

I-insureme™
STATEMENT OF POLICIES
Effective July 1st, 2017

SECTION 1 – CORPORATE MISSION STATEMENT

I-insureme™ is a professional organization dedicated to providing unique and effective ways for developing true, long-term financial success. We are committed to teaching and living principles of service, integrity and leadership by example. We place the satisfaction of our clients and the success of our affiliates at the top of our priority list.

I-insureme™ provides a one-of-a-kind opportunity to build generational wealth by “becoming your own affiliate” and referring others to do the same. It is with great anticipation of your success that we present you with this Statement of Policies and Procedures and urge you to follow it completely.

SECTION 2 - INTRODUCTION

2.1 Policies and Compensation Plan Incorporated into Affiliate Agreement

This Statement of Policies, in its present form and as amended at the sole discretion of I-insureme™ (hereafter, “I-insureme™” or the “Company”), is incorporated into, and forms an integral part of, the I-insureme™ Independent Affiliate Agreement. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the I-insureme’s Affiliate Application and Agreement, Statement of Policies, I-insureme’s Marketing and Compensation Plan, and the I-insureme™ Business Entity Registration form (if applicable). These documents are incorporated by reference into the I-insureme™ Independent Affiliate Agreement (all in their current form and as amended by I-insureme™). It is the responsibility of each I-insureme™ Independent Affiliate (hereafter “Affiliate”) to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of this Statement of Policies. When sponsoring or enrolling a new Affiliate, it is the responsibility of the Sponsoring Affiliate to ensure that the applicant is provided with, or has online access to, the most current version of this Statement of Policies and the I-insureme™ Marketing and Compensation Plan prior to his or her execution of the Independent Affiliate Agreement.

2.2 Purpose of Policies

I-insureme™ is a direct sales company that markets its products through Independent Affiliates. Your success and the success of your fellow Affiliates depend on the integrity of the men and women who market I-insureme™ products. To clearly define the relationship that exists between the Affiliate and I-insureme™, and to set a standard for acceptable business conduct, I-insureme™ has established this Agreement. I-insureme™ Affiliates are required to comply with all of the Terms and Conditions set forth in the Agreement, as well as all federal, state, and local laws governing their I-insureme™ business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is important that you read and abide by the Agreement. Please carefully review the information in this Statement of Policies. It sets forth the respective duties, responsibilities, and obligations governing the relationship between you, as the Independent Affiliate, and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from I-insureme™. Your best interests are always served

by seeking the advice of your attorney when you have questions regarding your particular situation.

2.3 Modifications to the Agreement

To maintain a viable business and to comply with governing federal, state, and local laws, and economic conditions, I-insureme™ reserves the right to amend the Agreement and its prices at its sole and absolute discretion. Such modifications shall be immediately binding upon notice of any such modifications. Notification of amendments shall be published by one or more of the following methods: (1) posting on the Company's official website; (2) electronic mail (e-mail); (3) inclusion in Company periodicals; (4) inclusion in product orders or bonus checks; and/or (5) special mailings. By signing the Affiliate Agreement, an Affiliate agrees to abide by all amendments or modifications that I-insureme™ elects to make. The continuation of an Affiliate's I-insureme™ business or an Affiliate's acceptance of bonuses or commissions also constitutes acceptance of any and all amendments.

2.4 Delays

I-insureme™ shall not be responsible for processing or shipping delays or for failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of supply, or government decrees or orders.

2.5 Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed, and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

2.6 Waiver

The Company never gives up its right to insist on compliance with the Agreement and all applicable laws governing the conduct of a business. Failure by I-insureme™ to exercise any right or power under the Agreement or to insist upon strict compliance by an Affiliate with any obligation or provision of the Agreement shall not constitute a waiver of I-insureme's right to demand exact compliance with the Agreement. Nor shall any custom or practice of the parties that is at variance with the terms of the Agreement constitute a waiver. Waiver by I-insureme™ of any violation of any provision of the Agreement can be effectuated only in writing by an authorized officer of the Company. I-insureme's waiver of any particular breach by an Affiliate shall not affect or impair I-insureme's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Affiliate. Nor shall any delay or omission by I-insureme™ to exercise any right arising from a breach affect or impair I-insureme's rights as to that or any subsequent breach. The existence of any claim or cause of action of an Affiliate against I-insureme™ shall not constitute a defense to I-insureme's enforcement of any term or provision of the Agreement.

