

Heavenly Enhanced®

POLICIES & PROCEDURES

Effective Date May 1, 2025



POLICIES AND PROCEDURES v1.0

1.0 INTRODUCTION

1.1 Mutual Commitment Statement

The goal of Heaven on Earth, LLC dba Heavenly Enhanced (“Company”) is to provide exceptional products and services to consumers. This is only made possible with the support of and passion demonstrated by the members of the Heavenly Enhanced sales organization (known as “Independent Enhance Specialists,” “Beauty Enthusiasts,” “Distributors,” “Independent Contractors,” or simply “Specialists”). To achieve sustained success as a business, we hereby commit to supporting all our Independent Contractors and their efforts to achieve their own successful Heavenly Enhanced businesses. In return, we expect Specialists to represent the Company with the utmost honor and integrity as the Company looks to reach, sell to, and support all interested consumers.

1.2 Purpose of Policies and Effective Date

- A. To clearly define the relationship that exists between the Company and you, and to explicitly set a standard for acceptable business conduct, we now put forth these Policies and Procedures.
- B. As a Specialist, you are required to comply with:
 - I. All of the terms and conditions set forth in the Independent Distributor Agreement, which We as a Company may amend from time to time in Our sole and absolute discretion;
 - II. All federal, state, and/or local laws governing your Heavenly Enhanced business; and
 - III. Lastly, these Policies and Procedures.
- C. A Specialist must review the information in these Policies and Procedures carefully. Should you have any questions regarding a policy or rule, The Company encourages you to seek an answer from your Sponsor (as defined in the Glossary of Terms herein). Should your Sponsor not provide the appropriate clarification, you may contact the

Heavenly Enhanced Partners Service Department (“Company Partners Service Department”) at partners@heavenlyenhanced.com.

- D. These Policies and Procedures shall become effective as of May 1, 2025 (“Effective Date”).

1.3 These Policies and Procedures and the Compensation Plan Incorporated into the Independent Distributor Agreement

- A. Throughout these Policies, when the term “Agreement” is used, this collectively refers to the Independent Distributor Agreement, these Policies and Procedures, and the Company Compensation Plan.

1.4 Changes, Amendments, and Modifications

- A. Because federal, state, and local laws, as well as the business environment, periodically change, we reserve the right to amend the Agreement from time to time. Additionally, the Company may change and amend the prices on all its product at any time in the future. ***This provision does NOT apply to the arbitration clause found in Section 12, which can only be modified via mutual consent.***
- B. Amendments to the policy shall not apply retroactively to conduct prior to the effective date of change, but the Company may ask for the conduct to be corrected to be in line with the new policy. The effective date of the any such amendment, change, or modification shall be effective immediately upon notice by one of the following methods:
 - I. Posting on the official Heavenly Enhanced website (Corporate Website);
 - II. Electronic mail (e-mail); or
 - III. In writing through the Company newsletters or corporate communication channels.
- C. Understand that any continued business, ordering, acceptance of a commission or bonus payout, or other benefit received by a Specialist pursuant to this Agreement constitutes the acceptance of this Agreement in whole with any and all amendments.

1.5 Delays

Heavenly Enhanced shall not be responsible for delays or failures in performance of its obligations when such failure is due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, transportation difficulties, riot, war, fire, and/or weather, curtailment of a source of supply, or government decrees or orders.

2.0 BASIC PRINCIPLES

2.1 Becoming an Independent Distributor

- A. As a Heavenly Enhanced Independent Distributor, you will be a part of a team of passionate, driven, like-minded individuals, all working towards the common goal of achieving personal and financial success. To become an Independent Distributor, you must comply with the following requirements:
 - I. Be 18 years or older;
 - II. Reside or have a valid address in the United States or other U.S. territory;
 - III. Have a valid taxpayer identification number (i.e. Social Security Number, Federal Tax ID Number, ITIN, etc.);
 - IV. Submit a properly completed and signed via electronic signature an Independent Distributor Agreement; and
 - IV. Pay the Distributor Activation Fee at Enrollment and pay the ongoing Distributor Fee (annually or monthly respectively).

2.2 Registration and Enrollment of an Independent Distributor

- A. You will submit your Independent Distributor Agreement through the Corporate or Distributor's Website enrollment page. The electronic agreement signifies your signature that you have accepted the terms and conditions of the Independent Distributor Agreement, the Policies and Procedures, the Terms of Service, Terms and Conditions, and the Compensation Plan. Please note that such electronic signature constitutes a legally binding agreement between you and the Company.

- B. Accepted and/or signed documents, including, but not limited to Independent Distributor agreements, are legally binding contracts which must not be altered, tampered with or changed in any manner after execution. False or misleading information, forged signatures or alterations to any document, including business registration forms, made after a document has been executed may lead to sanctions, up to and including involuntary termination of your Heavenly Enhanced business.
- C. If you previously had a Heavenly Enhanced customer account and you have accumulated Enhance Dollars (product credits/cash), you must redeem the Enhance Dollars prior to enrolling as an Independent Distributor, as they are non-transferrable once you upgrade to an Independent Distributor or to any other persons. In the event, that you enroll as an Independent Distributor and you have not redeemed your Enhance Dollars that you acquired as a Heavenly Enhanced customer, you are aware and agree to the loss of the non-transferrable Enhance Dollars.

2.3 Rights Granted

- A. The Company hereby grants to a new Independent Distributor the non-exclusive right, based upon the terms and conditions contained in the Independent Distributor Agreement and these Policies and Procedures, to the following:
 - I. The ability to purchase, promote, and sell Heavenly Enhanced products and services;
 - II. Sponsor new Customers and Independent Distributors in the United States and in countries where Heavenly Enhanced may become established after the Effective Date of these Policies, building a sales organization and earning commissions of the personal and downline sales of Heavenly Enhanced products.

2.4 Identification Numbers

- A. Each Independent Distributor is required to provide his or her Social Security Number, or Federal Tax Identification Number, if located in the United States or any of its territories, to the Company on the Independent Distributor Agreement. We reserve the right to withhold commission payments from any Specialist who fails to provide such information or who provides false information.

- B. Upon enrollment, we will provide you a Heavenly Enhanced Identification Number. This number will be used to place orders, structure organizations, and track commissions and bonuses.

2.5 BeautySuite Fees

- A. Starting after the first month after enrollment, the Specialists pays a reoccurring monthly or annually BeautySuite fee. If the renewal date occurs on a holiday or weekend, payment will be processed the next business day. This fee is non-commissionable and non-refundable. It provides services such as a specialized selling dashboard, Virtual Back-Office and Specialists Replicated Website. Failure to pay the BeautySuite fee will result in a suspended account for the first 30-days after non-payment. After this time, if the BeautySuite fee continues to be unpaid, the Specialist's account will be terminated. Accounts with a failed BeautySuite fee will result in the loss of any and all rights to an Independent Distributor's Heavenly Enhanced business and downline organization.
- B. The downline of the expired and/or terminated Specialist will roll up to the immediate, active upline Sponsor.

2.6 Business Entities

- A. A corporation, partnership, LLC, or trust (collectively referred to as a "Business Entity") may apply to be an Independent Distributor. This Specialist business and position will remain *temporary* until the submission of proper documents. As examples of proper documents, We expect a Business Entity application to come with some of the following: Certificate of Incorporation, Articles of Organization, Partnership Agreement or appropriate Trust documents. We must receive these documents within ten (10) business days from the date of the execution of the Independent Distributor Agreement.
- B. A Specialist may change his or her status under the same Sponsor from an individual to a Business Entity so long as he or she complies with Section 2.6(A).

