Independent Agent who Sponsors another Independent Agent into TruConnect Direct must perform a bona fide assistance and training function to the Independent Agents he or she Sponsors. Independent Agents must have ongoing contact and communication with the Independent Agents in their TruConnect Direct business. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voicemail, electronic mail, and accompanying one's Independent Agents to TruConnect Direct meetings, training sessions, and other functions. Upline Independent Agents are also responsible to motivate and train new Independent Agents in TruConnect Direct Products and Services knowledge, effective sales techniques, the TruConnect Direct Independent Agent Compensation Plan, and compliance with Company Policies and Procedures.

Communication with and the training of Downline Independent Agents must not, however, violate [Section 4.3.1](#) (regarding the development of Independent Agent-produced sales aids and promotional materials).

5.5.2. Increased Training Responsibilities

As Independent Agents become more experienced in sales techniques, product knowledge, and understanding of the TruConnect Direct program, they may be called on to share this knowledge with less experienced Independent Agents within their organization.

5.5.3. Ongoing Sales Responsibilities

Regardless of their Level of achievement, Independent Agents have an ongoing obligation to

continue to personally promote sales through the Enrolling of new Customers and through servicing their existing Customers and Independent Agents.

5.6. Non-disparagement

TruConnect Direct values an Independent Agent's constructive criticisms and comments. All such comments should be submitted in writing to the Agent Support Department. TruConnect Direct business, Independent Agents must not disparage, demean, or make negative remarks about TruConnect Direct, other TruConnect Direct Independent Agents, the Products and Services, the Compensation Plan, or TruConnect Direct's owners, officers, or employees.

5.7. Providing Documentation to Applicants

The Company will provide the most current version of the Policies and Procedures and the Compensation Plan to individuals at the time the Independent Agent Joins. Additional copies of Policies and Procedures and the TruConnect Direct Compensation Plan can be downloaded from TruConnect Direct's website.

5.8. Reporting Policy Violations

Independent Agents observing a policy violation by another Independent Agent should submit a written, notarized, report of the violation directly to the attention of the TruConnect Direct Compliance Department at Compliance@TruConnectDirect.com. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

5.9. Vendor Confidentiality/Communications

TruConnect Direct's business relationships with its marketing alliances, vendors, suppliers, associates, or former employees within or outside the corporate workplace are confidential, proprietary, and not to be circumvented by either the Independent Agent or the vendor. An Independent Agent shall not directly or indirectly contact or speak to or communicate with any vendor of TruConnect Direct except at an TruConnect Direct-Sponsored event at which the vendor is present at the request of TruConnect Direct or as otherwise expressly permitted in writing by TruConnect Direct. Under no circumstance is an Independent Agent permitted to directly contact any supplier or service provider with whom TruConnect Direct contracts or any other provider without receiving prior written authorization from an authorized officer of TruConnect Direct. Independent Agents may not directly contact regulatory agencies on behalf of TruConnect Direct or in connection with any TruConnect Direct business without receiving prior written authorization from an authorized officer of TruConnect Direct. Questions regarding any of these businesses should be directed to the Agent Support Department.

6.0 SALES REQUIREMENTS

6.1. Sales of Products and/or Services

Commissions and bonuses in the TruConnect Direct Independent Agent Compensation Plan are based on the acquisition of Active retail Customers and the sale of Products and Services.

Potential Customers should have a Social Security number, tax identification number, and/or driver's license. Establishing Customer accounts when the Customer does not intend to use the service is unethical and a breach of the Agreement and these Policies. A Customer account cannot be moved from one Independent Agent to another unless that Customer has not been Active for at least six (6) months.

6.2. No Territory Restrictions

There are no exclusive territories granted to anyone.

6.3. Restrictions on Third Party Use of Credit Cards and Checking Account Access

An Independent Agent shall not permit other Independent Agents or Customers to use his or her name, ID number, credit card number, or permit debits to his or her checking accounts to join the Company or to Enroll Customers or to make purchases from the Company.

7.0 BONUSES AND COMMISSIONS

7.1. Bonus and Commission Payments

7.1.1 Eligibility for Commissions.

All Independent Agents must be in Good Standing and qualified in accordance with the TruConnect Direct Independent Agent Compensation Plan in order to receive any commissions, bonuses, or other compensation. Qualification and Eligibility requirements are contained in the TruConnect Direct Independent Agent Compensation Plan. TruConnect Direct may change any portion of the TruConnect Direct Independent Agent Compensation Plan, including, without limitation, bonus and commission percentages and structure and/or any other form of compensation or transaction fee in its sole discretion and at any time.

