

Hugh & Grace™
Terms & Policies
Effective March 27, 2024

1. The Agreement. These Terms & Policies govern the relationship between you, as an Independent Hugh & Grace Advocate, and Hugh & Grace, Inc. (hereafter “Hugh & Grace” or the “Company”). These Terms & Policies, together with the Hugh & Grace Compensation Plan and the Hugh & Grace Business Entity Addendum (the Business Entity Addendum is only applicable to Advocates who enroll as a business entity) make up the Agreement between you and Hugh & Grace. Therefore, as used in this document, the term “Agreement” collectively refers to these Terms and Policies, the Hugh & Grace Compensation Plan, and the Hugh & Grace Business Entity Addendum, in their current form and as may be amended in the future at the Company’s discretion. Independent Advocates shall be referred to herein as “Advocates.” Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.

2. Independent Contractor Status. Advocates are independent contractors and not employees, partners, legal representatives, or franchisees of Hugh & Grace. Advocates are solely responsible for paying all expenses they incur, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other business expenses. **ADVOCATES SHALL NOT BE TREATED AS A HUGH & GRACE EMPLOYEE FOR FEDERAL OR STATE TAX PURPOSES.** Hugh & Grace is not responsible for withholding and shall not withhold or deduct FICA, or taxes of any kind from Advocates’ compensation. Advocates are not entitled to workers’ compensation or unemployment security benefits of any kind from Hugh & Grace.

In all written, graphic, or digital material used for Hugh & Grace business purposes, Advocates must represent themselves as a “Hugh & Grace™ Independent Advocate.” In verbal conversations with prospective Advocates and customers, Advocates must introduce themselves as an “independent Hugh & Grace Advocate.” Advocates shall not lead anyone to believe that they are employees of Hugh & Grace.

3. Income Taxes. As an independent contractor, you are responsible for paying local, state and federal taxes on any income generated as a Hugh & Grace Advocate. Every year, Hugh & Grace will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000. To facilitate this reporting, you must provide the Company’s third-party commission payment processor with your Social Security Number, Employer Identification Number, or Taxpayer Identification Number when requested. If you fail to provide your Social Security Number, Employer Identification Number, or Taxpayer Identification Number when requested, you will be ineligible to receive more than \$600 in compensation from Hugh & Grace in a calendar year, until such time as you provide such number to the third-party commission payment processor.

4. Adherence to the Agreement. Advocates must comply with the Agreement. If you have not yet reviewed the Terms and Policies at the time you execute this Agreement, they are posted in your Advocate Portal. You must review the Terms and Policies within five days from the date on which you execute this Agreement. If you do not agree to the Terms and Policies, your sole recourse is to notify the Company and cancel the Agreement. Failure to cancel constitutes your acceptance of the Terms and Policies. You must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from Hugh & Grace.

5. Amendments to the Agreement. The Company reserves the right to amend the Agreement at its discretion. Amendments shall be effective 30 days after notice and publication of the amended provisions in the Announcements section of your Advocate Portal, but amendments shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. If you do not agree to any amendments, your sole recourse is to cancel the Agreement.

6. Advocates' Rights. Advocates:

- Have the right to sell, and solicit orders for, Hugh & Grace products in accordance with these Terms and Policies. It is within the exclusive right of Hugh & Grace to accept or reject orders submitted by Advocates.
- Have the right to enroll others as Hugh & Grace Subscription Customers or Advocates.
- If qualified, have the right to earn commissions pursuant to the Hugh & Grace Compensation Plan.

7. Assignment of Rights and Delegation of Duties. Advocates may not assign any rights under the Agreement without the prior written consent of Hugh & Grace. Any attempt to transfer or assign the Agreement without the express written consent of Hugh & Grace renders the Agreement voidable at the option of Hugh & Grace and may result in termination of the Agreement.

If the assets of Hugh & Grace, or a controlling ownership interest in Hugh & Grace, is transferred to a third party, Hugh & Grace may assign its rights and delegate its duties and obligations under the Agreement to such third party as part of the sale or transfer.

8. Waiver. Any waiver by either Party of any breach of the Agreement must be in writing and signed by an authorized agent of the Party against which the waiver is asserted. Any waiver of a breach by a Party shall be a one-time waiver only and shall not operate or be construed as a waiver of any subsequent breach.

9. Waiver of Right of Publicity. Advocates grant Hugh & Grace an irrevocable license to reproduce and use their name, photograph, video, personal story, testimonial, and/or likeness in its advertising or promotional materials, including but not limited to use in online forums. Advocates waive all claims for remuneration from Hugh & Grace for such use and all rights to inspect or approve all draft, beta, preliminary, and finished material.

10. Minimum Age. Persons under age 18 may not be Advocates and no Advocate shall knowingly recruit or sponsor, or attempt to recruit or sponsor, any person under age 18.

11. Text Message, Telephone, and Email Consent. Unless an Advocate opted out on enrollment, Advocates consent to the receipt of promotional text messages, promotional telephone calls, and promotional emails to the telephone number(s) and email address provided at the time of enrollment. Such consents shall continue until revoked by an Advocate. Following enrollment, an Advocate may opt-out of the future receipt of promotional text messages by replying STOP to any such text message received from Hugh & Grace. Likewise, following enrollment, an Advocate may opt-out of the future receipt of promotional emails from Hugh & Grace by following the unsubscribe instructions included in all such emails.

12. Severability. If any provision of the Agreement, in its current form or as amended, is held void or unenforceable, only the void or unenforceable portion(s) of the provision shall be severed from the Agreement and the remaining provisions shall remain in effect. The severed provision shall be reformed

so that it is in compliance with the law and reflects the purpose of the original provision as closely as possible. The existence of any claim or cause of action of an Advocate against Hugh & Grace shall not constitute a defense to Hugh & Grace's enforcement of any term or provision of the Agreement.

13. Term and Renewal of the Agreement.

The term of the Agreement is one year from the date of enrollment. Unless the Agreement has been terminated as provided at Section 45, the Agreement shall automatically renew for annual one-year terms on each anniversary of the enrollment date. An annual website fee of \$25 is payable every year on the anniversary of the enrollment date. Failure to pay the annual website fee will result in termination of the Advocate account. An Advocate may cancel the Agreement at any time and for any reason. Annual website fees are not pro-rated if an Advocate cancels their Agreement. If an Advocate does not cancel, the Agreement will be automatically renewed upon receipt of the annual website fee.

Hugh & Grace reserves the right to terminate all Advocate Agreements upon 30 days' notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via social selling channels.

A participant in this social selling program has a right to cancel at any time, regardless of reason. Cancellations must be submitted in writing to the company at its principal business address or via the Advocate's Advocate Portal.