2.7 Independent Business Relationship; Indemnification for Actions

- A. As an Independent Distributor, you are an independent contractor, and not a purchaser of a franchise. As a result, each Specialist's success solely depends upon your own independent efforts.
- B. The Agreement between you and the Company does not create an employer/employee relationship, agency, partnership, or joint venture relationship.
- C. A Specialist shall not be treated as an employee of Heavenly Enhanced for any purposes, including, without limitation, for federal or state tax purposes. You are responsible for paying local, state, and federal taxes due from all compensation earned as a Specialist. Any other compensation received by Specialists from the Company will be governed by applicable U.S. tax laws (or the tax laws of any other applicable jurisdiction). You as an Independent Distributor have no express or implied authority to bind Heavenly Enhanced to any obligation or to make any commitments by or on behalf of the Company. Each Specialist, whether acting as management of a Business Entity or represented as an individual, shall establish goals, hours, and methods of operation and sale, so long as in compliance with the terms of the Independent Distributor Agreement, these Policies and Procedures, and applicable state and federal laws.
- D. You are fully responsible for all of your verbal and written communications made regarding Heavenly Enhanced products, services, and the Compensation Plan that are not expressly contained within official Company materials. Independent Distributors shall indemnify and hold harmless Heavenly Enhanced, its directors, officers, employees, product suppliers and agents from any and against all liability including judgments, civil penalties, refunds, attorney fees and court costs incurred by the Company as a result of the Specialist's unauthorized representations or actions. This provision shall survive the termination of the Heavenly Enhanced Independent Distributor Agreement.

2.8 Errors or Questions

- A. If an Independent Distributor has questions about, or believes any errors have been made regarding commissions, bonuses, business reports, orders, or charges, the Specialist must notify Heavenly Enhanced in writing via email at: partners@heavenlyenhanced.com within thirty (30) days of the date of the error or incident in question. Any such errors, omissions or problems not reported within this thirty-day timeframe is expressly waived by the Independent Distributor.

3.0 RESPONSIBILITIES OF A HEAVENLY ENHANCED INDEPENDENT DISTRIBUTOR

3.1 Correct Addresses

- A. It is the responsibility of any Customer or Independent Distributor to ensure the Company has the correct shipping address before any orders are shipped.
- B. Company reserves the right to assess Specialists and/or Customers a fee for returned shipments due to an incorrect shipping address.

3.2 Training and Leadership

- A. It is the Sponsor's responsibility to have ongoing contact and communication with those in their downline organizations. Examples of communication may include, but are not limited to, newsletters, written correspondence, telephone, contact, team calls, voice-mail, e-mail, personal meetings, accompaniment of downline Specialists to Company meetings, training sessions and other related functions.
- B. Upon request, an Independent Distributor should be able to provide documented evidence to the Company of their ongoing fulfillment of Sponsor responsibilities.
- C. Upline Specialists are encouraged to motivate and train new Specialists about Heavenly Enhanced's products and services, effective sales techniques, the Company Compensation Plan and compliance with these Policies and Procedures.
- D. The marketing and sale of products is a required activity in Heavenly Enhanced and must be emphasized in all recruiting presentations.
- E. **We prioritize all Independent Distributors to promote Company products and services to Customers first and prospective and current Specialists second.**
- F. Use of Sales Aids. Independent Distributors must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for approval prior to use. Unless the Independent Distributor receives specific written approval to use the material, the request shall be deemed denied. All Independent Distributors shall safeguard and promote the good reputation of Heavenly Enhanced

and its products. Once approved, Company reserves the right to incorporate the approved training material in its own promotional efforts

3.3 Constructive Criticism; Ethics

- A. It is our goal to provide you with a combination of exceptional products and a rewarding Compensation Plan. Accordingly, we value constructive criticism and encourage the submission of written comments addressed to the Company's Compliance Department so long as such comments come by way of a respectful and in a productive manner.
- B. Negative and disparaging comments by Independent Distributors made to others about the Company, its products or Compensation Plan, or disruptive behavior at Company meetings or events, serve no purpose other than to dampen the enthusiasm of all those who participate in the Heavenly Enhanced business. Independent Distributors must not belittle the Company, other Specialists, the Company products or services, the Compensation Plan, or Company directors, officers, or employees, product suppliers or agents. Such conduct represents a material breach of these Policies and Procedures and may be subject to sanctions as the Company sees fit.
- C. **Heavenly Enhanced endorses the following code of ethics:**
 - I. Independent Distributors must show fairness, tolerance, and respect to all people associated with Heavenly Enhanced, regardless of race, gender, social class or religion.
 - II. Independent Distributors must contribute to and foster an atmosphere of positivity, teamwork, good morale and community spirit.
 - III. Independent Distributors shall strive to resolve business issues, including situations with upline and downline members through tact, sensitivity, good will.
 - IV. Independent Distributors must be honest, responsible, professional and conduct themselves with integrity.
 - V. Independent Distributors shall never disparage the Company, other Specialists, Company employees, product suppliers or agents, products, services, sales and

marketing campaigns, or the Compensation Plan, or make statements that unreasonably offend, mislead or coerce others.

- D. The Company may take appropriate action against an Independent Specialist if it determines, in its sole discretion, that the Specialist's conduct is detrimental, disruptive, or injurious to the Company or other Heavenly Enhanced Independent Distributors.

3.4 Reporting Policy Violation

- A. An Independent Distributor who observes a policy violation by another Specialist should submit an email of the violation directly to the Company Compliance Department (partners@heavenlyenhanced.com). The email shall set forth the details of the incident as follows:
 - I. The nature of the violation and specific facts to support the allegations;
 - II. Number of occurrences and dates;
 - III. The persons involved; and
 - IV. Any other supporting documentation
- B. Upon presentation to the Company Compliance Department, we will research the incident in question and take appropriate action if necessary.
- C. This section refers to the general reporting of policy violations as observed by other Independent Distributors for the mutual effort to support, protect, and defend the integrity of the Heavenly Enhanced business and opportunity. If an Independent Distributor has a grievance or complaint against another Specialist which directly relates to his or her Heavenly Enhanced business, the procedures set forth in these Policies must be followed.

3.5 Sponsorship

- A. The Sponsor is the person who introduces a person, whether a customer or Specialist, to the Heavenly Enhanced business and helps them complete their enrollment,

supports those in their downline, and continues to provide training and assistance for all those in their downline.

- B. The Company recognizes the Sponsor as the name(s) shown on the electronically signed Independent Distributor Agreement from either the Company's website or an Independent Distributor's replicated website.
- C. We recognize that each new prospect has the right to ultimately choose his or her own Sponsor, but we will not allow Specialists to engage in unethical sponsoring activities.
- D. All active Specialists in good standing have the right to Sponsor and enroll others into the Heavenly Enhanced business. While engaged in sponsoring activities, it is not uncommon to encounter situations when more than one Independent Distributor will approach the same prospect. It is the accepted courtesy that the new prospect will be sponsored by the first Independent Distributor who presented a comprehensive introduction to the Company's products or opportunity.

3.6 Cross Sponsoring Prohibition

- A. "Cross sponsoring" is defined as the enrollment of an individual or Business Entity into a different line of sponsorship who already has a signed an Independent Distributor Agreement. Actual or attempted cross sponsoring is not allowed. If cross sponsoring is verified by the Company, sanctions up to and including termination of an Independent Distributor's business may be imposed.
- B. The use of a spouse's or relative's name, trade names, assumed names, DBA names, corporation, partnership, trust, Federal ID numbers, or fictitious ID numbers to evade or circumvent this policy is strictly prohibited.
- C. This policy does not prohibit the transfer of a Heavenly Enhanced business in accordance with the Sale or Transfer policy set forth herein.

3.7 Adherence to the Heavenly Enhanced Compensation Plan

- A. An Independent Distributor must adhere to the terms of the Company Compensation Plan. Any deviation from the Compensation Plan is strictly prohibited.

- B. An Independent Distributor shall not offer the Heavenly Enhanced opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Company materials.
- C. An Independent Distributor shall not require or encourage a current or prospective Customer or Specialist to participate in Heavenly Enhanced business in any manner that varies from the Compensation Plan or other Company materials.
- D. Other than such purchases or payments required to naturally build their business, an Independent Distributor shall not require or encourage a current or prospective Customer or Specialist to make a purchase from or payment to any individual or other entity as a condition to participating in the Company Compensation Plan.

3.8 Adherence to Laws and Ordinances

Many cities and counties have laws regulating certain home-based businesses. In most cases, these ordinances do not apply to Independent Distributors because of the nature of the business. However, Specialists must check their local laws and obey the laws that do apply to them. A Specialist shall comply with all federal, state, and local laws and regulations in their independent conducting of their Heavenly Enhanced business.