Independent Agent understands and agrees TruConnect Direct's commission payment method may include all or one of either direct deposit, debit card, check or other. TruConnect Direct is not obligated to create or provide another payment method in the event an Independent Agent is unable to receive payment via TruConnect Direct's selected payment method or methods. In addition, Independent Agent understands it will be charged and agrees to pay for the fees associated with the selected payment method or methods. Said fees will be listed under the "Resources" tab in the TCDZone.

7.1.2 Weekly Payments.

Weekly commission payments will be issued on the next Friday after the week in which the commission is earned.

7.1.4 Monthly Payments.

Active Customer Commissions and Bonuses are paid monthly.

7.1.5 Commission Documentation Delivery.

Commission and bonus payments are calculated every Sunday, at 11:59 AM, CST, based upon the qualifications and eligibility, at that time, of each Independent Agent.

7.1.6 Commission and Bonus Inquiries.

Any claimed discrepancy regarding commissions and/or bonuses must be reported to TruConnect Direct in writing. TruConnect Direct must receive all commission or bonus inquiries within sixty (60) days of the calculation date of the commission and/or bonus in question.

7.1.7 Minimum Payment Amount.

A commission or bonus payment will not be issued until the total amount (less any fees) is greater than \$0.00.

7.1.8 Commissions Payment Delay.

TruConnect Direct is not responsible for loss of commissions or bonuses or delay in payment due to any of the following:

- a) The Independent Agent Agreement is not on file with TruConnect Direct or is incomplete, incorrectly filled out or not executed.
- b) Improper notification of change of address has occurred.
- c) Outdated forms are submitted to TruConnect Direct.
- d) There are issues in processing Customer information.

7.2. TCDZone Business Reports and Information

All information provided by TruConnect Direct in the TCDZone is believed to be accurate and reliable. Nevertheless, due to various factors, including, but not limited to, the inherent possibility of human and mechanical error, the accuracy, completeness, and timeliness of orders, denial of credit card and electronic check payments, returned products (cancelled services), or credit card and electronic check charge-backs, the information is not guaranteed by TruConnect Direct, its affiliates or any persons creating or transmitting the information. Access to and use of TruConnect Direct's online reporting services and an Independent Agent's reliance upon such information is at his or her own risk. If an Independent Agent is dissatisfied with the accuracy or quality of the information, his or her sole and exclusive remedy is to discontinue use of and access to TruConnect Direct's online reporting services and his or her reliance upon the information.

ALL INFORMATION PROVIDED BY THE COMPANY IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT. TO THE FULLEST EXTENT PERMISSIBLE UNDER

APPLICABLE LAW, TRUCONNECT DIRECT, ITS AFFILIATES, AND/OR OTHER PERSONS CREATING OR TRANSMITTING SUCH INFORMATION WILL IN NO EVENT BE LIABLE TO ANY INDEPENDENT AGENT OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOST PROFITS, BONUSES OR COMMISSIONS, OR LOSS OF OPPORTUNITY, THAT ARISE OUT OF OR RELATING TO (I) THE USE OF OR ACCESS TO ANY DOWNLINE INFORMATION OR REPORT OR OTHER INFORMATION; (II) THE INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY OR LOSS OF THE USE OF SUCH INFORMATION); (III) USE OR MISUSE OF ITS PRODUCTS AND SERVICES OR INFORMATION; (IV) THE BREACH BY AN Independent Agent OF THE AGREEMENT OR ANY APPLICABLE LAW; (V) THE INDEPENDENT AGENT'S OPERATION OF ITS BUSINESS; OR (VI) ANY INCORRECT OR WRONG DATA OR INFORMATION PROVIDED BY THE Independent Agent OR ANY LOST OR INCORRECT DATA BY TRUCONNECT DIRECT WHETHER BASED ON BREACH OF CONTRACT, BREACH OF WARRANTY, TORT (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE) OR STRICT LIABILITY OR OTHERWISE, TO THE FULLEST EXTENT PERMITTED BY LAW, EVEN IF TRUCONNECT DIRECT OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.0 RETURNS AND INVENTORY REPURCHASE