14. General Conduct. Advocates shall safeguard and promote the good reputation of Hugh & Grace and its products, and must avoid all illegal, deceptive, misleading, unethical or immoral conduct or practices. Advocates agree that they shall exhibit high moral character in their personal and professional conduct. Advocates shall not engage in any conduct that may damage the Company's goodwill or reputation. While it is impossible to specify all misconduct that would be contrary to this provision, and the following list is not a limitation on the standards of conduct to which Advocates must adhere pursuant to this section, the following standards specifically apply to Advocates' activities:

- Deceptive conduct is always prohibited. Advocates must ensure that their statements are truthful, fair, accurate, and are not misleading.
- If the Agreement is cancelled for any reason, the Advocate must discontinue using the Hugh & Grace name, and all other Hugh & Grace intellectual property, and all derivatives of such intellectual property, in postings on all Social Media, websites, or other promotional material.
- Advocates may not represent or imply that any state or federal government official, agency, or body has approved or endorses Hugh & Grace, its program, or products.
- Advocates must not engage in any illegal, fraudulent, deceptive, or manipulative conduct in their business or their personal lives that, in the Company's sole discretion, could damage the Company's reputation or the culture that exists within the field sales force.

15. Social Media. In addition to meeting all other requirements specified in these Terms & Policies, should an Advocate utilize any form of social media in connection with her Hugh & Grace business, including but not limited to blogs, Facebook, Twitter, Instagram, LinkedIn, YouTube, or Pinterest, the Advocate agrees to each of the following:

- Advocates are responsible for the content of all material that they produce and all of their postings on any social media site, as well as all postings on any social media account that they own, operate, or control.

- Advocates shall not make any social media postings, or link to or from any postings or other material that is sexually explicit, obscene, pornographic, offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, national origin, creed, religion, gender, gender identity, sexual orientation, physical or mental disability, or otherwise), is graphically violent, is solicitous of any unlawful behavior, that engages in personal attacks on any individual, group, or entity, or is in violation of any intellectual property rights of the Company or any third party.
- No product sales or enrollments may occur on or through any social media site. To process sales or enrollments, a social media posting must link only to the Advocate's Hugh & Grace replicated website, Hugh & Grace's corporate website or an official Hugh & Grace corporate social media page.
- It is each Advocate's responsibility to follow the social media site's terms of use.
- During the term of the Agreement and for 9 calendar months after the cancellation of an Advocate's business for any reason, an Advocate shall not take any action on any social media account or page on which they discuss or present, or have discussed or presented, Hugh & Grace's products or the Hugh & Grace business that may reasonably be foreseen to draw an inquiry from Hugh & Grace's Advocates relating to the Advocate's other social selling business activities or products. Violation of this provision shall constitute a violation of the non-solicitation provision in Section 28.
- If an Advocate creates a business page, team page, or group page on any social media platform that promotes or relates to Hugh & Grace, its products, or opportunity, the page may not promote or advertise the products or opportunity of any social selling business other than Hugh & Grace and its products. If the Agreement is cancelled for any reason or if the Advocate becomes inactive, the Advocate must immediately deactivate the business page, team page, or group page or, at the former Advocate's option, turn over administrative rights to the page to Hugh & Grace so that the Company may deactivate the page.
- If an Advocate uses a personal social media page or account to promote Hugh & Grace products or the Hugh & Grace opportunity, and no other social selling opportunity or social selling products or services are promoted at the page or account, upon the cancellation of the Agreement for any reason, such an Advocate agrees that he or she shall not use such social media page or account to promote any social selling opportunity or products for a period of 9 months following the termination of the Agreement.
- Advocates shall respect the privacy of other social media users. Advocates shall not engage in abusive social media practices including but not limited to harvesting or trolling for connections, shaming or bullying others.

16. Advocate Web Sites and Mobile Apps. An Advocate may create their own websites or mobile applications to promote their Hugh & Grace business or Hugh & Grace's products and services. Hugh & Grace products may only be sold or promoted, and new Hugh & Grace Advocates or Auto-Renew Subscribers may be enrolled only, at: (i) the official Hugh & Grace website, (ii) Hugh & Grace-supplied replicated websites, and (iii) official Hugh & Grace mobile apps (if applicable). Prohibited online forums include, but are not limited to, Advocates' personal websites, online retailers (e.g., Amazon) online auctions (e.g., eBay), and classified listings (e.g., Craigslist). Notwithstanding the foregoing, an Advocate may create one (1) personal external website to promote their Hugh & Grace business and Hugh & Grace products, but such external website must comply with the following:

- The website may not take or process product orders or product sales.
- The website may not process the enrollment of Advocates or Auto-Renew Subscribers.
- The website must be directed to the Advocate's Hugh & Grace replicated website to process sales

and/or enrollments.

- The website must clearly and conspicuously identify the Advocate who is operating the external website and must clearly and conspicuously disclose that he/she is a Hugh & Grace Advocate, and that the website is not Hugh & Grace's corporate website.
- Websites that do not identify the Advocate who is the promoter of the site and/or that he/she is promoting Hugh & Grace's products or the Hugh & Grace opportunity (so called "blind" websites), are not permitted.
- Upon cancellation of an Advocate's Hugh & Grace Agreement for any reason, the former Advocate must immediately remove the website from the internet.
- The website must exclusively promote Hugh & Grace's products and the Hugh & Grace opportunity.
- The website must comply with all applicable provisions of these Terms & Policies.
- Prior to going live with an external website, the Advocate must submit a beta version of the site to the Company for review and receive the Company's written authorization to use the website. Following approval, any amendments to the website must also be submitted to the Company and receive written approval before going live.

Hugh & Grace reserves the right to rescind approval for any approved external website, and Advocates waive all claims against Hugh & Grace, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising from or relating to such rescission.

17. Sales Tools. Advocates are permitted to create their own Sales Tools including, without limitation, advertising materials, promotional materials, and all other marketing methods, provided such Sales Tools are in compliance with Hugh & Grace's criteria for Advocate-created Sales Tools as posted in the Advocate Portal. If an Advocate wishes to create a Sales Tool that varies in any way from the Company's criteria, the proposed Sales Tool(s) must be submitted to the Company and receive written approval before they can be used or made public. Advocates who produce and publish such approved Sales Tools may make them available to other Advocates free of charge if they wish but may not sell the Sales Tools to other Advocates. Any sale or attempt to sell Sales Tools to another Advocate will result in the termination of the offending Advocate's Hugh & Grace business. **Hugh & Grace reserves the right to rescind approval for any approved Sales Tools, and Advocates waive all claims against Hugh & Grace, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising from or relating to such rescission.**