3.9 Compliance with Applicable Income Tax Laws

- A. Heavenly Enhanced will automatically provide a complete 1099 Miscellaneous Income Tax form (nonemployee compensation) to each U.S. Independent Distributor whose earnings for the year is at least \$600 or who received trips, prizes or awards valued at \$600 or more. If earnings and purchases are less than stated above, IRS forms will be sent only at the request of the Specialist, and a minimum charge of \$20 may be assessed by Heavenly Enhanced.
- B. An Independent Enhance Specialist accepts sole responsibility for and agrees to pay all federal, state, and local taxes on any income generated as an independent business owner, and further agrees to indemnify Heavenly Enhanced from any failure to pay such tax amounts when due.
- C. If an Independent Distributor's business is tax exempt, the Federal Tax Identification number must be provided to the Company during the enrollment process.

- D. The Company encourages all Independent Distributors to consult with a tax advisor for additional information for their business.

3.10 One Heavenly Enhanced Business Per Household

An Independent Distributor may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one (1) Heavenly Enhanced business. No individual may have, operate or receive compensation from more than one Heavenly Enhanced businesses. Individuals of the same family unit may each enter in to or have an interest in their own separate Heavenly Enhanced businesses, only if each subsequent family position is placed frontline to the first family member enrolled. A “family unit” is defined as spouses and dependent children living at or doing business at the same home or resident address.

3.11 Actions of Household Members or Affiliated Parties

If any member of your immediate household engages in any activity which, if performed by you, would violate any provision of the Agreement, such activity will be deemed a violation by you. As a result, the Company may take disciplinary action pursuant to these Policies and Procedures against you. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively “Business Entity”) violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and the Company may take disciplinary action against the Business Entity. Likewise, if an Independent Distributor enrolls in Heavenly Enhanced as a Business Entity, each affiliated party of the Business Entity shall be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

3.12 Solicitation for Other Companies or Products

- A. An Independent Distributor may participate in other direct sales, multilevel, network marketing or relationship marketing business ventures or marketing opportunities (collectively “Network Marketing”) that is a noncompeting company (as defined below). However, during the term of this Agreement and for one (1) year thereafter, **you may not recruit any other Heavenly Enhanced Customer or Independent Distributor for any other direct sales or network marketing business, unless said Customer or Independent Distributor was personally sponsored by you.**
- B. The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Customer or Specialist to enroll or participate

in any Network Marketing opportunity. This conduct represents recruiting even if the Independent Distributor's actions are in response to an inquiry made by another Customer/Specialist.

- C. However, you may sell and promote only **non-competing** products or services. Specifically, a non-competing company is defined as a company that does not sell hair and skin care products.
 - I. Due to the visibility of our higher-ranking Independent Distributors, Heavenly Enhanced Specialists invited into the Profit Partners Program at the rank of Silver Partner or **above agree not to participate in ANY Network Marketing or party plan company, regardless, if the company sells competing products or not.**
- D. A Specialist may not display or bundle Heavenly Enhanced products or services, in sales literature, on a website or in sales meetings, with any other products or services to avoid confusing or misleading a prospective Customer or Specialist into believing there is a relationship between Heavenly Enhanced and non-Company related products or services.
- E. You may not offer any non-Company related opportunity, products or services at any Heavenly Enhanced-related meeting, seminar or convention, or immediately following said event(s).
- F. A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between the Company and you. As a result, such actions would inflict irreparable harm on Heavenly Enhanced. In such event, the Company may, at its sole discretion, impose any sanction it deems necessary and appropriate against such the Independent Distributor or Specialist's business including termination, the request of immediate injunctive relief, or the pursuit of any other legal and equitable remedies.

3.13 Presentation of the Heavenly Enhanced Opportunity

In presenting the Company opportunity to potential Customers and Specialists, you must comply with the following provisions:

- I. Refrain from misquoting or omitting any significant material fact about the Compensation Plan.
- II. Make clear that the Compensation Plan is based upon sales of Heavenly Enhanced products and services to consumers.
- III. Make clear that success can be achieved only through substantial independent efforts and hard work.
- IV. Refrain from any unauthorized income projections, claims, or guarantees during any presentation or discussion of the Heavenly Enhanced opportunity or Compensation Plan to prospective Customers or Specialists. Nevertheless, you agree to reference the Company income disclaimer (“Income Disclaimer”) in presentations about the Heavenly Enhanced opportunity.
- V. Refrain from any claims regarding Company products or services not found in official Company materials.
- VI. Refrain from the promotion of Heavenly Enhanced in any country where Heavenly Enhanced has not yet established a “presence.”

*Note: The terms “income claim” and/or “earnings representation” (collectively “income claim”) include the following: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non-average earnings” include, “Our number one Independent Distributor earned over a million dollars last year” or “Our average ranking Independent Distributor makes five thousand per month.” An example of a “statement of earnings ranges” is “The monthly income for our higher-ranking Independent Distributors is ten thousand dollars on the low end to thirty thousand dollars a month on the high end.”

3.14 Sales Requirements

- A. An Independent Specialist agrees to not sell any Heavenly Enhanced products below the Company mandated price. There are no exclusive territories granted to anyone. No franchise fees are applicable to a Heavenly Enhanced business.
- B. The Heavenly Enhanced business is built on sales to the ultimate consumer. Thus, Independent Distributors must only purchase inventory that they and their family will

personally consume or will be used as a sales tool. ***Independent Distributors must never attempt to influence any other Specialist to buy more products than they can reasonably use in a month.***

- C. All Heavenly Enhanced product sales and transactions should run through the Company website.

4.0 ORDERING

4.1 General Order Policies

- A. “Bonus Buying” is strictly and absolutely prohibited. Bonus Buying includes the following: (1) the enrollment of individuals or entities without the knowledge of and/or execution of an Agreement by such individuals or Business Entities; (2) the fraudulent enrollment of an individual or entity as a Customer or Specialist; (3) the enrollment or attempted enrollment of nonexistent individuals or Business Entities as Customers or Specialists (“phantoms”); (4) purchasing Heavenly Enhanced products or services on behalf of another Customer or Specialist, or under another Customer’s or Specialist’s ID number, to qualify for commissions or bonuses; (5) purchasing excessive amounts of products that cannot reasonably be used or resold in a month; and/or (6) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end user consumers.

A Specialist shall not use another Customer’s or Specialist’s credit card or debit checking account to enroll in Heavenly Enhanced or purchase products or services without the account holder’s *written permission*. Such documentation must be kept by the Specialist indefinitely in case the Company needs to reference this.

- B. Regarding an order with an invalid or incorrect payment, we will attempt to contact the Specialist by phone, mail or e-mail in order to obtain another form of payment.
- C. Prices are subject to change without notice.
- D. A Customer/Specialist who is a recipient of a damaged or incorrect order must notify customer service by email at care@heavenlyenhanced.com within three (3) calendar days from receipt of the order and follow the procedures as set forth in these Policies.

4.2 Insufficient Funds

- A. Any outstanding balance owed to the Company by a Customer/Specialist of yours from insufficient fund fees (ACH) will be withheld from your future bonus and commission payments.
- B. If a credit card order or automatic debit is declined the first time, the Customer/Specialist will be contacted for an alternate form of payment. If payment is declined a second time, the Customer/Specialist may be deemed ineligible to purchase Company products or services in the future.

4.3 Sales Tax Obligation

- A. You as an Independent Distributor shall comply with all state and local taxes and regulations governing the sale of Heavenly Enhanced products and services.
- B. We will collect and remit sales tax on all orders made through the website. The company will remit the sales tax to the appropriate state and local jurisdictions.
- C. When reselling products (i.e. at a vendor event) we encourage you to consult with a tax advisor for any state rules concerning collecting sales tax.