2.7 Affiliate Waiver

Through my acceptance of the Statement of Policies and by participating in the I-insureme™ income opportunity, I understand and grant permission to I-insureme™ to use my own image,

voice, and likeness in any television broadcast, photograph, video, internet site, audio-recording, and in any and all of its publications, including website entries and social media (collectively, “promotional materials”) without payment or any other consideration. I understand and agree that these promotional materials will become the property of I-insureme™ and all other associated legal entities and will not be returned. I hereby irrevocably authorize I-insureme™ to edit, alter, copy, exhibit, publish, or distribute my own image, voice, or likeness for purposes of publicizing or promoting the I-insureme™ products, programs, income opportunity, or for any other lawful purpose. In addition, I waive the right to inspect or approve the finished product, including written or electronic copy, wherein my own likeness or voice appears. Additionally, I waive any right to royalties or other compensation arising or related to the use of the promotional materials. I hereby hold harmless and release and forever discharge I-insureme™ from all claims, demands, and causes of action which I, my heirs, representatives, executors, administrators, or any other persons acting on my behalf, my child’s behalf, or on behalf of my estate have or may have by reason of this authorization.

SECTION 3 - BECOMING AN INDEPENDENT AFFILIATE

Affiliates are independent contractors of the Company granted a non-exclusive authorization to sell I-insureme™ products in accordance with the terms and conditions set forth by the Company. Acceptance by the Company of an Affiliate Application does not constitute the sale of a franchise or distributorship. A fee will provide applicants with a Starter Kit, including a website, debit card, and back office, which includes essential information for conducting business in an efficient and ethical manner.

3.1 Independent Contractor Status

Affiliates are independent contractors, and are not purchasers of a franchise or a business opportunity. The agreement between I-insureme™ and its Affiliates does not create an employer/employee relationship, partnership, or joint venture between the Company and the Affiliate. The Affiliate shall not be treated as an employee for his or her services or for Federal or State tax purposes. All Affiliates are responsible for paying local, state, and federal taxes due from all compensation earned as an Affiliate of the Company. The Affiliate has no authority (expressed or implied), to bind the Company to any obligation. Each Affiliate shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Affiliate Agreement, this Statement of Policy, and applicable laws.

3.2 Application Requirements

To become an I-insureme™ Affiliate, each applicant must:

- a) Be of contractual age (usually 18) in the jurisdiction in which they reside;
- b) Reside in the United States or U.S. Territories or country that I-insureme™ has officially announced is open for business;
- c) Provide a valid Social Security, required by federal law for income reporting purposes;
- d) Purchase an I-insureme™ Starter Kit (website, debit card, and back office - optional in North Dakota);
- e) Accurately complete and submit an Affiliate Application and Agreement to I-insureme™, either in hard copy or online format.

3.3 Applying as a Business Entity

A corporation, limited liability company (LLC), partnership, or trust (collectively referred to in

this section as a “Business Entity”) may apply to be an I-insureme™ Affiliate by submitting its Certificate of Incorporation, Partnership Agreement, or trust documents (these documents are collectively referred to as the “Entity Documents”) to I-insureme™, along with a properly completed Business Entity Registration form. An I-insureme™ business may change its status under the same sponsor from an individual to a business entity or from one type of entity to another. There is a \$39.95 fee for each change requested, which must be included with the written request and the completed Affiliate Application and Agreement. To be considered, the Business Entity Registration form must be signed by all of the shareholders, partners, or trustees. Members of the entity are jointly and separately liable for any indebtedness or other obligation to I-insureme™. To prevent the circumvention of Section 4.25 (regarding transfers and assignments of I-insureme™ business), if an additional partner, shareholder, member, or other business entity Affiliate is added to a business entity, the original applicant must remain as a party to the original Affiliate Application and Agreement. If the original Affiliate wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with Section 4.25. If this process is not followed, the business shall be canceled upon the withdrawal of the original Affiliate. All bonus and commission checks will be sent to the address of record of the original Affiliate. Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5. There is a \$39.95 fee for each change requested, which must be included with the written request and the completed Affiliate Application and Agreement. I-insureme™ may, at its discretion, require notarized documents before implementing any changes to an I-insureme™ business. Please allow thirty (30) days after the receipt of the request by I-insureme™ for processing.