At the Company's discretion and unless at the time of submittal the Advocate expressly requests in writing or an email compliance@hughandgrace.com that the company not share the Advocate-created Sales Tool, approved Advocate-created Sales Tools will be posted in the Resource Hub section of the Advocate Portal and will be made available to all Advocates free of charge. **The Advocate(s) who created such Sales Tools grants Hugh & Grace and other Advocates an irrevocable and perpetual license to use the Sales Tools for Hugh & Grace business purposes at their discretion, and waives all claims, including but not limited to intellectual property right claims, and/or claims for remuneration against Hugh & Grace, its officers, directors, owners, agents, and other Advocates for such posting and/or use of the Sales Tools. The Advocate who submitted the Sales Tool to the Company waives all claims to remuneration for such use and grants Hugh & Grace an irrevocable license to use the Sales Tools as the Company deems appropriate.**

18. Trademarks and Copyrights. The name "Hugh & Grace" and other names and logos as may be

adopted by the Company are proprietary trade names, trademarks and service marks of Hugh & Grace. The Company grants Advocates a limited license to use its trademarks and trade names in promotional media for so long as the Advocate's Agreement is in effect. Upon cancellation of an Advocate's Agreement for any reason, the license shall expire, and the Advocate shall immediately discontinue all use of the Company's trademarks and trade names. Under no circumstances may an Advocate use any of Hugh & Grace's trademarks or trade names in any email address, website domain name, social media handle, social media name or address, or in any unapproved Sales Tools.

Hugh & Grace regularly produces live and recorded events as well as webinars and telephone conference calls. During these events Company executives, Advocates, and guests appear and speak. The content of such events is copyrighted material that is owned exclusively by the Company. Advocates may not record company functions for any reason, whether such event is live, a webinar, via conference call, or delivered through any other medium.

In addition, Company produced Sales Tools, videos, audios, podcasts, and printed material are also copyrighted. Advocates shall not copy or make derivatives of any such materials for their personal or business use without the Company's prior written approval.

19. Sales Outlets. To support the Company's social selling distribution channel and to protect the independent contractor relationship, Advocates agree that they will not sell Hugh & Grace products in any retail, wholesale, warehouse, or discount establishment, or any online retail, auction, or buy-sell site (including but not limited to Amazon and eBay) without prior written approval from Hugh & Grace. Notwithstanding the foregoing, Advocates may display and sell Hugh & Grace products at professional trade shows. A Hug

20. Service-Related Establishments. Advocates may promote and sell Hugh & Grace products in service-related establishments. A service-related establishment is a business establishment whose primary revenue is earned by providing personal service rather than by selling products. Such establishments include offices of doctors, dentists and other health professionals; health clubs or fitness centers; beauty salons; and any other business where customer use of the establishment is controlled by membership or appointment. Hugh & Grace reserves the right to make the final determination as to whether an establishment is service-related or is a proper place for the sale of its products. Hugh & Grace Retailers and Affiliates are not eligible to recruit team members or earn incentives.

21. Change of Sponsor. As a general rule, Advocates may not change their Sponsors (the Advocates under whom they are enrolled). The only means by which an Advocate may legitimately change his/her Sponsor are by:

- Voluntarily canceling the Agreement in writing and remaining inactive for six (6) full calendar months. Following the six-calendar month period of inactivity, the former Advocate may reapply under a new Sponsor. The Advocate will lose all rights to his/her former downline organization upon his/her cancellation; or
- Submitting a written request for a change of Sponsor to the Company at advocatecare@hughandgrace.com. The Advocate requesting the transfer must also submit written transfer authorization via email from his/her immediate three (3) upline Advocates; or
- Within two (2) weeks of enrolling as an Advocate, a new Advocate may be transferred to another

Sponsor by the Sponsor who originally sponsored him or her. This type of transfer may be initiated by the original Sponsor by sending an email to advocatecare@hughandgrace.com and requesting the transfer. Following the expiration of the two (2) week waiting room period, an Advocate may change Sponsors only as described in the two immediately preceding paragraphs.

Advocates may only be moved once while they are in the Advocate program. Once a transfer has been approved, the Advocate may not be moved again. Transfer requests will not be processed after the 20th of the month. Transfer requests are at the discretion of the company and are not guaranteed. It may take up to 5 business days to receive a decision on a transfer request.

22. Waiver of Claims. In cases wherein an Advocate improperly changes his/her Sponsor, Hugh & Grace reserves the sole and exclusive right to determine the final disposition of the downline organization that was developed by the Advocate in his/her second line of sponsorship. **ADVOCATES WAIVE ANY AND ALL CLAIMS AGAINST HUGH & GRACE, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM HUGH & GRACE'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ADVOCATE WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR.**

23. Direct to the Company Advocates. On occasion, an Advocate may be enrolled direct to the Company such that there is no Sponsor above the Advocate (a Direct to Company or DTC Advocate). DTC Advocates acknowledge that the Company is not able to act as an upline leader to DTC Advocates. Therefore, it is expected that DTC Advocates will act as leaders to their Downlines. For these reasons, if a DTC Advocate does not achieve the following listed requirements, the DTC Advocate agrees that they, together with their downline organization, if any, may be transferred by the Company to under another Advocate selected by the Company at its discretion. The requirements to remain a DTC Advocate are as follows:

- The DTC Advocate must be qualified as a paid-as Sr. Manager or above for a rolling 6 of 12 month period;
- The DTC Advocate must annually qualify for the annual Escape trip and/or other leadership retreat; and
- The DTC Advocate must enroll and develop at least one new Mentor ranked or above Advocate each calendar year.

In addition, it is expected that DTC Advocates will strive to be active participants in the Hugh & Grace opportunity. Active participation in the Hugh & Grace opportunity includes, at a minimum, striving to:

- Attend the annual Elevate event (barring extenuating circumstances);
- Consistently attend monthly Kickoff Calls;
- If requested, participate on the Board of Leaders; and
- Active support of Downline Team including, without limitation:
 - Hosting consistent Team Calls;
 - Coaching Sessions with Downline Team Advocates;
 - Holding Team Retreats or Events; and
 - Creating (subject to compliance with these Terms & Policies) Team Incentives.

24. Product Claims. Advocates must not make claims, including but not limited to testimonials, about Hugh & Grace's products or services that are not consistent with the claims contained in official Hugh &

Grace literature or posted on Hugh & Grace's official website. Under no circumstances shall any Advocate state or imply that any Hugh & Grace product is useful in the diagnosis, treatment, cure, or prevention of any disease, illness, injury, or other medical condition.