5.0 PAYMENT OF COMMISSIONS & BONUSES

5.1 Bonus and Commission Qualifications

- A. An Independent Distributor must be active (as defined in the Glossary of Terms) and in compliance with these Policies and Procedures to qualify for bonuses and commissions. So long as an Independent Distributor complies with the terms of the Agreement, we shall pay commissions in accordance with the Compensation Plan.
- B. We reserve the right to postpone bonus and commission payments until such time the cumulative amount exceeds \$50.
- C. We reserve the right to assess a transaction fee for all payout disbursements.

- D. Please note that Specialists are paid commissions on the sale of Gift Cards sold through their replicated websites. The Company does not pay ANY commissions on purchases made by way of Gift Cards or store credits as these sales events will not be included in volume calculations.

5.2 Computation of Commissions and Discrepancies

- A. An Independent Distributor must review his or her monthly statement and bonus/commission reports promptly and report any discrepancies within thirty (30) days of receipt. After the thirty-day “grace period,” no additional requests will be considered for commission recalculations.
- B. For additional information on payment of commissions, please review the Compensation Plan.

5.3 Adjustments to Bonuses and Commissions for Returned Products

- A. An Independent Distributor receives bonuses and commissions based on the actual sales of products to end consumers. When a product is returned to the Company for a refund from the end consumer, the bonuses and commissions attributable to the returned product will be deducted from the Specialist who received bonuses or commissions on said sales. Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the bonus/and or commission is recovered.
- B. In the event that a Specialist terminates his or her business, and the amounts of the bonuses or commissions attributable to the returned products or services have not yet been fully recovered by the Company, the remainder of the outstanding balance may be offset against any other amounts that may be owed by the Company to the former Specialist.

6.0 RETURNS

For product refunds and returns, please see the Heavenly Enhanced website for more details (www.heavenlyenhanced.com). Specialists may not utilize items to photograph or promote and then return items.

6.1 Return Process

- A. All returns, whether by a customer or Specialist, must be made as follows:
 - I. Obtain Return Merchandise Authorization (“RMA”) from Heavenly Enhanced;
 - II. Ship items to the address provided by Heavenly Enhanced Customer Service Department when you are given your RMA;
 - III. Provide a copy of the invoice or packing slip with the returned products. Such invoice or packing slip must reference the RMA and include the reason for the return; and
 - IV. Ship back product in manufacturer’s box exact same manner as it was delivered, meaning the packaging should be the exact same.
- B. All returns must be shipped to Heavenly Enhanced pre-paid, as we do not accept shipping collect packages. We recommend shipping returned product by a shipping provider with tracking and insurance as risk of loss or damage in shipping of the returned product shall be solely by the Customer or Specialist. If returned product is not received at Heavenly Enhanced Distribution Center, it is the responsibility of the Customer or Specialist to trace the shipment. In these particular instances, no credit will be applied.
- C. Specialists who return an excessive number of products with a request for a refund within twelve (12) month period may constitute grounds for involuntary termination.

7.0 PRIVACY POLICY

7.1 Introduction

This Privacy Policy is to ensure that all Customers and Specialists understand and adhere to the basic principles of confidentiality.

7.2 Expectation of Privacy

- A. We at Heavenly Enhanced recognize and respect the importance its Customers and Specialists place on the privacy of their financial and personal information. Thus, We will make reasonable efforts to safeguard the privacy of and maintain the confidentiality of all Customers' and Specialists' financial and account information and nonpublic personal information.
- B. By entering into the Independent Distributor Agreement, you authorize the Company to disclose your name and contact information to upline Specialists solely for activities related to the furtherance of the Heavenly Enhanced business. An Independent Distributor hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing the downline organization and conducting Heavenly Enhanced business.

7.3 Employee Access to Information

We limit the number of employees who have access to Customers' and Specialists' nonpublic personal information.

7.4 Restrictions on the Disclosure of Account Information

Heavenly Enhanced will not share non-public personal information or financial information about current or former Customers or Specialists with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Customers' or Specialists' interests or to enforce its rights or obligations under these Policies and Procedures, the Independent Distributor Agreement, or with written permission from the accountholder on file.

8.0 PROPRIETARY INFORMATION AND TRADE SECRETS

8.1 Business Reports, Lists, and Proprietary Information

By completing and signing the Independent Distributor Agreement, you acknowledge that Business Reports, lists of Customer and Specialist names and contact information, which contain financial, scientific or other information both written or otherwise circulated by the Company and pertaining to the business of Heavenly Enhanced (collectively, "Reports"), are confidential, proprietary information and trade secrets belonging to Heavenly Enhanced.

8.2 Obligation of Confidentiality

- A. During the Term of the Independent Distributor Agreement and for a period of five (5) years after the termination or expiration of the Independent Distributor Agreement between you and us, you shall not:
 - I. Use the information in the Reports to compete with Heavenly Enhanced or for any purpose other than promoting your business;
 - II. Use or disclose to any person or entity any confidential information contained in the Reports, including the replication of the genealogy in another network marketing company.

8.3 Breach and Remedies

The Independent Distributor acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to Heavenly Enhanced and to independent Heavenly Enhanced businesses. The Company and its Independent Distributor will be entitled to injunctive relief or to recover damages against any Specialist who violates this provision in any action to enforce its rights under this section. The prevailing party shall be entitled to an award of attorney's fees, court costs and expenses.

8.4 Return of Materials

Upon demand by the Company, any current or former Independent Distributor will return the original and all copies of all "Reports" to the Corporate office together with any Company confidential information in such person's possession.

9.0 ADVERTISING, PROMOTIONAL MATERIAL, USE OF COMPANY NAMES AND TRADEMARKS

9.1 Labeling, Packaging, and Displaying Products for Resale

- A. An Independent Distributor may not re-label, re-package, refill, or alter labels of any Heavenly Enhanced product or service information, materials or program(s) in any way. Heavenly Enhanced products must only be sold in their original containers from Heavenly Enhanced. Such relabeling or re-packaging violates federal and state laws which may result in criminal or civil penalties or liability.
- B. Specialist may sell Company products in their privately-owned retail establishment if the following criteria is met:

- I. The retail sales space is 1,000 square feet or less. Retail sales space does not include storage or office space;
 - II. The retail establishment cannot be a franchise or national chain;
 - III. You have no more than two establishments operating under the same name and/or business entity;
 - IV. Products must be listed at or above the retail sales price;
 - V. You may not offer BOGOs, sales or discounts on the products that differ from the offerings on the official Heavenly Enhanced Website.
- C. We reserve the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its products, services, or the Company opportunity.

9.2 Use of Company Names and Protected Materials

- A. An Independent Distributor must safeguard and promote the good reputation of the Company and the products and services it markets. The marketing and promotion of the Company, the Heavenly Enhanced opportunity, the Compensation Plan, and its products and services will be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct and practices.
- B. All promotional materials supplied or created by Us must be used in their original form and cannot be changed, amended or altered except with prior written approval from the Company Compliance Department.
- C. The name Heavenly Enhanced, each of its product and service names and other names that have been adopted by the Company in connection with its business are proprietary trade names, trademarks and service marks of Heavenly Enhanced. As such, these marks are of great value to the Company and are supplied to Independent Distributor for their use only in an expressly authorized manner.

- D. An Independent Distributor's use of the name "Heavenly Enhanced" is restricted to protect the Company's proprietary rights, ensuring that the Company protected names will not be lost or compromised by unauthorized use. Use of the Heavenly Enhanced name on any item not produced by the Company is prohibited except as follows:
 - I. [Specialist's name] An Independent Enhance Specialist of Heavenly Enhanced;
 - II. [Specialist's name] Independent Business Owner of Heavenly Enhanced products and services; or
 - III. [Specialist's name] Beauty Enthusiast of Heavenly Enhanced.
- E. Further procedures relating to the use of the Heavenly Enhanced name are as follows:
 - I. All stationary (i.e., letterhead, envelopes, and business cards) bearing the Heavenly Enhanced name or logo intended for use by the Specialist must be approved in writing by the Company Compliance Department.
 - II. Specialists may not use the name "Heavenly Enhanced" or "Corporate Office of Heavenly Enhanced" in answering the telephone, creating a voice message or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "Heavenly Enhanced Independent Enhance Specialist".
- F. Certain photos and graphic images used by Heavenly Enhanced in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to Specialists. Enhance Specialists are provided Company approved images to use in their resource library found in their Virtual BeautySuite Back Office.
- G. A Specialist shall not appear on or make use of television or radio, or make use of any other media to promote or discuss the Company or its programs, products or services without prior written permission from the Company Compliance Department.
- H. A Specialist may not produce for sale or distribution any Company event or speech, nor may a Specialist reproduce Company audio or video clips for sale or for personal use without prior written permission from the Company Compliance Department.