3.4 Affiliate Benefits

Once an Affiliate Application and Agreement has been accepted by I-insureme™, the benefits of the Marketing and Compensation Plan and the Affiliate Agreement are available to the new Affiliate. These benefits include the right to:

- a) Sell I-insureme™ products;
- b) Participate in the I-insureme™ Marketing and Compensation Plan (receive bonuses and referral fees, if eligible);
- c) Sponsor Affiliates in the I-insureme™ business and sell to others as Customers or Preferred Customers, and thereby build a sales and marketing organization and progress through the I-insureme™ Marketing and Compensation Plan;
- d) Receive periodic I-insureme™ literature and other I-insureme™ communications;
- e) Participate in I-insureme-sponsored support, training, and motivational and recognition functions upon payment of appropriate charges, if applicable; and
- f) Participate in promotional and incentive contests and programs sponsored by I-insureme™ for its Affiliates.

3.5 Setup Fee and Monthly Affiliate Fee

To gain access to the I-insureme™ product and service portfolio, sales aids, marketing techniques, personalized website, and back office, I-insureme™ requires each prospective Affiliate to pay a one-time Setup Fee of \$199 and a monthly Affiliate Fee of \$49.95. These fees are non-refundable. No person, however, is required to purchase I-insureme™ products to become an Affiliate.

3.6 Term and Renewal of Your I-insureme™ Business

The term of the Affiliate Agreement is 30 days from the date of its acceptance by I-insureme™ (subject to reclassification pursuant to Section 11). After the first 30 days, in order for an Affiliate to continue receiving referral fees, commissions and/or bonuses, said Affiliate must maintain active status. If the above requirements have not been met within 30 days of enrollment, the Affiliate's website will be removed and said Affiliate forfeits any future referral fees, commissions and/or bonuses earned.

3.7 Active Status

Active status is generally defined as promptly paying the monthly Affiliate Fee. I-insureme™ will attempt to withdraw the funds on or shortly after (if the weekend) the monthly calendar anniversary of the enrollment. If, after 14 calendar days, the monthly fee is not paid, the Affiliate's account will be canceled and he/she will be considered inactive.

SECTION 4 - OPERATING AN I-insureme™ BUSINESS

4.1 Adherence to the I-insureme™ Marketing and Compensation Plan

Affiliate shall adhere to the terms of the I-insureme™ Marketing and Compensation Plan, as set forth in official I-insureme™ literature, and shall refrain from offering the I-insureme™ opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official I-insureme™ literature, unless otherwise approved by the company. Affiliate shall not require or encourage other current or prospective Customers, Preferred Customers, or Affiliates to participate in I-insureme™ in any manner that varies from the program as set forth in official I-insureme™ literature. Affiliate shall not require or encourage other current or prospective Customers, Preferred Customers, or Affiliates to execute any agreement or contract other than official I-insureme™ agreements and contracts to become an I-insureme™ Affiliate. Similarly, Affiliate shall not require or encourage other current or prospective Customers, Preferred Customers, or Affiliates to make any purchase from, or payment to, any individual or other entity to participate in the I-insureme™ Marketing and Compensation Plan, other than those purchases or payments identified as recommended or required in official I-insureme™ literature.

4.2 Advertising

4.2.1 General

All Affiliates shall safeguard and promote the good reputation of I-insureme™ and its products. The marketing and promotion of I-insureme™, the I-insureme™ opportunity, the Marketing and Compensation Plan, and I-insureme™ products shall be consistent with the public interest and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices. To promote both the products and the tremendous opportunity I-insureme™ offers, Affiliate shall use the sales tools and support materials produced by I-insureme™. The rationale behind this requirement is simple. I-insureme™ has carefully designed its products, product labels, Marketing and Compensation Plan, and promotional materials to ensure that each aspect of I-insureme™ is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal, state and local laws.

If I-insureme™ Affiliates were allowed to develop their own sales tools and promotional materials notwithstanding their integrity and good intentions, the likelihood that they would

unintentionally violate any number of statutes or regulations affecting I-insureme™ is almost certain. These violations, although they may be relatively a few in number, would jeopardize the I-insureme™ opportunity for all Affiliates. Accordingly, Affiliate may only use literature, advertisements, sales tools, and promotional materials created by the Company.

