

TOTAL LIFE CHANGES, LLC INDEPENDENT BUSINESS OWNER AGREEMENT

Total Life Changes Terms and Conditions for Independent Business Owners

I hereby apply to become an independent distributor for Total Life Changes, LLC. ("TLC"). If I am accepted as an independent distributor, also known as an Independent Business Owner or IBO for Total Life Changes, I agree to be bound by all terms and conditions below. I am interested in using and/or promoting Total Life Changes products and services and understand that it is possible to be rewarded, although there are no guarantees and any rewards are based purely on sales results. If I do not agree with these terms and conditions and/or the TLC Policies and Procedures, which are incorporated by reference, then I will not apply to become an IBO and I will not transact business with TLC. I understand, warrant and agree that:

1. I am of legal age in the state, country or jurisdiction in which I reside, but at least 18 years old, and I am legally competent to enter into this Agreement.
2. I am not prohibited from entering into this Agreement for any reason and my entering into this Agreement does not violate any other agreement or order that may apply to me.
3. I understand that no state Attorney General or other regulatory authority approves or endorses TLC or any TLC product or service and I will not claim otherwise to anyone.
4. I understand that I shall become a TLC IBO only upon acceptance of this application by TLC at its sole discretion. As an IBO, I will be able to use and/or promote products and services offered by TLC, but only in accordance with the TLC compensation plan, these terms and conditions, and any policies and procedures, rules and regulations, etc., which are published and available on the TLC corporate website and which may be amended, revised and/or changed from time to time at TLC's sole discretion. I understand that TLC reserves the right to reject this application or any application to become an IBO for any reason within thirty (30) days of TLC's receipt of such application.
5. I have reviewed and acknowledge that the TLC compensation plan, as well as any policies and procedures, rules and regulations or other applicable instructions as published on the TLC corporate website as they exist now and as they may be amended, are incorporated by reference as part of these terms and conditions.
6. Upon notification to IBOs by publishing on the TLC corporate website, TLC, at its sole discretion, may amend the compensation plan, terms and conditions, rules, regulations, policies and procedures, etc. and I agree to be bound by any such changes.
7. My continued use and/or promotion of TLC products and services, and/or my logging in to any TLC or TLC-related website, and/or my transaction of any business with TLC, and/or my acceptance of any compensation from TLC, indicates my continued agreement with these terms and conditions as they exist now and as they may be modified or amended in the future.
8. I understand that as an IBO, I must be sponsored into TLC by another IBO. If I was not introduced to TLC by another IBO, then TLC, at its sole discretion, may assign me to an appropriate sponsor.
9. I understand that TLC is not obligated to offer any specific products or services and may update, expand, decrease, change, revise or modify the availability of any products and/or services at any time and at its sole discretion.

10. The term of this IBO Agreement is one year. I understand that I may renew yearly under the renewal policy in effect at that time and at the sole discretion of TLC.
11. I understand that no IBO is under any obligation to participate in the compensation plan and may cancel at any time, for any reason, with written notice to TLC. Once an IBO notifies TLC of his/her resignation or cancellation, that IBO will immediately cease to accrue any rewards, privileges, rights, benefits, compensation or commissions, and must immediately cease all TLC-related activity. An IBO, if applicable, will be able to return, and TLC will re-purchase, any unopened, unused, good and re-sellable inventory of supplies, sales materials, physical products, etc. at the price paid by the IBO, less shipping/handling and a 10% re-stocking fee, and less any commissions earned as a result of any qualifications attributed to the returned product, for a period of six months from original purchase, or longer if required by law. This clause does not apply to digital or virtual electronic products, services or downloads. IBO will be responsible for any freight charges incurred in returning any unused materials to TLC. TLC will not be responsible for lost or damaged materials. TLC at its sole discretion will determine if returned product meets the standards and requirements for buy-back. This clause only applies to IBOs otherwise in good standing and in compliance with this Agreement and all applicable laws, statutes, codes, rules or regulations.
12. As a TLC IBO, I will be an independent contractor responsible for my own business, my own conduct and any expenses or costs of maintaining my independent distributorship. I will not be an employee of TLC. I will not be treated as an employee in regards to any laws covering employees, including but not limited to, the Federal Insurance Contributions Act, the Social Security Act, the Federal Unemployment Tax Act, or income tax withholding for any federal, state or local tax laws. It is my responsibility to pay self-employment, federal, state, or local taxes of any type as required by law. I am responsible for complying with any federal, state or local laws or regulations that may be applicable to my independent distributorship.
13. I will not promote TLC in conjunction with any other company or opportunity, unless specifically authorized in writing by a duly-authorized representative of TLC.
14. I will not use TLC trade names, trademarks or copyrighted material in any form, verbal, printed or otherwise, except in promotional or advertising material that has been prepared by TLC or has received prior written approval from TLC.
15. I will not directly or indirectly disparage, discredit or otherwise defame TLC, TLC employees, owners, officers or directors, other TLC IBOs and/or any person or entity associated with TLC. This includes any statements, written or oral, on the Internet, on social media or otherwise.
16. I acknowledge that I may only have a financial interest in one IBO position within TLC. I will not, either as an individual, corporation, LLC or other entity, apply for or become a TLC IBO separate from this application. I understand that should I be found to have any financial interest in multiple IBO positions, TLC, at its sole discretion, may terminate or re-assign any of those IBO positions and I will have no recourse against TLC.
17. A married couple should maintain one IBO position between them. However, if both spouses of a married couple desire to each maintain their own IBO position, then they both must be sponsored by the same sponsor. They cannot sponsor each other or be sponsored by anyone other than the original sponsor. If a married couple each have their own IBO position, then they are each separately required to meet any requirements or qualifications of their respective IBO positions.