25. Income Claims. When presenting or discussing the Hugh & Grace opportunity or Compensation Plan to a prospective Advocate, Advocates may not make income projections, income claims, income testimonials, or disclose their Hugh & Grace income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records), or the income of any other Hugh & Grace Advocate. Nor may Advocates make lifestyle income claims. A lifestyle income claim is a statement or depiction that infers or states that the Advocate is able to enjoy a luxurious or successful lifestyle due to the income they earn from their Hugh & Grace business. Examples of prohibited lifestyle claims include, but are not limited to, the following types of representations:

- That an Advocate (or his/her spouse) was able to quit his/her job.
- That an Advocate was able to replace his/her income from a job.
- That an Advocate was able to pay for a child's private school or college education due to his/her Hugh & Grace earnings.
- That an Advocate was able to acquire expensive or luxury material possessions (e.g., homes, cars, jewelry, boats, recreational vehicles, etc.).
- That as a result of his/her Hugh & Grace earnings an Advocate was able to travel to exotic or expensive destinations.

The foregoing income claims restrictions apply to in-person presentations as well as promotional materials distributed by an Advocate including social media postings.

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

- It's a turnkey system.
- The system will do the work for you.
- Just get in and your downline will build through spillover.
- Just join and I'll build your downline for you.
- The Company does all the work for you.
- You don't have to sell anything.
- All you have to do is buy your products every month.

The above are just examples of improper representations about the compensation plan and the Company's program. It is important that you do not make these, or any other representations, that could lead a prospect to believe that they can be successful as an Advocate without commitment, effort, and sales skill.

27. Media Inquiries. Advocates must not interact with the media regarding the Hugh & Grace business or products. All inquiries from the media, including radio, television, print, online, or any other medium, shall be directed to the Hugh & Grace marketing department.

28. Non solicitation. Hugh & Grace Advocates are free to participate in other social selling programs. However, during the term of this Agreement, an Advocate may not directly or indirectly recruit other Hugh & Grace Advocates for any other social selling business. Following the termination of this Agreement for any reason, and for 9 months thereafter, an Advocate may not directly or indirectly recruit other Hugh & Grace Advocates (except for the Advocate's personally sponsored downline Advocates) for any other social selling business. The term "recruit" means the direct or indirect, actual or attempted, sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, another Hugh & Grace Advocate to enroll or participate in another social selling opportunity. This conduct constitutes recruiting even if the Advocate's actions are in response to an inquiry made by another Advocate or customer.

29. Participation in Other Social Selling Programs. If an Advocate is engaged in another social selling program, it is the responsibility of the Advocate to ensure that his or her Hugh & Grace business is operated entirely separate and apart from all other businesses and/or social selling programs. To this end, the Advocate must not:

- Display Hugh & Grace promotional material, sales aids, or products with or in the same location as, any non-Hugh & Grace promotional material or sales aids, products or services (Pinterest and similar social media sites are exempt from this provision).
- Offer the Hugh & Grace opportunity, products or services to prospective or existing customers or Advocates in conjunction with any non-Hugh & Grace program, opportunity or products.
- Offer, discuss, or display any non-Hugh & Grace opportunity, products, services or opportunity at any Hugh & Grace-related trunk-show, meeting, seminar, convention, webinar, teleconference, or other function.
- If there are any Hugh & Grace Advocates associated with any social media account on which they discuss or promote, or have discussed or promoted, the Hugh & Grace business or Hugh & Grace's products to directly or indirectly solicit anyone for another social selling, social selling, or network marketing program (collectively, "social selling").

30. Confidential Information. "Confidential Information" includes, but is not limited to, the identities, contact information, and/or sales information relating to Hugh & Grace Advocates and/or customers: (a) that is contained in or derived from any Advocates' respective Advocate Portal; (b) that is derived from any reports issued by Hugh & Grace to Advocates to assist them in operating and managing their Hugh & Grace business; and/or (c) to which an Advocate would not have access or would not have acquired but for his/her affiliation with Hugh & Grace. Confidential Information constitutes proprietary business trade secrets belonging exclusively to Hugh & Grace and is provided to Advocates in strict confidence. Confidential Information shall not be directly or indirectly disclosed to any third party nor used for any purpose other than Advocate's use in building and managing his/her Independent Hugh & Grace business.

31. Handling Personal Information. If you receive Personal Information from or about prospective Advocates or customers, it is your responsibility to maintain its security. You should shred or irreversibly delete the Personal Information of others once you no longer need it. Personal Information is information that identifies, or permits you to contact, an individual. It includes a customer's, potential customers, Advocates and prospective Advocates' name, address, email address, phone number, credit card information, social security or tax identification number and other information associated with these details.

32. Product Inventory & Bonus Buying. There is no need for Advocates to carry an inventory of Hugh &

Grace products for resale as all products are direct shipped from the Company to the customer. Distributors should only order Hugh & Grace products if they have a current need for the products for their own personal or household use or for fulfillment of customer orders or demand. In addition, bonus buying is strictly prohibited. Bonus buying is the purchase of merchandise for any reason other than bona fide resale or use, or any mechanism or artifice to qualify for rank advancement or maintenance, incentives, prizes, commissions or bonuses that are not driven by bona fide product purchases by end user consumers for actual use.

33. Limitations on Advocate and Household Businesses. An individual may own, operate, control, or have an interest in, only one Hugh & Grace business, and there may be no more than one Hugh & Grace businesses per household. A “household” is defined as all individuals including dependent children who are living at the same residential address as a family or in a family-like setting. A household may consist of a single individual or two or more individuals and may consist of individuals living together in a family-like unit who are not related (whether by blood, marriage, domestic partnership, adoption or otherwise. Dependent children attending school away from home are considered part of the household.

34. Actions of Third Parties. If a third party acting on behalf of, or with the active or passive assistance or knowledge of an Advocate engages in conduct that would be a violation of the Agreement, the conduct of the third-party may be imputed to the Advocate.

35. Tampering with Product Packaging. Hugh & Grace products must be sold in their original packaging. Advocates shall not alter the original packaging or labeling of products that they are selling to their personal retail customers.

36. Negative Comments. Complaints and concerns about Hugh & Grace should be directed to the Customer Service Department. Advocates must not disparage, demean, or make negative remarks to third parties or other Advocates about Hugh & Grace, its owners, officers, directors, management, employees, other Hugh & Grace Advocates, or the Compensation Plan. Disputes or disagreements between any Advocate and Hugh & Grace shall be resolved through the dispute resolution process, and the Company and Advocates agree specifically not to demean, discredit, or criticize one another on the Internet or any other public forum.

37. Sales Receipts. Advocates must provide their retail customers that purchase merchandise directly from the Advocate with **two copies** of an official Hugh & Grace sales receipt at the time of the sale and advise them of the three day right to rescind the transaction, which is set forth on the receipt. Advocates must maintain all retail sales receipts for a period of two years and furnish them to Hugh & Grace at the Company’s request. Sales receipts can be downloaded in PDF format from the Advocate Portal. Retail customers who purchase from an Advocate’s replicated website need not be provided with a sales receipt as the receipt will automatically be sent to the customer by the Company via email at the time the order is placed.