However, on a case-by-case basis, I-insureme™ holds the right to make an exception to the rule under the following circumstances. Affiliates who are Managing General Affiliates (i.e., a. have an active Property & Casualty license b. have referred a minimum of five policies and \$10,000 in annualized premium and c. have referred a minimum of three Senior Affiliates) may create and publish their own marketing materials, advertising materials, and/or other sales aids provided these are submitted to the company for pre-approval before they can be used or made public. All independently produced material must display the I-insureme™ Independent Affiliate logo. A “Reviewed by iim” sticker may be issued by the Company upon review and may be required to be displayed along with the logo in a prominent position on all marketing promotions. The Affiliate must receive specific written approval to use the “Reviewed by iim” sticker, or the request shall be deemed denied. I-insureme™ may MGAs (as defined above) to sell independently produced sales aids to other I-insureme™ Affiliates on their sales team. Therefore, Affiliates who receive authorization from I-insureme™ to produce their own sales aids will work with the Compliance Department to sell such. MGAs may make approved material available to their personally enrolled Downline organization free of charge if they wish, but may not charge other I-insureme™ Affiliates for the material. I-insureme™ further reserves the right to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and Affiliates waive all claims for damages or remuneration arising from or relating to such rescission.

4.2.2 Affiliate Websites & Social Media Sites

If Affiliate wishes to utilize an internet web page or social media site to promote his or her business, he or she may do so through the Company’s official electronic marketing system, using official I-insureme™ templates. Alternatively, Affiliate may develop his/her own web pages or sites. However, any Affiliate who does so (a) must use the text of the Company’s official website; (b) may not supplement the content of his or her sites with text from any source other than the Company, and (c) must be a Qualified Affiliate. Affiliate web pages or websites may not contain the phrase “As Seen on TV” or have any verbiage regarding infomercials. Qualified Affiliates who develop or publish their own websites must register their site(s) with the Company and receive written approval from the Company prior to its public availability. If Affiliate wishes to register their website with I-insureme™, they must pay a \$50 review fee. This review fee must be paid on an annual basis and is non-refundable, even if the subject site is not approved for registration. If the renewal fee is not paid, prior approval of the site may be withdrawn. I-insureme™ reserves the right to refuse to register or to revoke the registration of any Affiliate-developed site that does not comply with the above requirements or otherwise violates any provision of this Statement of Policies. In the event an Affiliate-developed site is approved for registration by I-insureme™, the Company will supply Affiliate an “I-insureme™ Reviewed” site logo for use on the approved website homepage for one year. If an affiliate already has a website for another company, affiliate may add a link to his/her current site that simply points to the I-insureme™ official website.

4.2.3 Blogs, Chat Rooms, Social Networks, Online Auctions, & Other Online Forums

When participating in online blogs, chat rooms, social networks, or any other online forum, Affiliate agrees that they shall not promote or make claims about the I-insureme™ opportunity or I-insureme™ products, unless such claims and promotions are in compliance with the requirements of Sections 4.6.2 and 4.6.3 below. The sale or advertisement of I-insureme™ products in any online auction sites is strictly prohibited.

4.2.4 Domain Names

Affiliate may not use or attempt to register any of I-insureme's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any internet domain name. An Affiliate wishing to use personal domain names to market their I-insureme™ business may do so, provided the domain name has been approved by the Company and the domain points directly to the Affiliate's replicating I-insureme™ website.

4.2.5 Search Engine Marketing

An Affiliate wishing to engage in search engine marketing to drive traffic to their approved Affiliate websites (see Section 4.2.2) may do so, provided they do not use any of the Company's tradenames or trademarks as search terms or key words. Nor may any deceptive terms such as "direct site," "official site," "official I-insureme™ website," etc., appear in any sponsored links or ads of Affiliate that are displayed on any search result page. Neither Affiliate website pages nor the sponsored links or ads of Affiliate that are displayed on any search result page may contain the phrase "As Seen on TV."

4.2.6 Trademarks and Copyrights

I-insureme™ will not allow the use of its trade names, trademarks, designs, or symbols by any person, including I-insureme™ Affiliate, without its prior written permission. Affiliates may use only the Independent I-insureme™ Affiliate logo developed for them by the Company. Affiliate may not produce for sale or distribution any recorded Company events and speeches without written permission from I-insureme™. Nor may Affiliate reproduce for sale or for personal use any recording of Company-produced audio or videotape presentations.