8.1. Returns by Independent Agents Upon Cancellation

An Independent Agent who cancels his or her business relationship with the Company has the right to return for repurchase on commercially reasonable terms currently marketable inventory. In addition, for purposes of this section, products or services shall not be considered "currently marketable" if returned for repurchase after the Product or Service has been used; after the product's commercially reasonable, usable or shelf life period has passed; or if the Company clearly discloses to the Independent Agent prior to purchase that the products, services or sales aids are seasonal, discontinued, or special promotional items, and are not subject to the repurchase obligation. Where any state's law may require a different buyback policy than the Company's, that state's buyback policy will apply.

8.2. Procedures for Returns

All products to be returned must have a Return Authorization Number, which is obtained by calling the Agent Support Department. This Return Authorization Number must be written on each carton returned.

The return is accompanied by a completed and signed Return Form B and a copy of the original dated receipt. Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to TruConnect Direct shipping pre-paid. TruConnect Direct does not accept shipping-collect-on-delivery (C.O.D.) packages. The risk of loss in shipping for returned products shall be on the Independent Agent. If the returned products are not received by the Company's Distribution Center, it is the responsibility of the Independent Agent to trace the shipment.

No refund or replacement of the products will be made if these conditions are not met.

9.0 DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1. Disciplinary Sanctions

Violation of the Agreement or violation of any common law duty, including but not limited to any applicable duty of loyalty; any illegal, fraudulent, deceptive or unethical business conduct; or any act or omission by an Independent Agent that in the sole discretion of the Company may damage its reputation or goodwill (such act or omission need not be related to the Independent Agent's TruConnect Direct business), may result, at TruConnect Direct's discretion, in one or more of the following corrective measures:

- a) Issuance of a written warning or admonition
- b) Requiring the Independent Agent to take immediate corrective measures
- c) Removal of Eligibility
- d) Withholding from an Independent Agent all or part of the Independent Agent's bonuses and commissions during the period that TruConnect Direct is investigating any conduct allegedly violating this Agreement
- e) Involuntary cancellation of the Independent Agent Agreement
- f) Any other measure expressly allowed within any provision of the Agreement or which TruConnect Direct deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Independent Agent's policy violation or contractual breach

In situations deemed appropriate by TruConnect Direct, the Company may institute legal proceedings for monetary and/or equitable relief.

9.2. Grievances and Complaints

When an Independent Agent has a grievance or complaint with another Independent Agent regarding any practice or conduct in relationship to their respective TruConnect Direct Businesses, the complaining party should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's Upline Sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Agent Support Department at the Company. The Agent Support Department will review the facts and attempt to resolve it. If it is not resolved, it will be referred to the Dispute Resolution Board for final review and determination.

9.3. Mediation

Prior to instituting any arbitration as provided in [Section 9.4](#) below, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall

be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated fees and costs at least ten (10) calendar days in advance of the mediation. Each party shall pay its own attorney fees, costs, and individual expenses associated with conducting and attending the mediation. Mediations shall be held in Dallas, Texas and shall last no more than two (2) business days.

9.4. Arbitration

Independent Agents agree that, except as set forth herein, any claim, dispute or other difference between any current or former Independent Agent and TruConnect Direct, during and after the term of the Agreement, will be exclusively resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association (the "Rules") and the United States Arbitration Act, 9 U. S. C., sections 1-16 (the "Act"), with arbitration to occur in Dallas, Texas. This Section will control any conflict between this Section and the Act or the Rules.

The parties agree that the arbitrator will have the primary power to decide any question about the appropriateness of arbitration for any claim, dispute or other difference between them. The arbitrator may award, in addition to declaratory relief, preliminary and permanent injunctive relief and actual damages. The arbitrator will not have the authority to award attorneys' fees, costs, or economic, consequential, punitive, exemplary or incidental damages, except that the arbitrator may award to TruConnect Direct such relief in a proceeding brought by TruConnect Direct against an Independent Agent. Each party will bear the expense of its own attorneys' fees. The decision of the arbitrator may be enforced in any court of competent jurisdiction.