38. Adjustment to Bonuses and Commissions. Compensation stemming from product sales is fully earned when the applicable return, repurchase, and chargeback periods applicable to product sales have all expired. If a product is returned to Hugh & Grace for a refund or is repurchased by the Company, or a chargeback occurs, the compensation attributable to the returned or repurchased product(s) will be recovered by the Company from the Advocates who were paid commissions or bonuses based on the original sales of such products. Such unearned compensation will be deducted, in the month in which the refund is issued or the chargeback occurs and continuing every pay period thereafter until the

commissions are fully recovered from the selling Advocate and upline Advocates who received bonuses and commissions on the sales of the refunded products. Likewise, if it is the responsibility of an Advocate to issue a refund to a customer, but Hugh & Grace issues the refund, the Company may deduct the amount refunded to the customer from the Advocate's subsequent bonus and commission payments.

Hugh & Grace reserves the right to withhold or reduce any Advocate's compensation as it deems necessary to comply with any garnishment or court order directing Hugh & Grace to retain, hold, or redirect such compensation to a third party.

39. Satisfaction Promise/Product Return Policy. If for any reason a Hugh & Grace product that you purchase for your own personal use does not meet your expectations, you may contact the Customer Service Department at customercare@hughandgrace.com **within 30 days of the date of purchase to request a replacement, exchange, or refund, subject to the following rules.**

- **Replacement Due to Manufacturer's Defect or Missing Item.** If you request a replacement item due to a manufacturer's defect or a missing item, the replacement item will be shipped to you at no cost to you as long as the item is shipped to the same address as the original item. Additional charges may apply if you request that the exchange or replacement item is shipped to a different address.
- **Exchange Not Due to Manufacturer's Defect or Missing Item.** If you wish to exchange an item for another item and the original item is not defective, you will be responsible for the payment of any differences in product prices as well as shipping costs to return the original item to us. In addition, you will be charged the shipping costs to send the exchange item to you. No exchange will be made for products that are not in good and resalable condition, not in their original packaging, or that were otherwise designated by us at the time of sale as nonreturnable, discontinued, or seasonal.
- **Refund Not Due to Manufacturer's Defect or Missing Item.** If you wish to receive a refund for a product under this policy, we may require you to return the item to us. In that event, you will be responsible for the payment of any shipping costs to return the original item to us. Upon our timely receipt of the returned item (if required) a refund of the purchase price (less shipping costs) will be issued to you. Items designated by us at the time of sale as nonreturnable, discontinued, or seasonal are not eligible for a refund under this policy. Nor are business supplies, Sales Tools, or Starter Kits.
- **Sales Receipt Required.** If you do not have your original sales receipt, we reserve the right to refuse to honor your product replacement, exchange, or refund request.
- **Product Credit.** We reserve the right to issue product credit to you in lieu of your replacement, exchange, or refund request at our discretion if the conditions set forth in this Product Return Policy are not met by you. If you return an item that was purchased using product credit, upon approval, the credit will be reissued. The original product credit expiration date will be extended by 15 days.
- **Questions.** If you have any questions about product returns, discrepancies, back-ordered items or anything else concerning these Product Return Policies, please contact the Customer Service Department at customercare@hughandgrace.com.

40. Return of Merchandise and Sales Aids by Advocates Upon Cancellation or Termination. Within 30 days from the cancellation or termination of an Advocate's Agreement, the Advocate may return products and Sales Tools that he or she personally purchased from Hugh & Grace during the 12-month period

preceding the date of cancellation or termination for a refund so long as the goods are in currently marketable condition. (The one-year limitation shall not apply to residents of Georgia, Louisiana, Maryland, Massachusetts and Wyoming). Upon the Company's timely receipt of returned goods and confirmation that they are in currently marketable condition, the Advocate will be reimbursed 90% of the net cost of the original purchase price(s). Shipping and handling charges will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. Goods are in "currently marketable condition" if they are unopened and unused and packaging and labeling has not been altered or damaged. Merchandise that is clearly identified at the time of sale as nonreturnable, closeout, discontinued, or as a seasonal item, or which has passed its commercially reasonable usable or shelf-life, is not in currently marketable condition. Advocate Portal and Replicated website fees are not refundable except as may be required under applicable state law.

41. Montana Residents: A Montana resident may cancel his or her Advocate Agreement within 15 days from the date on which this application is submitted and may return his or her sales kit within such time and is entitled to a full refund for the sales kit and for any other consideration he/she paid within such time period to participate in the program.

42. Louisiana, Massachusetts and Wyoming Residents: If you cancel your Advocate Agreement, upon receipt of your written request, Hugh & Grace will refund 90% of the costs you have incurred to participate in the program during the current year.

43. Maryland Residents: A participant may cancel the contract for any reason within 3 months after the date of receipt of goods or services first ordered; upon cancellation, the Company shall repurchase the goods; and the repurchase price shall be at least 90% of the original price paid by the participant.

44. Other Purchase Cancellation Rights. Customers, Auto-Renew Subscribers, and newly enrolled Associates have three business days within which to cancel their initial purchase and obtain a full refund. Residents of Alaska have five business days and residents of North Dakota age 65 and over have 15 days to cancel and receive a full refund. An explanation of these rights is contained on the sales receipt.

45. Cancellation or Termination of the Agreement; Disciplinary Sanctions.

- **Voluntary Cancellation.** A participant in this social selling plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address or by cancelling his/her business through emailing compliance@hughandgrace.com. The written notice must include the Advocate's signature, printed name, address, and Advocate I.D. Number. An Advocate may also voluntarily cancel the Agreement by withdrawing consent to contract electronically.
- **Cancellation for Inactivity.** If an Advocate fails to generate at least 200 PV in product sales in any six-month period, his/her Advocate Agreement and Hugh & Grace business will be cancelled for inactivity. See the Compensation Plan for the definition of PV ("Personal Volume").
- **Suspension or Cancellation for Non-Payment.** An Advocate's failure to pay any required fees when due may result, at the company's discretion, in the suspension or termination of the Agreement. In the event any such fees remain unpaid for 60 days, the Agreement shall be automatically terminated.
- **Involuntary Cancellation/Termination; Disciplinary Sanctions.** Violation of any term of the Agreement, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by

an Advocate that the Company reasonably believes may damage its reputation or goodwill, may result in the suspension or termination of this Agreement, and/or any other disciplinary measure that Hugh & Grace deems appropriate to address the misconduct. In situations deemed appropriate by Hugh & Grace, the Company may institute legal proceedings for monetary and/or equitable relief, subject to the Dispute Resolution Policy at Section 54.