- I. Heavenly Enhanced reserves the right to rescind its prior approval of any sales aid or promotional material to comply with changing laws and regulations and may request the removal from the marketplace of such materials without financial obligation to the affected Specialist.
- J. A Specialist shall not promote non-Heavenly Enhanced products or services in conjunction with Company products or services on the same websites or same advertisement.
- K. Moreover, a Specialist ***shall never*** advertise or market the sale of hair or skin care products different or separate than Heavenly Enhanced products. This prohibition extends to all social media platforms. Should the Company become aware of a Specialist's advertisement of competing products, Heavenly Enhanced reserves all rights to discipline such actions accordingly.
- L. Claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Heavenly Enhanced may not be made except those contained in official Corporate literature. In particular, no Specialist may make any claim that Heavenly Enhanced products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only do such claims violate the Company policies, but also, they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

9.3 Faxes and E-mail Limitations

- A. Except as provided in this section, a Specialist may not use or transmit unsolicited faxes, email, mass email distribution, or "spamming" that advertises or promotes the operation of the Heavenly Enhanced business. The exceptions are:
 - I. Faxes or e-mailing any person who has given prior permission or invitation;
 - II. Faxes or e-mailing any person with whom the Specialist has established a prior business or personal relationship.

- B. In all states where prohibited by law, a Specialist may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.
- C. All faxes, e-mail or computer broadcasted documents subject to this provision shall include each of the following:
 - I. A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words “advertisement” or “solicitation” should appear in the subject line of the message;
 - II. A clear return path or routing information;
 - III. The use of legal and proper domain name;
 - IV. A clear and obvious notice of the opportunity to decline to receive further commercial facsimile or e-mail messages from the sender;
 - V. Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
 - VI. The true and correct name of the sender, valid senders’ fax e-mail address, and a valid sender physical address;
 - VII. The date and time of the transmission;
 - VIII. Upon notification by recipient of his or her request not to receive further faxed or e-mailed documents, a Specialist shall not transmit any further documents to that recipient.
- D. All e-mail or computer broadcasted documents subject to this provision shall not include any of the following:
 - I. Use of any third-party domain name without permission; and

- II. Sexually explicit materials.

9.4 Internet and Third-Party Website Restrictions

- A. You may not use or attempt to register any of Heavenly Enhanced's trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Company's name or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, e-mail addresses, web pages, or blogs.
- B. An Independent Distributor cannot use or register domain names, email addresses, and/or online aliases that could cause confusion, be misleading, or deceive individuals into believing that a communication is from, or is the property of Heavenly Enhanced corporate.

Regarding the registered mark of Heavenly Enhanced in URLs, examples of improper use include but are not limited to:

- I. HeavenlyEnhanced@comcast.net;
- II. www.HeavenlyEnhancedDirect.com;
- III. www.facebook.com/HeavenlyEnhanced; or
- IV. Any other derivatives as described herein.

Examples of permitted URLs, email addresses, and online aliases might appear as follows:

- I. [Facebook.com/iloveHeavenlyEnhanced](https://www.facebook.com/iloveHeavenlyEnhanced); or

Determination as to what could cause confusion, mislead or be considered deceptive is at the sole discretion of the Company.

- C. A Specialist may not sell Heavenly Enhanced products, services or offer the Heavenly Enhanced opportunity via "online auctions," such as eBay®, or "online marketplaces" such as Amazon or Etsy, etc. For more information, please see the Heavenly Enhanced Online Marketplace Provision (Section 9.4(R)).

- D. The Company provides all Independent Distributors with one (1) replicated website. Heavenly Enhanced replicated website is a personal Specialist website that is hosted on Company servers. Specialists may use this replicated website to enroll new Specialists and offer Customers and Specialists alike the opportunity to buy Company products and services. As for any Specialist who wishes to develop its own third-party website (or site not affiliated with the Company and independently owned and operated by the Specialist) must seek and receive the Company's prior written approval before going live with such third-party website. Should the Company grant the Specialist approval to use a third-party website, the site must:
- I. Identify yourself as an Independent Distributor for Heavenly Enhanced;
 - II. Use only the approved images and wording authorized by the Company;
 - II. Adhere to the branding, trademark, and image usage policies described in this document;
 - III. Adhere to any other provision regarding the use of a third-party website described in this document;
 - IV. Agree to modify your website to comply with current or future Company policies.
- E. All marketing materials used on an Independent Distributor's third-party website must be provided by the Company in writing.
- F. To avoid confusion, the following three elements must also be prominently displayed at the top of every page of any third-party website:
- I. The Heavenly Enhanced Independent Distributor Logo
 - II. Your Name and Title
 - III. Heavenly Enhanced Corporate Website Redirect Button
- G. An Independent Distributor may not use third-party sites that contain materials copied from corporate sources (such as Heavenly Enhanced brochures, CDs, videos, tapes,

events, presentations, and corporate websites). This policy ensures brand consistency, allows Customers and Specialists to stay up-to-date with changing products, services and information, facilitates enrollment under the correct Sponsor, and assists in compliance with government regulations.

- H. If an Independent Distributor who has received authorization to create and post any third-party website has the business voluntarily or involuntarily canceled for any reason, or if the Company revokes authorization allowing the Specialist to maintain such a third-party website, the Specialist shall assign the URL to the third-party website to the Company within three (3) days from the date of the cancellation and/or re-direct all traffic to the site as directed by the Company. We reserve the right to revoke any Specialist's right to use a third-party website at any time if We believe that such revocation is in the best interest of Heavenly Enhanced, its Specialists, and Customers. Decisions and corrective actions in this area are at the Company's sole discretion.
- I. Independent Media sites may be used to market Heavenly Enhanced products. PROFILES AN INDEPENDENT DISTRIBUTOR GENERATES IN ANY SOCIAL COMMUNITY WHERE HEAVENLY ENHANCED IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE INDEPENDENT DISTRIBUTOR AS A HEAVENLY ENHANCED INDEPENDENT DISTRIBUTOR. Specifically, the Company requires all Specialists who create an Independent media site used to promote Heavenly Enhanced products and services to label said site in the following manner:

- I. Heavenly Enhanced, Independent Distributor (name or business name)

For example, a Specialist's Heavenly Enhanced Facebook page would have a label in accordance with the prescribed requirements, such as facebook.com/Heavenly Enhanced _IndependentEnhanceSpecialistMaryJones or something similarly situated.

When an Independent Distributor participates in those communities, he or she must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at the Company's sole discretion, and offending Specialists will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the Heavenly Enhanced approved library. If a link is provided, it must link to the posting Specialist's replicated website or an approved third-party website.

- J. Anonymous postings or use of an alias on Independent Media site is prohibited, and offending Specialists will be subject to disciplinary action.
- K. Specialists may not use blog spam, spamdexing or any other mass-replicated methods to leave blog comments. Comments Specialists create or leave must be useful, unique, relevant and specific to the blog's article.
- L. Specialists must disclose their full name on all Independent Media postings, and conspicuously identify themselves as an Independent Specialist of Heavenly Enhanced. Anonymous postings or use of an alias is prohibited.
- M. Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the Heavenly Enhanced income opportunity, the Company products and services, and/or your biographical information and credentials.
- N. Specialists are personally responsible for their postings and all other online activity that relates to Heavenly Enhanced. Therefore, even if a Specialist does not own or operate a blog or Independent Media site, if a Specialist posts to any such site that relates to Heavenly Enhanced or which can be traced to the Company, the Specialist is responsible for the posting. Specialists are also responsible for postings which occur on any blog or Independent Media site that the Specialist owns, operates, or controls.
- O. The distinction between an Independent Media site and a website may not be clear-cut, because some Independent Media sites are particularly robust. Therefore, Heavenly Enhanced reserves the sole and exclusive right to classify certain Independent Media sites as third-party websites and require that Independent Distributors using, or who wish to use, such sites adhere to the Heavenly Enhanced's policies relating to third-party websites.
- P. If your Heavenly Enhanced business is cancelled for any reason, you must discontinue using the Company name, and all of the Company's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Independent Media sites that you utilize. If you post on any Independent Media site on which you have previously identified yourself as an Independent Distributor of Heavenly Enhanced, you must conspicuously disclose that you are no longer a Heavenly Enhanced Independent Distributor.