Notwithstanding the foregoing, the arbitrator shall have no jurisdiction over disputes relating to the ownership, validity, use or registration of any mark, copyright, or other intellectual property or proprietary or confidential information of TruConnect Direct without TruConnect Direct's prior written consent. TruConnect Direct may seek any applicable remedy in any applicable forum with respect to these disputes.

Nothing in this rule shall prevent TruConnect Direct from cancelling the Independent Agent Agreement or from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, a preliminary injunction, and/or other injunctive or emergency relief available to safeguard and protect TruConnect Direct's interests prior to the filing of or during or following any arbitration or other proceeding or pending the handing down of a decision or award in connection with any arbitration or other proceeding.

Nothing contained herein shall be deemed to give the arbitrator any authority, power, or right to alter, change, amend, modify, add marketing to, and to subtract from any of the provisions of the TruConnect Direct Independent Agent Agreement, the TruConnect Direct Independent Agent Policies and Procedures, or the TruConnect Direct Independent Agent Compensation Plan.

This provision shall survive the cancellation or expiration of the Agreement.

Any modification of this arbitration provision shall not apply retroactively to any dispute which arose or which TruConnect Direct had notice of before the date of modification.

9.5. Class Action

As part of the consideration exchanged for the opportunity of being an Independent Agent, all parties expressly waive and disclaim any right to bring any claim in any and all forums as a class action or as a private attorney general. No party may serve as a class Independent Agent or as a member of a class in litigation adverse to another Independent Agent or TruConnect Direct,

9.6. Indemnity

Each Independent Agent agrees to indemnify and hold TruConnect Direct and its affiliates, and their respective officers, directors, shareholders, members, managers, employees, and agents (the "Indemnified Parties"), jointly and severally, harmless from and against any and all alleged claims, damages, expenses, fines or penalties, including any attorneys' fees, arising out of his or her (i) activities as an Independent Agent, including, without limitation, any unauthorized representations, prohibited conduct at TruConnect Direct's events, or slamming activities; (ii) breach of the terms of this Agreement; or (iii) violation of or failure to comply with any applicable federal, state or local law or regulation.

9.7. Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Harris County, State of Texas. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Texas shall govern all other matters relating to or arising from the Agreement.

9.8. Survival Provision

Any provisions of the TruConnect Direct Independent Agent Policies and Procedures which, by its terms, is intended to survive cancellation of the TruConnect Direct Independent Agent Agreement shall so survive, including, without limitation, the arbitration, non-competition, non-solicitation, trade secret, and confidentiality covenants contained in the TruConnect Direct Independent Agent Policies and Procedures.

10.0 SALES TAXES

TruConnect Direct relieves Independent Agents of the burdens of collecting and remitting sales taxes, filing sales tax reports, and keeping records relative to sales taxes.

By virtue of its business operations, TruConnect Direct is required to charge sales taxes on some purchases made by Independent Agents, and to remit the taxes collected to the respective states. Accordingly, TruConnect Direct will collect and remit these taxes on behalf of Independent Agents, based on the taxable sales price of the products, applying the applicable tax rates in the jurisdiction in which the transaction is deemed to have occurred. If an Independent Agent has submitted, and TruConnect Direct has accepted, a current Sales and Use Tax Exemption and or Resale Certificate, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the Independent Agent.

Exemption from the payment of sales tax is applicable only to orders that are attributable to a

state for which the proper tax exemption papers have been filed and accepted. Any sales tax exemption accepted by TruConnect Direct is not retroactive.

11.0 DOWNGRADES AND CANCELLATIONS

11.1. Effect of Cancellation

So long as an Independent Agent remains in Good Standing and complies with the terms of the Agreement, TruConnect Direct shall pay commissions and bonuses to such Independent Agent in accordance with the TruConnect Direct Independent Agent Compensation Plan. An Independent Agent's bonuses and commissions constitute the entire consideration for the Independent Agent's efforts in generating revenues and all activities related to generating sales (including building an TruConnect Direct business). Following an Independent Agent's non-renewal of his or her Independent Agent Agreement, or the voluntary or involuntary cancellation or cancellation of his or her Independent Agent Agreement, the former Independent Agent shall have no right, title, claim, or interest to the TruConnect Direct Business which he or she operated, or any commission or bonus from the sales generated by its Downline.