4.2.7 Media and Media Inquiries

Affiliate must not attempt to respond to media inquiries regarding I-insureme™, its products, or their independent I-insureme™ business. All inquiries by any type of media must be immediately referred to I-insureme's Marketing Department. This policy is designed to ensure that accurate and consistent information is provided to the public, as well as a proper public image.

4.2.8 Telemarketing

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although I-insureme™ does not consider Affiliates to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing," so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation). Therefore, Affiliates must not engage in telemarketing in the operation of their I-insureme™ businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to

induce the purchase of an I-insureme™ product, or to recruit them for the I-insureme™ opportunity. “Cold calls” made to prospective customers or Affiliate that promotes either I-insureme’s products or the I-insureme™ opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Affiliate (a “prospect”) is permissible under the following situations:

a) Affiliate has an established business relationship with the prospect. An “established business relationship” is a relationship between an Affiliate and a prospect based on the prospect’s purchase, rental, or lease of goods or services from Affiliate, or a financial transaction between the prospect and Affiliate, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect’s purchase of a product or service. b) The prospect’s personal inquiry or application regarding a product or service offered by Affiliate, within the three (3) months immediately preceding the date of such a call. c) Affiliate receives written and signed permission from the prospect authorizing the Affiliate to call. The authorization must specify the telephone number(s) that Affiliate is authorized to call. d) Affiliate may call his/her family members, personal friends, and acquaintances. An “acquaintance” is someone with whom Affiliate has at least a recent, first-hand relationship within the preceding three (3) months. Bear in mind, however, that if Affiliate engages in “card collecting” with everyone Affiliate meets and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if Affiliate engages in calling “acquaintances,” he/she must make such calls on an occasional basis only and not make this a routine practice. In addition, Affiliate shall not use automatic telephone dialing systems relative to the operation of their I-insureme™ businesses. The term “automatic telephone dialing system” means equipment that has the capacity (a) to store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers. By submitting an Affiliate Agreement to I-insureme™, applicants and Affiliates grant permission to I-insureme™ to contact them by telephone, email, and/or fax to promote the sale of I-insureme™ products and to promote the I-insureme™ opportunity.

4.2.9 Unsolicited Email

I-insureme™ does not permit Affiliate to send unsolicited commercial emails, unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. Any email sent by an Affiliate that promotes I-insureme™, the I-insureme™ opportunity, or I-insureme™ products must comply with the following:

- a) The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- b) The use of deceptive subject lines and/or false header information is prohibited.
- c) The email must include the Affiliate’s physical mailing address.
- d) There must be a functioning return email address to the sender.
- e) There must be a functioning opt-out notice in the email that advises the recipient that he or she may reply to the email, via the return email address, to request that future email solicitations or correspondence not be sent to him or her.
- f) All opt-out requests, whether received by email or regular mail, must be honored. If an Affiliate receives an opt-out request from a recipient of an email, the Affiliate must forward the opt-out request to the Company. I-insureme™ may periodically send commercial emails on behalf of Affiliates. By entering into the Affiliate Agreement, Affiliate agrees that the Company may send such emails and that Affiliate’s email address will be included in such emails, as outlined above. Affiliate shall honor opt-out requests generated as a result of such emails sent by

the Company.

4.2.10 Unsolicited Faxes

Except as provided in this section, Affiliate may not use or transmit unsolicited faxes or use an automatic telephone dialing system in relating to the operation of their I-insureme™ businesses. The term “automatic telephone dialing system” means equipment that has the capacity (a) to store or produce telephone numbers to be called, using a random or sequential number generator, and (b) to dial such numbers. The term “unsolicited faxes” means the transmission via telephone facsimile of any material or information advertising or promoting I-insureme™, its products, its Compensation Plan, or any other aspect of the Company which is transmitted to any person, except that these terms do not include a fax or e-mail (a) to any person with that person’s prior express invitation or permission, or (b) to any person with whom Affiliate has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between Affiliate and a person, on the basis of (a) an inquiry, application, purchase, or transaction by the person regarding products offered by such Affiliate, or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.3 Bonus Buying Prohibited

I-insureme™ strictly and absolutely prohibits bonus buying. “Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Affiliate Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an Affiliate or Preferred Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Affiliates or Preferred Customers (“phantoms”); (d) purchasing I-insureme™ products on behalf of another Affiliate or Preferred Customer, or under another Affiliate’s or Preferred Customer’s I.D. number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that are not driven by bona fide product purchases by end-user consumers.