- Q. Failure to comply with these Policies for conducting business online may result in the Specialist losing their right to advertise and market Company products, services, and the Heavenly Enhanced opportunity online or any other disciplinary action available under the Policies and Procedures.
- R. The Company predicates its business on Specialists' ability to nurture and develop relationships online. Therefore, online interactions and relationships with Customers and Specialists are critical to one's individual success in this business. In all, Heavenly Enhanced has a strict approach to online marketplace sales via eBay or Etsy. The Company does not allow a Specialist to sell any Heavenly Enhanced on Amazon, eBay, Etsy or Facebook Marketplace (collectively known as "Online Marketplaces"). During the term of your contract as an Independent Distributor, you are allowed to maintain a profile on any of these Online Marketplaces, but must refrain completely from selling or offering Company products. This same policy applies to other third-party sites by which a Specialist could sell Heavenly Enhanced products.

9.5 Advertising and Promotional Materials

- A. Independent Distributors must never attempt to comment on corporate social media posts in an attempt to solicit Customers. As an example, an Independent Distributor should not comment or specifically direct communications to customers on a Corporate social media post discussing new inventory, such as "Please buy from my website." This is prohibited activity and the Company can and will reprimand Specialists for acting in violation of this provision.
- B. You may not advertise any Heavenly Enhanced products at a price LESS than the highest Company published, established retail price of the Heavenly Enhanced product plus shipping, handling and applicable taxes.
- C. No special enticement advertising is allowed. This includes, but is not limited to, offers of a free business, free product packages, free shipping, or other such offers that grant advantages beyond those available through the Company.
- D. Advertising and all forms of communications must adhere to principles of honesty and propriety.

- E. All advertising, including, but not limited to, print, Internet, computer bulletin boards, television, radio, etc., are subject to prior written approval by the Company Compliance Department.
- F. All requests for approvals with respect to advertising must be directed in writing to the Company Compliance Department.
- G. Heavenly Enhanced approval is not required to place blind ads that do not mention Heavenly Enhanced (or any similar known name), its employees, any of its products, services, designs, symbols, programs, and trademarked, copyrighted, or otherwise protected materials.
- H. Heavenly Enhanced reserves the right to rescind its prior approval of submitted advertising or promotional materials in order to comply with changing laws and regulations and may require the removal of such advertisements from the marketplace without obligation to the affected Independent Distributor.

9.6 Testimonial Permission

By signing the Heavenly Enhanced Independent Distributor Agreement, you give Us permission to use your testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio and video. In consideration of being allowed to participate in the Heavenly Enhanced opportunity, you waive any right to be compensated for the use of your testimonial or image and likeness even though the Company may be paid for items or sales materials containing such image and likeness. In some cases, an Independent Distributor's testimonial may appear in another Specialist's advertising materials. If an Independent Distributor does not wish to participate in Heavenly Enhanced sales and marketing materials, he or she should provide a written notice to the Company Compliance Department to ensure that his or her testimonial or image and likeness will not be used in any corporate materials, corporate recognition pieces, advertising or recordings of annual events.

9.7 Telemarketing - Limitations

- A. An Independent Distributor must not engage in telemarketing in relation to the operation of his or her Heavenly Enhanced business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the

purchase of Heavenly Enhanced products or services, or to recruit them for the Heavenly Enhanced opportunity.

- B. The Federal Trade Commission (“FTC”) and the Federal Communications Commission (“FCC”) each have laws that restrict telemarketing practices. Both federal agencies, as well as a number of states, have “do not call” regulations as part of their telemarketing laws.
- C. While a Specialist may not consider himself or herself a “telemarketer” in the traditional sense, these regulations broadly define the term “telemarketer” and “telemarketing” so that the unintentional action of calling someone whose telephone number is listed on the Federal “Do Not Call” registry could cause the Specialist to violate the law. These regulations must not be taken lightly, as they carry significant penalties (up to \$11,000 per violation).
- D. “Cold calls” or “state-to-state calls” made to prospective Customers or Specialists that promote either Heavenly Enhanced products, services, or the Heavenly Enhanced opportunity is considered telemarketing and is prohibited.
- E. Exceptions to Telemarketing Regulations. A Specialist may place telephone calls to prospective Customers/Specialists under the following limited situations:
 - I. If the Independent Distributor has an established business relationship with the prospect;
 - II. In response to the prospect’s personal inquiry or application regarding a product offered by the Specialist within three (3) months immediately before the date of such a call;
 - III. If the Specialist receives written and signed permission from the prospect authorizing the Specialist to call;
 - IV. If the call is to family members, personal friends, and acquaintances. However, if a Specialist makes a habit of collecting business cards from everyone he/she meets and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption;

- V. A Specialist engaged in calling “acquaintances,” must make such calls on an occasional basis only and not as a routine practice.
- F. A Specialist shall not use automatic telephone dialing systems in the operation of his or her Heavenly Enhanced businesses.
- G. Failure to abide by Company policies or regulations as set forth by the FTC and FCC regarding telemarketing may lead to sanctions against the Specialist’s business, up to and including termination of the business.
- H. By signing the Independent Distributor Agreement, or by accepting commission checks, other payments or awards from Heavenly Enhanced, you give the Company permission to contact you as permitted under the Federal Do Not Call regulations.
- I. In the event a Specialist violates this section, We reserve the right to institute legal proceedings to obtain monetary or equitable relief.

10.0 CHANGES TO AN INDEPENDENT DISTRIBUTOR’S BUSINESS

10.1 Modification of the Independent Distributor Agreement

An Independent Distributor may modify the existing Distributor Agreement (i.e., change a social security number to a Federal ID number, add a spouse or partner to the account, or change the form of ownership from an individual to a Business Entity owned by the Specialist) by submitting an email request, accompanied by a new Distributor Agreement and the Business Registration Form, if applicable, completed with fresh signatures (not a “crossed out” or “white-out” version of the first Agreement), and any appropriate supporting documentation.

10.2 Change Sponsor or Placement for Inactive Independent Distributor

- A. At the discretion of the Company, Independent Distributors who have not neither sold nor purchased products for at least twelve (12) months, and who have not tendered a letter of resignation, are eligible to re-enroll in the Company under the Sponsor/Placement of their choice.
- B. Upon written notice to the Company that a former Independent Distributor wishes to re-enroll, Heavenly Enhanced will “compress” (close) the original account. A new

Specialist ID number will then be issued to the former Specialist. Such Specialist does not retain former rank, downline, or rights to commission checks from the former organizations.

- C. The Company reserves the right to correct Sponsor or Placement errors at any time and in whatever manner it deems necessary.

10.3 Change Organizations

- A. If an Independent Distributor wishes to transfer organizations, he or she must submit a letter of resignation to the Company Customer Service Department and remain inactive (neither buy or sell) with or in Heavenly Enhanced for twelve (12) months from the receipt of the letter before being eligible to re-enroll under a different Sponsor/Placement.
- B. The Company retains the right to approve or deny any request to re-enroll after a Specialist's resignation.
- C. If re-enrollment is approved, the former Specialist will be issued a new Specialist ID number and will be required to submit a new Independent Distributor Agreement. The Specialist will not be entitled to keep any former rank, downline, or rights to commission checks from any prior organization.
- D. Transfers may not be done outside of the original organization.

10.4 Unethical Sponsoring

- A. Unethical sponsoring activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition in trying to acquire a prospect or new Specialist from another Specialist or influencing another Specialist to transfer to a different sponsor.
- B. Allegations of unethical sponsoring must be reported in writing to the Company Compliance Department within the first 90 days of enrollment. If the reports are substantiated, Heavenly Enhanced may transfer the Independent Distributor or the Specialist's downline to another sponsor, Placement or organization without approval from the current up-line Sponsor. The Company remains the final authority in all such cases.