- **Effect of Cancellation.** An Advocate whose business is cancelled for any reason will lose all Advocate rights, benefits and privileges. This includes the right to represent yourself as an Independent Hugh & Grace Advocate, to sell Hugh & Grace products and services and the right to receive commissions, bonuses, or other income resulting from his/her own sales and the sales and other activities of the Advocate and the Advocate's former downline sales organization. There is no whole or partial refund for tangible sales kits that are not currently marketable, or renewal fees if an Advocate's business is cancelled. If the Advocate pays the renewal fees within 30 days of cancellation, their Advocate account will be fully reinstated.
- **Reclassification.** If at the time of the cancellation of an Advocate's Advocate Agreement the Advocate is also on the Hugh & Grace auto-ship program, the Advocate's auto-ship order shall continue in force unless the Advocate specifically requests that his or her customer auto-ship agreement be canceled. If the former Advocate does not request the cancellation of his or her subscription agreement, the former Advocate shall be reclassified as a subscription customer.

46. Indemnification. Each Advocate agrees to indemnify Hugh & Grace for any and all costs, expenses, consumer reimbursements, fines, sanctions, damages, settlements or payments of any other nature that Hugh & Grace incurs resulting from or relating to any act or omission by the Advocate that is illegal, fraudulent, deceptive, negligent, unethical, or in violation of the Agreement. Hugh & Grace may elect to exercise its indemnification rights through withholding any compensation due the Advocate. This right of setoff shall not constitute Hugh & Grace's exclusive means of recovering or collecting funds due Hugh & Grace pursuant to its right to indemnification.

47. Business Transfers. Advocates in good standing who wish to sell or transfer their business must receive Hugh & Grace's prior written approval before the business may be transferred. Requests to transfer a business must be submitted in writing to the Compliance Department. It is within Hugh & Grace's discretion whether to allow a business sale or transfer, but such authorization shall not be unreasonably withheld. However, no business that is on disciplinary probation, suspension, or under disciplinary investigation may be transferred unless and until the disciplinary matter is resolved. Prior to transferring a business to a third party, the Advocate must offer Hugh & Grace the right of first refusal to purchase the business on the same terms as negotiated with a third party. The Company shall have ten days to exercise its right of first refusal.

48. Transfer Upon an Advocate's Death. Upon the death of an Advocate, the Advocate's Hugh & Grace business and may be passed to his/her heirs. Prior to such transfer, the beneficiary of the business must provide Hugh & Grace with certified letters testamentary or letters of administration and written instructions of the executor of the estate, or an order of the court, that provides direction on the proper disposition of the business. The beneficiary must also execute and submit to the Company a Hugh & Grace Advocate Agreement within 30 days from the date on which the business is transferred by the estate to the beneficiary or the business will be cancelled. Because Hugh & Grace cannot divide commissions among multiple beneficiaries or transferees, the beneficiaries or transferees must form a business entity (corporation, LLC, partnership, etc.) and submit a Hugh & Grace Advocate Agreement in the name of the

business entity. Upon the completion of these requirements, Hugh & Grace will transfer the business and issue commissions to the individual beneficiary or business entity.

49. Divorce of an Advocate. Hugh & Grace is not able to divide commissions among multiple parties, nor is it able to divide a downline organization. Consequently, in divorce cases, any settlement or divorce decree must award the business in its entirety to one party. Hugh & Grace will recognize as the owner of the business the former spouse to whom the business is awarded pursuant to a legally binding settlement agreement or decree of the court. The former spouse who receives the Hugh & Grace business must also execute and submit a Hugh & Grace Advocate Agreement within 30 days from the date on which the divorce becomes final or the business will be cancelled.

50. Dissolution of a Business Entity. If a business entity that operates a Hugh & Grace business dissolves, the owners of the business entity must instruct the Company on the identity of the proper party who is to receive the business. The Hugh & Grace business must be awarded to a single individual or entity that was previously recognized by the Company as an owner of the business entity; the Company cannot divide the business among multiple parties or issue separate commission payments. The recipient of the Hugh & Grace business must also execute and submit a Hugh & Grace Advocate Agreement to the Company within 30 days from the date of the dissolution of the business entity or the Agreement will be cancelled. If the business entity wishes to sell or transfer its Hugh & Grace business to an individual or entity who was not previously recognized by the Company as an owner of the business entity, it must do so pursuant to Section 47.

51. Inducing Advocates to Violate the Agreement. Advocates shall not directly or indirectly induce, encourage, or assist another Advocate to violate the Agreement.

52. Reporting Errors. If an Advocate believes that Hugh & Grace has made an error in his/her compensation, the structure or organization of his/her genealogy, or any other error that impacts the Advocate's income, he/she must report it to the Company in writing within 60 days from the date on which the mistake occurred. While Hugh & Grace shall use its best efforts to correct errors reported more than 60 days after the date of the error, Hugh & Grace shall not be responsible to make changes or remunerate Advocates for losses for mistakes that are reported more than 60 days after the mistake occurs.

53. International Activities. Advocates may not sell Hugh & Grace products or conduct business activities of any nature in any foreign country that the Company has not announced is officially open for business.

54. Dispute Resolution. If a dispute between an Advocate and Hugh & Grace arises from or relates to the Agreement, the Hugh & Grace business, or the rights and obligations of either party, the parties shall resolve the dispute as set forth in the following Dispute Resolution provisions.

a. Stages of Dispute Resolution & General Dispute Resolution Procedures. Disputes between the Company and an Advocate(s) that arise from or relate to the Agreement, the business operated by the Advocate and/or the Company, or the opportunity offered by the Company shall be resolved according to the three-step procedure of (a) informal negotiation; (b) non-binding mediation; and (c) trial before a court for claims under \$50,000.00 so long as equitable relief is not sought (except as set forth below), or binding arbitration if the claim is for \$50,000.00 or more or if equitable relief is claimed. **IF A CLAIM SEEKS DAMAGES OF \$50,000.00 OR MORE OR SEEKS EQUITABLE RELIEF (EXCEPT AS SET FORTH BELOW), THE PARTIES AGREE TO RESOLVE THE DISPUTE THROUGH BINDING ARBITRATION AND WAIVE CLAIMS TO A TRIAL BEFORE ANY COURT OR JURY.** The following shall

apply to all proceedings under this dispute resolution provision:

- Any claim a party has against the other must be brought within one year from the date on which the act or omission giving rise to the claim occurred. In cases in which informal negotiation is required, once informal negotiation is requested in writing the one-year limitation of actions provisions in this provision shall be tolled until the completion of the mediation phase of this provision and for ten calendar days thereafter.
- At no time prior to the negotiation and mediation procedures below are completed shall either party initiate arbitration or litigation related to this Agreement or the business except as may be specified otherwise in this dispute resolution provision.
- All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation and/or mediation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation and/or mediation.
- Informal negotiations and mediation shall occur in Utah County, Utah unless the parties mutually agree on another forum. Informal negotiations and mediation shall take place telephonically or by video conference if either party requests such.
- Each party shall be responsible for its own attorney's fees, expert, professional and witness fees incurred in pursuing any claim, regardless of the forum.
- Under the circumstances in which an action may proceed before a court as authorized in this dispute resolution policy, if litigation is filed in court, the action may be brought in the jurisdiction in which either party resides or has its principal place of business. Notwithstanding the foregoing, if Advocate has exercised his/her right to opt-out of arbitration and subsequent litigation seeks equitable relief and/or damages totaling \$50,000 or more, the litigation shall be brought before the federal or state courts residing in Utah County, Utah.
- If arbitration is filed all arbitration proceedings shall be filed and held in Utah County, Utah.
- A dispute relating to whether the dispute between the Company and an Advocate is subject to arbitration shall be decided through arbitration.