An Independent Agent whose TruConnect Direct Independent Agent Agreement is cancelled will immediately lose all rights as an Independent Agent. This includes the right to be compensated for the revenues generated by Customers of Products and Services and the right to receive future commissions, bonuses or other income resulting from the sales and other activities of the Independent Agent's former Downline. In the event of cancellation of the Independent Agent Agreement, Independent Agent agrees to waive all rights, if any, he or she may have, including but not limited to property rights to his or her former Downline and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former Downline.

Following an Independent Agent's cancellation of the TruConnect Direct Independent Agent Agreement, the former Independent Agent shall not hold himself or herself out as a TruConnect Direct Independent Agent. An Independent Agent whose TruConnect Direct Independent Agent Agreement is cancelled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation.

11.2. Involuntary Cancellation

TruConnect Direct expressly reserves the right to cancel the TruConnect Direct Independent Agent Agreement upon thirty (30) days written notice in the event that it elects to: (a) cease business operations; (b) dissolve as a legal entity; or (c) terminate direct marketing or direct selling methods. Furthermore, the Company has the right to cancel the TruConnect Direct Independent Agent Agreement at its sole election, for any reason, upon thirty (30) days written notice to an Independent Agent. An Independent Agent's violation of any of the terms of the Agreement may result in any of the sanctions listed in Section 9.1, including the immediate involuntary cancellation of his or her TruConnect Direct Independent Agent Agreement by the Company. Cancellation notice shall be mailed, faxed, or delivered by an express courier to the Independent Agent's last known address (or fax number), or to his/her attorney.

11.3. Voluntary Cancellation

An Independent Agent has a right to cancel his or her TruConnect Direct Independent Agent Agreement at any time, regardless of the reason. In order to cancel his or her TruConnect Direct Independent Agent Agreement, an Independent Agent must complete the online cancellation process found in the 'Profile' section in his or her TCDZone, or should this service be unavailable or the Independent Agent not have Internet access, then by written notice to the Company at its principal business address at 10440 North Central Expressway, Suite 700, Dallas, Texas 75231 or by verbal notice by calling the TruConnect Direct Agent Support Department on 844-823-4567, so that an "TruConnect Direct Cancellation Form" may be provided to an Independent Agent to execute and return.

TruConnect Direct will not process a cancellation request without the online cancellation process being completed or without receipt of this completed form.

11.4. Non-renewal

An Independent Agent may also voluntarily cancel his or her Independent Agent Agreement by failing to renew the Agreement on its anniversary date. The Company, at its sole discretion, may elect not to renew an Independent Agent Agreement upon its anniversary date.

12.0 RECURRING BILLING POLICIES AND PROCEDURES

An Independent Agent who Joins TruConnect Direct agrees to and understands the following policies and procedures relating to monthly recurring billing:

Any recurring billing associated with his or her TruConnect Direct account will be billed on or around the monthly anniversary of an Independent Agent and Customer's Enrollment date (+/- three [3] days). He or she can confirm this date by reviewing the billing area of his or her TruConnect Direct TCDZone, and he or she can work with the TruConnect Direct Agent Support Department team to adjust this date to a more convenient recurring timetable by submitting a ticket through his or her TCDZone help desk or phoning the Agent Support Department at 844-823-4567.

- a) That Independent Agent will not be notified prior to his or her monthly billing each month.
- b) The Independent Agent will be notified via an email to his or her address on file with TruConnect Direct should his or her recurring monthly billing fail. He or she understands and agrees to the terms of reinstatement and the requirement of keeping his or her account in good standing outlined in the TruConnect Direct Independent Agent Compensation Plan.
- c) The Independent Agent can cancel his or her TruConnect Direct recurring billing and corresponding features at any time by completing the cancellation procedures outlined in Section 11 of this Policies and Procedures.
- d) The Independent Agent is fully eligible for a full refund of his or her monthly recurring billing if his or her written cancellation and written request for refund is received by TruConnect

Direct within seven (7) calendar days of his or her most recent billing, provided the refund request form is submitted within thirty (30) days of the charge.

- e) The Independent Agent authorizes TruConnect Direct to charge all of the above described fees to his or her credit card provided upon joining or which has been updated within the billing profile in the TCDZone.
- f) Independent Agent hereby acknowledges that the Company cannot and does not make any guarantees or warranties as to the results of its Products and Services, and the Independent Agent therefore understands that he or she foregoes the right to dispute credit card charges on the grounds that the Company has failed to deliver satisfactory Products and Services. The Independent Agent further understands that, because the Company is an Internet-based business, the Company never actually takes physical possession of the Independent Agent's credit card. The Independent Agent acknowledges that, for this reason, the Company would normally have difficulty prevailing in credit card charge disputes with the Independent Agent relative to a physically-based business. The Independent Agent therefore foregoes his or her right to dispute the credit card charges he or she incurs with the Company.