- C. Heavenly Enhanced prohibits the act of “Stacking.” Stacking is the unauthorized manipulation of the Company compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline Specialist in an unearned manner. One example of stacking occurs when a Sponsor places participants under an inactive downline without his or her knowledge in order to trigger unearned qualification for commissioning. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of independent consultant positions and businesses of all individuals and/or entities found to be directly involved.
- D. Should Specialists engage in solicitation and/or enticement of members of another direct sales company to sell or distribute Heavenly Enhanced products and services to, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Specialist alleging that they engaged in inappropriate recruiting activity of another company’s sales force or Customers, the Company will not pay any of the Specialist’s defense costs or legal fees, nor will the Company indemnify the Specialist for any judgment, award, or settlement.

10.5 Sell, Assign or Delegate Ownership

- A. To preserve the integrity of the hierarchical structure, it is necessary for Heavenly Enhanced to place restrictions on the transfer, assignment, or sale of a business.
- B. A Specialist may not sell or assign rights or delegate the position as a Specialist without *prior written approval* by the Company, which approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of the Company.
- C. Should the sale be approved by the Company, the Buyer assumes the position of the Seller at the current qualified title, but at the current “paid as” rank, at the time of the sale and acquires the Seller’s Downline.
- D. To request corporate authorization for a sale or transfer of a Heavenly Enhanced business, the following items must be submitted to the Company Compliance Department:

- I. A Sale/Transfer of Business Form properly completed, with the requisite signatures.
- II. A copy of the Sales Agreement signed and dated by both Buyer and Seller.
- III. A Distributor Agreement completed and signed by the Buyer;
- IV. Payment of the \$100 administration fee;
- V. Any additional supporting documentation requested by the Company.
- E. Any debt obligations that either Seller or Buyer may have with Heavenly Enhanced must be satisfied prior to the approval of the sale or transfer by the Company.
- F. A Specialist who sells his or her business is not eligible to re-enroll as a Specialist in any organization for twelve (12) full calendar months following the date of the sale except as otherwise expressly set forth in these Policies and Procedures.

10.6 Separating an Independent Distributor's Heavenly Enhanced Business

- A. Pending a divorce or dissolution of a partnership or other business entity, the parties must adopt one of the following methods of operation:
 - I. One of the parties may, with the written consent of the other(s), operate the Heavenly Enhanced business whereby the relinquishing spouse, shareholders, partners, members or trustees authorize the Company to deal directly and solely with the other spouse, non-relinquishing shareholder, partner, member or trustee;
 - II. The parties may continue to operate the Heavenly Enhanced business jointly on a "business as usual" basis, whereupon all compensation paid by the Company will be paid in the name designated as the Specialist or in the name of the entity to be divided, as the parties may independently agree between them. If no name is stipulated, Heavenly Enhanced will pay compensation to the name on record and in such event, the Specialist named on the account shall

indemnify the Company from any claims from the other business owner(s) or the other spouse with respect to such payment.

- B. The Company recognizes only one downline organization and will issue only one commission check per Heavenly Enhanced business per commission cycle. Under no circumstances will the downline of an organization be divided, nor will Heavenly Enhanced split commission and/or bonus checks.
- C. If a relinquishing spouse, partner or owner of the business has completely relinquished ("Relinquishing Party"), in writing, all rights to the original Heavenly Enhanced business, he or she may immediately thereafter re-enroll under the Sponsor and Placement of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any Specialist or active Customer in the former organization, and must develop a new business in the same manner as any other new Specialist. A Specialist in the Relinquishing Party's former Downline who wishes to transfer to the Relinquishing Party's new organization or to any other organization, must comply with the requirements in Section 12.5.

10.7 Succession

- A. Upon the death or incapacity of a Specialist, the Specialist's Heavenly Enhanced business may be passed on to his or her legal successors in interest (successor). Whenever a Heavenly Enhanced business is transferred by will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased Specialist's sales organization. The successor must:
 - I. Complete and sign a new Independent Distributor Agreement;
 - II. Comply with the terms and provisions of the Independent Distributor Agreement; and
 - III. Meet all of the qualifications for the last rank achieved by the former Specialist.
- B. Bonus and commission checks of a Heavenly Enhanced business transferred based on this section will be paid in a single check to the successor. The successor must provide the Company with an "address of record" to which all bonus and commission Payments will be sent. Payments will be based on the current performance of the business, not the highest rank or volume achieved.

- C. If the business is bequeathed to joint devisees (successors), they must form a business entity and acquire a Federal taxpayer identification number. Heavenly Enhanced will issue all bonus and commission payments and one 1099 Miscellaneous Income Tax form to the managing business entity only.
- D. Appropriate legal documentation must be submitted to the Company Compliance Department to ensure the transfer is done properly. To affect a testamentary transfer of a Heavenly Enhanced business, the successor must provide the following to the Company Compliance Department:
 - I. A certified copy of the death certificate; and
 - II. A notarized copy of the will or other appropriate legal documentation establishing the successor's right to the Heavenly Enhanced business.
- E. To complete a transfer of the Heavenly Enhanced business because of incapacity, the successor must provide the following to the Company Compliance Department:
 - I. A notarized copy of an appointment as trustee;
 - II. A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the Heavenly Enhanced business; and
 - III. A completed Independent Distributor Agreement executed by the trustee.
- F. If the successor is already an existing Specialist, the Company will allow such Specialist to keep his or her own business plus the inherited business active for up to six (6) months. By the end of the 6-month period, the Specialist must have compressed (if applicable), sold or otherwise transferred either the existing business or the inherited business.
- G. If the successor wishes to terminate the Heavenly Enhanced business, he or she must submit a notarized statement stating the desire to terminate the business, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.

- H. Upon written request, Heavenly Enhanced may grant a one (1) month bereavement waiver and pay out at the last “paid as” rank.

10.8 Resignation/Voluntary Cancellation

- A. A Specialist may immediately terminate his or her business by submitting an email to the Company Compliance Department (partners@heavenlyenhanced.com). The written notice must include the following:
 - I. The Independent Distributor’s intent to resign;
 - II. Date of resignation;
 - III. Heavenly Enhanced Identification Number; and
 - IV. Reason for resigning.
- B. A Specialist may not use resignation or voluntary cancellation as a way to immediately change Sponsor and Placement. Instead, the Specialist who has voluntarily resigned is not eligible to reapply for a business or have any financial interest in a or any Heavenly Enhanced business for twelve (12) months from the receipt of the written notice of resignation.
- C. Following any voluntary cancellation, a Specialist:
 - I. Shall have no right, title, claim interest to any commissions or bonus from the sales generated by the Specialist’s former organization or any other payments or commissions in association with the Specialist’s former independent business.
 - II. Effectively waives any and all claims to property rights or any interest in or to the Specialist’s former downline organization.

10.9 Involuntary Termination

- A. Heavenly Enhanced reserves the right to terminate a Specialist’s business for, but not limited to, the following reasons:

- I. Violation of any terms, conditions or provisions of the Independent Distributor Agreement and/or Policies and Procedures;
 - II. Violation of any provision in the Compensation Plan;
 - III. Violation of any applicable law, ordinance, or regulation regarding the Heavenly Enhanced business; or
 - IV. Engaging in unethical business practices or violating standards of fair dealing.
- B. Heavenly Enhanced will notify the Specialist in writing at the last known email address of the intent to terminate the Specialist's business and the reasons for termination. The Specialist will then have seven (7) calendar days from the date of such notice to appeal the termination in writing. Heavenly Enhanced must receive the Specialist's written appeal within seven (7) calendar days of the date of the termination email. If the appeal is not received within this time period, the termination will be considered final.
- C. If the Specialist does file a timely appeal of termination, the Company will review its decision, along with any other information it may deem relevant, reconsider any other appropriate action, and notify the Specialist of its decision. The decision of the Company is then considered final and not subject to further review.
- D. If the termination is not rescinded, the termination will be effective as of the date of the original termination notice by the Company. The former Specialist shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any Heavenly Enhanced products or services. The Company will notify the active Upline Sponsor of the termination, and the organization of the terminated Specialist will "roll up" to the active Upline Sponsor on record.
- E. The Specialist who is involuntarily terminated by the Company may not reapply for a business, either under his or her present name or any other name or entity, without the *express written consent of an officer of Heavenly Enhanced*. In any event, such Specialist may not re-apply for a business for twelve (12) months from the date of termination.