18. If I sponsor other IBOs into TLC, I will fulfill the obligation of performing a bona fide supervisory, distributing and selling function in the sale or delivery of product to the ultimate consumer and in the training of those sponsored. I will have ongoing contact, communication and leadership supervision with my sales organization, including, but not limited to, telephone contact, e-mail contact, text message contact, training sessions, etc. If TLC requests it, I will be prepared to provide documentation of the satisfaction of my sponsor responsibilities to TLC.
19. I understand that the TLC program is built upon sales to the ultimate consumer. TLC also recognizes that IBOs may wish to purchase product in reasonable amounts for their own personal or family use. A retail sale for bonus purposes shall include sales to non-participants in the compensation plan. The IBO will be responsible for complying with the Retail Compliance Program as instructed from time to time. This includes keeping accurate records, including receipts, for all retail sales. Further, although there may be no specific product purchases required, nor are you required to stock any inventory, you will be asked to certify that you have used, consumed or sold at least 70% of your previous inventory prior to re-ordering. Monthly commissions on your organization and sales bonuses are contingent upon TLC receiving any requested verification in a timely fashion. It is TLC policy to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for bonuses or advancement in the marketing program. IBOs must fulfill, and it is each IBO's responsibility to meet all applicable published personal and downline retail sales requirements, as well as supervisory responsibilities, to qualify for commissions, bonuses, overrides or advancements.
20. I acknowledge and agree that I will never reveal, during or after termination of this Agreement, any confidential TLC data or information to any third party, including, but not limited to, information pertaining to any other TLC IBOs, other than in the furtherance of promoting TLC under this Agreement. I will not attempt to solicit, directly or indirectly, any TLC vendors, associates, employees, consultants or agents into any other venture, company or business relationship. This clause will not apply to individuals that I have personally-sponsored into TLC.
21. I agree that during the time I am an active or inactive TLC IBO and for a period of twelve (12) months following the termination for any reason of this Agreement, I will not, directly or indirectly attempt to encourage, solicit, persuade or otherwise attempt to recruit any other TLC IBO to leave TLC, terminate his/her Agreement with TLC or compete in any way with the business of TLC. Further, during this period, I will not attempt to solicit any TLC employee, agent, vendor or consultant into pursuing any business or opportunity other than TLC business.
22. I acknowledge that as an independent distributor, I am a wholly independent marketing representative who establishes and services wholesale and/or retail customers for TLC products and services. My independent distributorship does not constitute either a purchase of an investment, a franchise, exclusive distributorship or exclusive territory, and absolutely no fees have been or will be required from me or anyone for the right to promote TLC products and services and earn commissions, pursuant to this Agreement. I understand that there may be a monthly or yearly, non-commissionable, administrative fee for database maintenance and software updating. This Agreement is not intended and shall not be construed to create a relationship of employer-employee, agency, partnership, or joint venture between any person, entity, IBO, sponsor and/or TLC. As an independent contractor, I shall:

- A. Abide by any and all federal, state, county and local laws, rules and/or regulations pertaining to this Agreement and/or the acquisition, receipt, holding, selling, distributing, promoting or advertising of TLC products and services.
 - B. At my own expense, make, execute or file all such reports and obtain such licenses or permits applicable to me as may be required by law or regulation with respect to this Agreement and/or the receipt, holding, selling, distributing, promoting or advertising of TLC products and services.
 - C. Be solely responsible for declaration and payment of all local, state and federal fees or taxes as may accrue, including, but not limited to, sales taxes, business taxes, income taxes due to Associate activities in connection with this Agreement.
 - D. Never attempt to obligate or bind TLC into any contract, agreement or obligation, other than if I have been specifically instructed to do so in writing by TLC.
23. I acknowledge that no purchase or investment is necessary to become a TLC IBO and neither TLC nor any person or entity has indicated otherwise.
24. I acknowledge that TLC, at its sole discretion, will determine whether qualifications have been met with respect to ranks, commissions, bonuses or compensation.
25. I acknowledge that should I purchase any products or services from TLC, that payment made is solely for that product or service purchase. I understand that I am not making an investment in TLC, I am not purchasing a franchise, territory or security, and this is not a passive income generator. Further, I will never attempt to purchase products or services from TLC with an invalid or improper form of payment.
26. I acknowledge that neither TLC nor any individual or entity has made any claim, guarantee, warranty or assurance that I will earn or achieve any level of success or income as a result of promoting TLC products and services. I understand that any potential commissions, bonuses or earnings that I may be entitled to under the TLC compensation plan are based on the actual sales results of my promotion efforts and are affected by factors such as expertise, training, time spent promoting TLC products and services, etc.
27. I warrant and agree that I will not attempt to manipulate the compensation plan or defraud TLC in any way, including the creation of phantom or invalid IBO positions or business. TLC, at its sole discretion, may terminate or re-assign any IBO or IBO positions determined to have been created to manipulate the compensation plan or increase potential commissions to anyone without valid purpose.
28. I warrant and agree that I will not make any purchase, nor will I cause anyone else to make a purchase of any TLC product or service without valid purpose. Any attempt to manipulate compensation, generate additional, extra or unreasonable compensation, or insincerely achieve a particular rank or bonus shall be considered invalid purposes.
29. I acknowledge and agree that TLC will have the right to reverse, recoup, recover or chargeback any commissions or earnings that I have previously received on business that may have been reversed, credited back, cancelled, charged back or not validly paid for. I further acknowledge and understand that TLC shall have the right, at its sole discretion, to withhold the payment of any potential commissions or bonuses, pending the verification of the validity of the underlying sale. TLC, at its sole discretion, may determine the validity or invalidity of any given sale or transaction.
30. TLC will investigate potential violations of this Agreement and may take appropriate action, at its sole discretion, up to and including my termination as an IBO, for any violation that cannot

be immediately and appropriately corrected. Actions taken may include suspension of an IBO, reversal of commissions, removal of invalid or fraudulent IBOs from a downline, termination of an IBO, or other action reasonably required by TLC to resolve the violation. I understand that TLC has the right to suspend or hold back any unpaid commissions, regardless of date earned, pending the outcome of any investigation and determination of the validity of such commissions.

- 23 I understand that it is expressly prohibited to entice or encourage anyone to join, transact business, purchase products, sales aids or literature by confusing them, misleading them, pressuring them, making false or misleading income claims, or showing unreasonable hypothetical situations. No false, confusing, misleading or exaggerated claims of any type may be made under any circumstances, even if true.
- 24 I understand that I cannot insinuate or imply that someone will achieve a specific level of income or success, even if I have previously achieved it. I understand that results achieved by any IBO will be based on many factors, including, but not limited to, expertise, time spent promoting TLC products and services and other factors.
31. This Agreement constitutes the entire agreement between the IBO and TLC and no other additional promises, representations, guarantees or agreements of any kind shall be valid unless in writing and signed by an authorized representative of TLC or otherwise referenced in this Agreement.
32. I agree to attempt to resolve any dispute under this Agreement in an amicable and reasonable way directly with TLC. If I feel additional actions are necessary, I agree that any claim, dispute and/or legal action surrounding the terms and conditions of this Agreement shall be resolved solely and exclusively by arbitration in accordance with the Federal Arbitration Act and under the rules and auspices of the American Arbitration Association (AAA). Any arbitration shall be held in St. Clair County in the State of Michigan, under the Commercial Arbitration Rules of the AAA and conducted by a single arbiter who is an attorney with knowledge of direct sales. This Agreement shall be governed by the laws of the State of Michigan, excluding those relating to conflicts of law.
33. I agree that there will be no group or class action proceedings of any type against TLC or its officers, directors, employees, consultants or agents for any reason stemming from this Agreement. I agree not to initiate or participate in any group or class action proceeding against TLC, whether in a state or federal court, arbitration or mediation proceeding. I affirmatively waive all rights to become a member of any certified class in any lawsuit or action against TLC. Any arbitration stemming from this IBO Agreement shall be conducted solely between me and TLC. I also agree to keep any arbitration proceedings confidential and agree not to disclose any aspect of any arbitration proceedings except as required by law.
34. I understand that my agreement to arbitrate will survive the termination of this Agreement. I further understand that nothing in this Agreement shall prevent TLC from applying to and obtaining from a court of applicable jurisdiction, a writ of attachment, garnishment, temporary injunction, preliminary injunction, permanent injunction and/or any other equitable relief available to protect TLCs interest prior to, during or following any arbitration or other proceeding.
35. If any portion of this Agreement is found to be invalid in a particular jurisdiction, the balance of all terms and conditions, policies and procedures, the compensation plan and any rules, regulations or requirements shall remain in full force. Any required exclusions, amendments or

modifications made pursuant to this paragraph shall only apply in the jurisdiction where required.