Step 1 - Informal Negotiation. The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement or the Company's business promptly by negotiation between the aggrieved Advocate(s) and executives of the Company who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this Agreement. A party may, at its election, choose to be accompanied in such negotiation by an attorney. If one party elects to have its attorney present, the other party must also agree to have its attorney present if that party has retained counsel.

To institute the negotiation process, either party may give the other party written notice of any dispute not resolved in the normal course of business. Within 10 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement of each party's position and a summary of arguments supporting that position, and (b) the name and title of the executive and attorney who will accompany that party (if applicable), or the name of the Advocate and his/her attorney (if applicable) who will accompany him/her in the negotiation. Within 20 days after delivery of the notice, the parties and the attorneys (as applicable) of both parties shall meet at a mutually acceptable time and place. Such

meeting may occur telephonically if one party requests that the meeting be held telephonically.

Unless otherwise agreed in writing by the negotiating parties, mediation may be commenced one business day following the close of the negotiation phase described above. The negotiation phase is “closed” when one party notifies the other in writing that it considers the negotiation “closed.” Such closure shall not preclude continuing or later negotiations if desired by both parties.

Step 2 – Mediation. If the parties are unsuccessful in resolving their dispute through good faith negotiation, they shall seek to resolve the dispute through mediation. If a party elects to pursue mediation, the party shall submit a written request for mediation to the other party within 10 calendar days after the negotiation phase is completed. The parties shall have 10 calendar days following such request to select a mutually acceptable mediator. If the parties cannot agree on a mutually acceptable mediator, they shall apply to JAMS to have a neutral mediator appointed.

Mediation shall be conducted within 20 calendar days from the date on which the mediator is selected or appointed or as otherwise agreed upon by the parties and the mediator.

Unless otherwise agreed upon by the parties, the mediation shall be closed no later than 30 calendar days following the completion of the meeting between the mediator and the parties.

Step 3 – Binding Confidential Arbitration or Litigation

Step 3(a) – Claims for under \$50,000.00 with no claim for equitable relief. Claims for less than \$50,000.00 and in which equitable relief is NOT sought may be brought pursuant to the arbitration provision below if the parties agree. If the parties do not agree to arbitrate the claim, a claim may be brought before the small claims or district courts in the county in which either party resides or has its principal place of business.

Step 3(b) – Claims for \$50,000.00 or more and/or claims seeking equitable relief - Confidential Arbitration. If a claim seeks \$50,000.00 or more and/or seeks equitable relief (excluding equitable relief described in 3(c)), and the parties do not successfully resolve their dispute through the negotiation and mediation procedures above, the dispute shall be resolved through binding confidential arbitration in accordance with the terms of this Dispute Resolution Policy.

Step 3(c) - Public Equitable Relief. If public equitable relief is authorized by federal or state statute, the parties agree that an action may be brought before the district court in the county in which either party resides or has its principal place of business so long as: (a) the relief sought is limited to public equitable relief that is authorized by federal or state statute; and (b) the public equitable relief is unavailable through arbitration proceedings. The confidentiality provisions and corresponding liquidated damage provisions for breach of confidentiality provision contained in this dispute resolution provision shall remain in effect for claims and actions asserted under this Step 3(c) unless an action is brought before a court as specifically permitted pursuant to this subsection and the disclosure is related solely to material that is not filed with the court under seal.

b. Arbitration Opt-Out. An Advocate who does not wish to be subject to this Arbitration provision may opt-out by notifying Hugh & Grace in writing of his/her desire to opt-out of this Arbitration provision within 30 days of the Advocate’s execution of the Agreement. The opt-out notice shall be sent via email to customercare@hughandgrace.com. If an Advocate opts-out of arbitration,

jurisdiction and venue for the dispute shall be in Utah County, State of Utah, and the dispute shall be governed by the laws of the State of Utah, without regard to principles of conflicts of laws.

c. Actions Not Subject to Arbitration. Once the Parties have exhausted efforts to resolve their dispute through the informal negotiation and mediation procedures listed above, any remaining disputes and claims that arise from, or relate to, the agreement between Advocate and Hugh & Grace, the Hugh & Grace business, and/or the relationship between Hugh & Grace and Advocate, shall be arbitrated pursuant to the arbitration provision in this policy. Notwithstanding the foregoing, the following claims may be, but need not be, resolved through confidential binding arbitration:

- Claims by Advocates who have properly opted out of the arbitration provision.
- Claims alleging damages of less than \$50,000.00 so long as no equitable relief is sought.
- Claims that are within the jurisdictional limit of the small claims court in jurisdiction in which the Advocate resides.
- Claims seeking only Public Equitable Relief that is authorized by state or federal statute and such relief is not available through arbitration.

d. JAMS to Administer Arbitration. If the dispute between the Company and an Advocate is subject to arbitration, the arbitration shall be filed with, and administered by JAMS in accordance with its Comprehensive Rules and Procedures, which are available on JAMS' website at <https://www.jamsadr.com>. Copies of JAMS Rules and Procedures will also be emailed to Advocates upon request to the Hugh & Grace Compliance Department (compliance@hughandgrace.com). Notwithstanding the rules of JAMS, unless otherwise stipulated by the Parties, the following shall apply to all Arbitration actions:

- The Federal Rules of Evidence shall apply in all cases.
- The Parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure.
- The Parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure.
- The arbitration hearing shall commence no later than 365 days from the date on which the arbitrator is appointed and shall last no more than five business days.
- The Parties shall be allotted equal time to present their respective cases.
- An Arbitrator's Award will consist of a written statement stating the disposition of each claim. The award will also provide a concise written statement of the essential findings and conclusions on which the award is based.
- Any dispute relating to whether the dispute is subject to arbitration shall be decided by through arbitration.