10.10 Effect of Cancellation

- A. Following a Specialist's cancellation for inactivity or voluntary or involuntary termination (collectively, a "cancellation") such Specialist:
 - I. Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the Specialist's former organization or any other payments in association with the Specialist's former independent business;
 - II. Effectively waives any and all claims to property rights or any interest in or to the Specialist's former downline organization;
 - III. Shall receive commissions and bonuses only for the last full pay period in which he or she was active prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation, and less any other amounts owed to Heavenly Enhanced.

11.0 DISCIPLINARY SANCTIONS

11.1 Imposition of Disciplinary Action - Purpose

It is the spirit of Heavenly Enhanced that integrity and fairness should pervade among its Specialists, thereby providing everyone with an equal opportunity to build a successful business. Therefore, We reserve the right to impose disciplinary sanctions at any time, when We determine that a Specialist has violated the Agreement, any of these Policies and Procedures, or the Compensation Plan as they may be amended from time to time by the Company.

11.2 Consequences and Remedies of Breach

- A. Disciplinary actions may include one or more of the following:
 - I. Monitoring a Specialist's conduct over a specified period of time to assure compliance;
 - II. Issuance of a written warning or requiring the Specialist to take immediate corrective action;

- III. Imposition of a fine (which may be imposed immediately or withheld from future commission payments) or the withholding of commission payments (“Commission Hold”) until the matter causing the Commission Hold is resolved or until the Company receives adequate additional assurances from the Specialist to ensure future compliance;
- IV. Suspension from participation in Company or Specialist-related events, rewards, or recognition;
- V. Suspension of the Independent Distributor Agreement and your business for one or more pay periods;
- VI. Involuntary termination of the Independent Distributor’s Agreement and business;
- VII. Any other measure which We deems feasible and appropriate to justly resolve injuries caused by the Specialist’s violation or contractual breach; OR
- VIII. Legal proceedings for monetary or equitable relief.

12.0 DISPUTE RESOLUTION

12.1 Grievances

- A. If a Specialist has a grievance or complaint against another Specialist regarding any practice or conduct relating to their respective Heavenly Enhanced businesses, the Specialist is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the Company Compliance Department as outlined below in this Section. Airing grievances with other Specialists or the Company publicly may result in termination of Specialist, cases of slander may result in further legal action.
- B. The Company Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the Specialists involved.
- C. Heavenly Enhanced will confine its involvement to disputes regarding Heavenly Enhanced business matters only. We will not decide issues that involve personality

conflicts or unprofessional conduct by or between Specialists outside the context of Company business. These issues go beyond the scope of the Company and may not be used to justify a Sponsor, placement change or transfer.

- D. Heavenly Enhanced does not consider, enforce, or mediate third party agreements between Specialists, nor does it provide names, funding, or advice for obtaining outside legal counsel.
- E. Process for Grievances:
 - I. A Specialist should submit an email of complaint directly to the Company Compliance Department. The complaint shall set forth the details of the incident as follows:
 - a. The nature of the violation;
 - b. Specific facts to support the allegations;
 - c. Dates;
 - d. Number of occurrences;
 - e. Persons involved; and
 - f. Supporting documentation.
 - II. Upon receipt of the written complaint, the Company will conduct a general investigation.
- F. The Company will do everything in their power to keep confidence, make a final decision and timely notify the Specialists involved.

12.2 Arbitration

- A. **Any controversy or claim arising out of or relating to the Agreement and/or these Policies and Procedures (or the breach thereof), your business, or any dispute between the Company and you, shall be settled by binding and confidential arbitration administered by the American Arbitration Association under its**

commercial arbitration rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Any such arbitration shall be held in Gurnee, Illinois. There shall be one arbitrator, who shall have expertise in business law transactions and who shall be knowledgeable in the direct selling industry, selected from a panel provided by the American Arbitration Association.

- B. The prevailing party in any such arbitration shall be entitled to receive from the losing party, all costs and expenses of arbitration, including reasonable attorney's fees and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to judgment in any court of competent jurisdiction.
- C. This agreement to arbitration shall survive any termination or expiration of the Agreement.
- D. Nothing in these Policies and Procedures shall prevent Heavenly Enhanced from applying for or obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect the Company's interests or its Confidential Information prior to, during or following the filing of an arbitration or other proceeding, or pending the rendition of a decision or award in connection with any arbitration or other proceeding.
- E. **NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.**
- F. These Policies and Procedures and any arbitration involving a Specialist and the Company shall be governed by and construed in accordance with the laws of the state of Illinois, without reference to its principles of conflict of laws.

12.3 Severability

If any provision of these Policies and Procedures is found to be invalid, or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

12.4 Waiver

- A. Only an officer of Heavenly Enhanced can, in writing, affect a waiver of these Policies and Procedures. The Company's waiver of any particular breach by a Specialist shall not affect Our rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other Specialist.
- B. The existence of any claim or cause of action of a Specialist against the Company shall not constitute a defense to Our enforcement of any term or provision found in these Policies and Procedures.

12.5 Successors and Claims

The agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13.0 GOVERNING LAW

These Policies and Procedures shall be governed by and construed in accordance with the Laws of the State of Illinois and the exclusive jurisdiction of the United States courts.

14.0 GLOSSARY OF TERMS

ACTIVE DISTRIBUTOR: An Independent Distributor pays the Distributor monthly or annual fee and who satisfies the minimum volume requirements as defined in the Compensation Plan to ensure eligibility for commissions and bonuses.

AGREEMENT: The contract between the Company and each Independent Distributor, which includes: the Independent Distributor Agreement, these Policies and Procedures, and the Company Compensation Plan, all in their current form and as amended by the Company in the future. These documents are collectively referred to as the "Agreement."

INDEPENDENT DISTRIBUTOR: An individual who signs an Independent Distributor Agreement, purchases product, generates retail sales and business building commissions.

CANCEL: The termination of an Independent Distributor's business. Cancellation may be either voluntary or involuntary.

COMPENSATION PLAN: The guidelines and referenced literature for describing how Specialists can generate commissions and bonuses.

CUSTOMER: A Customer who purchases Heavenly Enhanced products and does not engage in the retailing of product or the building of a business.

LINE OF SPONSORSHIP (LOS): A report generated by Heavenly Enhanced that provides critical data relating to the identities of Specialists, sales information, and enrollment activity of each Specialist's organization. This report contains confidential and trade secret information which is proprietary to Heavenly Enhanced.

ORGANIZATION: The Customers and Specialists placed below a particular Specialist.

OFFICIAL COMPANY MATERIALS: Literature, audio or video tapes and recordings, and other materials developed, printed, published, and distributed by Heavenly Enhanced to its Specialists.

PLACEMENT: Your position inside your Sponsor's organization.

RECRUIT: For purposes of the Company's Conflict of Interest Policy, the term "Recruit" means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Customer or Specialist to enroll or participate in another multilevel marketing, network marketing, social selling, or direct sales opportunity.

RESALABLE: Products shall be deemed in "resalable" if each of the following elements is satisfied: (i) the products remain unopened and unused; (ii) the original product packaging and labelling is unaltered and free from damage; (iii) products are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; and (iv) the products contain current Heavenly Enhanced labelling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

SPONSOR: An Independent Distributor who enrolls a customer or another Specialist into the Company, and is listed as the Sponsor on the Independent Distributor Agreement. The act of enrolling others and training them to become Specialists is called "sponsoring."

UPLINE: This term refers to the Specialist(s) above a particular Specialist in a sponsorship line up to the Company. It is the line of sponsors that links any particular Specialist to the Company.