Any questions or concerns about an Independent Agent's recurring billing should be issues referred to the TruConnect Direct at 10440 North Central Expressway, Suite 700, Dallas, Texas 75231 or by calling the TruConnect Direct Agent Support Department at 844-823-4567. All inquiries will be addressed within three (3) business day.

13.0 DEFINITIONS

Active Customer — Customer has been accepted by TruConnect Direct and is receiving products or services.

Active Customer Commission — A residual commission paid on the number of active customers enrolled and per the TruConnect Direct Independent Agent Compensation Plan. Customers, based on total Active Customers down seven (7) Levels.

TruConnect Direct or "Company" — A marketing company formed to sell Products and Services.

TruConnect Direct Business — The Customers and Independent Agents Sponsored below a particular Independent Agent.

TCDZone — A software package tool enabling an Independent Agent to view his or her business online, including alerts, reporting, tracking, and contact management with his or her Downline organization.

Agreement — The contract between the Company and each Independent Agent includes the TruConnect Direct Independent Agent Agreement, the TrueConnect Independent Agent Policies and Procedures, and the TruConnect Direct Independent Agent Compensation Plan. Documents are published on the TruConnect Direct website at www.TruConnect Direct.com.

Business Activity Report — A report generated by TruConnect Direct that provides critical data relating to the identities of Independent Agents and Customers, sales information, and Enrollment activity of each Independent Agent and his or her Downline. This report contains confidential and trade secret information, which is proprietary to TruConnect Direct.

Commission Bonus — The bonuses accumulated and paid for enrolling new independent agents and customers.

Cancel — The cancellation of the Independent Agent Agreement. Cancellation may be either voluntary, involuntary, or through non-renewal.

Cancelled Customer — Customer that has requested Cancellation or has not been Activated.

Downline — Each of the individuals that join (i.e. you Sponsor) immediately underneath you and their respective TruConnect Direct Business represent one "leg" in your TruConnect Direct business.

Eligible — A status associated with an Independent Agent maintaining his, her or its required Active Customers at the end of the day prior to the day in which a certain payment is made.

Eligibility — Eligibility is met by maintaining the minimum requirements for Active Customers and Independent Agents as further described in the TruConnect Direct Compensation Plan.

Enrolling — The activity of contacting and successfully directing persons to Enroll as customers and/or independent agents.

Immediate Household — Heads of household and dependent family members residing in the same house.

Independent Agent — Individuals who choose to join the TruConnect Direct opportunity. All Independent Agents must complete the Company Independent Agent Agreement and be accepted by the Company. The Company reserves the right to accept or reject anyone as an Independent Agent in its sole and absolute discretion.

Join — the act of becoming an Independent Agent.

Level — The layers of Downline Independent Agents in a particular Independent Agent's TruConnect Direct business. This term refers to the relationship of an Independent Agent relative to a particular Upline Independent Agent, determined by the number of Independent Agents between them who are related by Sponsorship. For example: if A Sponsors B, B Sponsors C, C Sponsors D, and D Sponsors E, then E is on A's fourth Level.

Official TruConnect Direct Materials — Literature, audio or video tapes, CDs or DVDs, and other materials developed, printed, published, and distributed by TruConnect Direct to Independent Agents and Customers.

Products and Services — Products and/or services sold by TruConnect Direct.

Sponsor — 1) a noun describing the Independent Agent that brings on or "Sponsors" another

Independent Agent into the TruConnect Direct business and helps them build his or her organization of Independent Agents, or 2) a verb describing the act of encouraging others to Join, and training them to become Independent Agents sometimes called "Sponsoring."

Sponsoring — The act of encouraging others to Join, and training them to become Independent Agents sometimes called "Sponsor."

Upline — This term refers to the Independent Agent or Independent Agents above a particular Independent Agent in a Sponsorship line up to the Company. Conversely stated, it is the line of Sponsors that links any particular Independent Agent or Customer to the Company.