36. I agree that portions of this Agreement and accompanying Policies and Procedures pertaining to disparagement, confidentiality, arbitration, use of the trade names, trademarks, copyrighted material, internet use and/or the sale and distribution of TLC products and services will survive the termination of this Agreement and/or my relationship with TLC.
37. I understand that should I voluntarily terminate my relationship with TLC, assuming I was otherwise in good standing, that I must remain inactive and wait a minimum of six months before attempting to become an IBO again. If I do ever re-apply to become an IBO, I understand that I would be starting from scratch and have no rights, privileges, benefits, ranks, level or standing that I may have previously achieved or attained. Should I be involuntarily terminated, I understand that I may not ever again become an IBO for TLC, whether as an individual or as part of another entity.
38. I acknowledge that there are no guarantees, warranties or assurances that I can or will earn any amount of income or attain any level of success as an IBO for TLC. I further acknowledge that there are no guarantees, warranties or assurances, express or implied, in connection with any TLC product, service, documents, materials, and/or websites. TLC specifically disclaims all warranties, express or implied, in connection with any products or services, including, without limitation, any implied warranties of merchantability and/or fitness for a particular purpose.
39. I acknowledge that participation in any Autoship or monthly recurring order or subscription is optional, but may be available for convenience or added-value. Should I choose to participate, I authorize TLC to process my credit card on file for the amount I opt for.
40. I authorize TLC to use my name, image, likeness and/or story in any TLC-related materials, advertising, promotion, websites or other media. I understand that I am not entitled to any compensation or remuneration for such use.
41. I authorize TLC or any TLC authorized representative to contact me by e-mail, text message, instant message, fax, telephone or other appropriate device or media, for any purpose or matter relating to my being an IBO for TLC. I understand that should I not wish to be contacted, I must affirmatively opt-out by contacting Distributor Support.
42. I understand that no TLC product or service may be copied, duplicated, reverse engineered, modified, altered, revised or changed in any way by me or on my behalf, other than by written, explicit permission of TLC.
43. I agree that I will not, during the term of this Agreement or for a period of twelve months after its termination, attempt to start or assist in the creation of a company whose intention it is to manufacture, distribute or sell products similar to those sold by TLC.
44. I agree to defend, indemnify and hold TLC harmless, as well as TLC's owners, officers, directors, employees, agents, consultants or any affiliated people or entities, from and against any and all claims, suits, damages, obligations, losses and expenses, including, but not limited to legal fees, arising out of my conduct, the violation of any of these terms and conditions, the violation of any other obligation or agreement that I may be bound by or the violation of any applicable law, regulation or statute.
45. I understand and agree that under no conditions, shall TLC and/or its owners, officers, directors, employees, agents, consultants or any affiliated people or entities be liable to me or any IBO for any claim whatsoever related to this Agreement or the relationship between TLC and IBO for any amount other than the amount of unused products and services that IBO is

otherwise entitled to a refund for. In no event shall TLC be liable to any IBO for any incidental, special, exemplary, punitive, indirect or consequential damages.

46. Any notice required in connection with this Agreement may be made by notice to the last known physical address or e-mail address that I have maintained with TLC and I may send notice to TLC at its then current corporate address or at the designated e-mail address for that purpose.
47. TLC's failure to exercise any rights under this Agreement does not constitute a waiver of TLC's rights to insist on compliance with this Agreement.
48. I agree that I may not transfer or assign any rights or privileges granted under this Agreement without the express written consent of TLC at its sole discretion and that there may be a fee involved.
49. This agreement is not in force until accepted by TLC. I warrant that I have no financial interest in, nor will I acquire any financial interest in another TLC distributorship.
50. Under penalty of perjury, I certify that the social security number, tax identification number or applicable taxpayer identification number that I have submitted to TLC for commission reporting purposes is the valid and correct taxpayer identification number applicable to me.
51. Unless I notify TLC otherwise, I certify that I am not subject to backup withholding because I am either (a) exempt from backup withholding; (b) the Internal Revenue Service (IRS) has not notified me that I am subject to backup withholding; (c) the IRS has informed me that I am no longer subject to backup withholding, and I am a U.S. Citizen or other authorized U.S. person.
- 52. NOTICE OF RIGHT TO CANCEL: I understand that I may cancel this transaction, without penalty or obligation, within the initial THREE DAYS of my initial purchase, or longer if required by law. I will receive a full refund of products and services purchased during the three day period, less commissions earned. Physical products will be refunded under paragraph 9.**

I unconditionally agree to all terms and conditions contained herein: initials ____