e. Confidentiality. Disputes shall remain confidential between the Company and the Advocate in question. With the exception of discussing the claims with bona fide witnesses to the dispute and the party's legal counsel, neither party nor its agents shall verbally or in writing discuss, publish, or otherwise disseminate any information relating to the dispute. This includes, but is not limited to, discussing claims, allegations, merits, evidence, positions, pleadings, testimony, rulings, awards, orders, issues, or any other aspect of the dispute with or to any third party. A prohibited disclosure can be via any medium including, but not limited to, verbal disclosure, disclosure via the internet, social media, or blog platform. Prohibited disclosures include those made prior to, during, or after

any phase of the dispute resolution process. The only exceptions to this confidentiality provision are contained in this dispute resolution policy. Notwithstanding this confidentiality obligation, it shall not be a violation of this confidentiality provision if the Company discloses the final resolution of the dispute and/or any disciplinary measures taken by the Company to the Sponsor and upline of the Advocate with whom it had the dispute.

f. Liquidated Damages for Breach of the Confidentiality Obligation. If a Party violates its confidentiality obligations under this arbitration provision, the nonbreaching party shall incur significant damages to its reputation and goodwill that shall not be readily calculable. Therefore, if a Party, its attorneys, agents, or a proxy of a party breaches the confidentiality provision of this dispute resolution provision, the following shall apply:

- The non-breaching party shall be entitled to liquidated damages in the amount of \$10,000.00 per violation, or \$50,000 per violation if the disclosure is published on the internet, including but not limited to disclosure on any website or on any social media forum. Every disclosure of each claim, allegation, pleading, or other prohibited disclosure shall constitute a separate violation. Notwithstanding this confidentiality and liquidated damage provision, nothing herein shall limit the right or ability of a Party to disclose evidence, claims or allegations relating to the dispute to any individual who is, or who may be, a bona fide witness to the dispute. **The Parties agree that this liquidated damage amount is reasonable and waive all claims and defenses that it constitutes a penalty; AND**
- **Breach of the confidentiality provision by disseminating or publishing information described in subparagraph e. above through any form of mass media (including but not limited to posting on the Internet or on any social media platform) by a party, a party's agent, or a party's proxy shall constitute an act of wanton and gross bad faith, and shall constitute a waiver of the breaching party's right to pursue the claim(s) and/or defense(s) against the non-breaching party, and shall entitle the non-breaching party to a default judgment against the breaching party.**

g. Emergency Relief. Either party may bring an action before JAMS seeking emergency relief to protect its intellectual property rights, including but not limited to protecting its rights pursuant to the non-solicitation provisions of these Terms & Policies. A claim or cause of action seeking emergency relief shall be brought pursuant to the Emergency Relief Procedures in JAMS Comprehensive Rules and Procedures, available at <https://www.jamsadr.com>, or by contacting the Compliance Department (compliance@hughandgrace.com). The parties agree that any violation of the Nonsolicitation provisions (Section 28) or Confidential Information provisions (Section 30) of these Terms & Policies shall entitle Hugh & Grace to emergency and permanent equitable relief because: (a) there shall be no adequate remedy at law; (b) Hugh & Grace shall suffer immediate and irreparable harm should such policies be breached; and (c) if emergency and permanent equitable relief is not granted, the injury to Hugh & Grace shall outweigh the potential harm to Advocate if emergency and/or permanent equitable relief is granted.

h. Disputes Not Subject the Informal Negotiation and/or Mediation Steps. A party need not go through the informal negotiation or mediation steps described above in the following situations:

- **Action to Enforce Arbitration Award or Order.** Either party may bring an action to enforce an arbitration award in a court properly vested with jurisdiction.
- **Petitions for Emergency Relief.** If a party deems it necessary to seek emergency relief to protect its interests, it may seek emergency relief as set forth in this dispute resolution provision without

engaging in the negotiation or mediation process set forth above. Notwithstanding the foregoing, the parties are encouraged, but not required, to engage in negotiation and or mediation concurrently with any pending request for emergency relief.

- **Disciplinary Sanctions.** The Company shall not be required to engage in the three-step dispute resolution process prior to imposing disciplinary sanctions for violation of the Agreement.
- i. **Remedies.** Remedies available to you under U.S. federal laws, and the state and local laws of your state, shall remain available to you in any arbitration proceeding.

55. Class Action Waiver. All disputes, whether pursued through arbitration or before the courts, that arise from or relate to the Agreement, that arise from or relate to the Hugh & Grace business, or that arise from or relate to the relationship between the parties, shall be brought and proceed on an individual basis. The parties waive their rights to pursue any action against the other party and/or their respective owners, officers, directors and agents, on a class or consolidated basis. You may opt out of this class action waiver if you wish by submitting written notice to the Company of your desire to opt out within 30 days from the date on which you enroll as an Advocate. Submit your written opt-out notice to compliance@hughandgrace.com.

56. Governing Law. The Federal Arbitration Act shall govern all matters relating to arbitration. Except as is otherwise specifically referenced in these Terms & Policies, the law of the State of Utah without regard to principles of conflicts of laws, shall govern all other matters relating to or arising from the Agreement, the business, the relationship between the parties, or any other claim between the Parties. Notwithstanding the foregoing, if a dispute is brought in a small claims court properly vested with jurisdiction, the law of the state in which the small claims court resides shall apply.

57. Damages for Wrongful Termination. In any case which arises from or relates to the wrongful termination of an Advocate's Agreement and/or independent business, the parties agree that damages will be extremely difficult to ascertain. Therefore, the parties stipulate that if the involuntary termination of an Advocate's Agreement and/or loss of their independent business is proven and held to be wrongful under any theory of law, Advocate's sole remedy shall be liquidated damages calculated as follows:

- For Advocates earning up to \$10,000.00 in the 12 calendar months prior to termination, liquidated damages shall be in the amount of her gross compensation that he/she earned pursuant to the Hugh & Grace Compensation Plan in the twelve (12) months immediately preceding the termination.
- For Advocates earning between \$10,000.01 and \$20,000.00 during the 12 calendar months prior to termination, liquidated damages shall be in the amount of her gross compensation that he/she earned pursuant to the Hugh & Grace Compensation Plan in the twenty-four (24) months immediately preceding the termination.
- For Advocates earning more than \$20,000.00 in the 12 calendar months prior to termination, liquidated damages shall be in the amount of her gross compensation that he/she earned pursuant to the Hugh & Grace Compensation Plan in the thirty-six (36) months immediately preceding the termination.

58. Damage Waiver. In any action arising from or relating to the Agreement, the parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The parties further waive all claims to exemplary and punitive damages. Nothing in this provision or this Agreement shall restrict or limit a Party's right to recover liquidated damages as set forth in these Terms & Policies.

59. Louisiana Residents. The dispute resolution provisions in these Policies shall apply to Louisiana residents with the exception that Louisiana residents may bring arbitration against Hugh & Grace in his/her home forum and pursuant to Louisiana law.