4.4 Changes to a Business Entity

Each Affiliate must immediately notify I-insureme™ of all changes to the type of business entity they utilize in operating their businesses and the addition or removal of business associates. Changes shall be processed immediately by I-insureme™ Affiliate Support upon reception of the appropriate forms.

4.5 Change of Sponsor

Maintaining the integrity of sponsorship is vital for the success of every Affiliate and marketing organization. Accordingly, the transfer of an I-insureme™ business from one Sponsor to another is rarely permitted. Requests for change of sponsorship must be submitted in writing to the Compliance Department, must include the reason for the transfer, and must contain signed authorization from the original Sponsor and four levels of their Upline. Any such requests are subject to approval by I-insureme™. To protect the integrity of all marketing organizations and safeguard the hard work of all Affiliates, I-insureme™ will only authorize direct line changes in

sponsorship that are submitted within a seven (7) day period from the date of enrollment and must be initiated by the currently listed Sponsor. Such changes must receive final approval in writing from I-insureme™, and the effects of sponsorship changes shall only apply to future qualifications and commission computations, which shall only take effect once I-insureme™ has approved and processed the changes. In no event shall commissions be adjusted retroactively, and only one change in sponsorship is allowed in the event that I-insureme™ grants approval.

4.5.1 Misplacement

A request for change of placement must be submitted within 48 hours of enrollment and must be requested by the current listed Placement Upline. An Affiliate can only be moved inside the same Sponsor's organization. If approved, an Affiliate will be placed in the first available open, bottom position on the date that the change is made. An Affiliate who has earned a commission or achieved rank is not eligible for placement changes. Please note that decisions made for any change request – Sponsor or placement – are at the sole discretion of the Company.

4.5.1.1 Placement by Company

When enrollments are done through the Company call center, the Affiliate understands that the new enrollee will be placed inside a company-wide matrix. The Affiliate will maintain direct sponsorship for qualification and bonus purposes; however, the new enrollee may be placed in any of the five (5) levels beneath the direct sponsor/Affiliate. The Company may also place new enrollees that have enrolled through an Affiliate's website with verbal permission from the Affiliate.

4.5.2 Upline Approval

The Affiliate seeking to change Sponsor must submit a properly completed and fully executed Sponsor Transfer Form, which includes the written approval of five levels of sponsorship, as stated in 4.5 Change of Sponsor. Photocopied or facsimile signatures are not acceptable. All Affiliate signatures must be notarized. The Affiliate who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. If the transferring Affiliate also wants to move any of the Affiliates in his or her marketing organization, each Downline Affiliate must also obtain a properly completed Sponsorship Transfer Form and return it to I-insureme™ with the \$50.00 change fee (i.e., the transferring Affiliate and each Affiliate in his or her marketing organization multiplied by \$50.00 is the cost to move an I-insureme™ business). Downline Affiliates will not be moved with the transferring Affiliate unless all of the requirements of this paragraph are met. Transferring Affiliate must allow ten (10) business days after the receipt of the Sponsorship Transfer Forms by I-insureme™ for processing and verifying change requests.

In cases where the appropriate sponsorship change procedures have not been followed and a Downline organization has been developed in the second business developed by an Affiliate, I-insureme™ reserves the sole and exclusive right to determine the final disposition of the Downline organization. Resolving conflicts over the proper placement of a Downline that has developed under an organization that has improperly switched Sponsors is often extremely difficult. Therefore, AFFILIATES WAIVE ANY AND ALL CLAIMS AGAINST I-insureme™ THAT RELATE TO OR ARISE FROM I-insureme's DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

4.5.3 Cancellation and Re-application

An Affiliate may legitimately change organizations by voluntarily canceling his or her I-insureme™ business and remaining inactive (i.e., no purchases of I-insureme™ products for resale, no sales of I-insureme™ products, no sponsoring, no attendance of any I-insureme™ functions, participation in any other form of Affiliate activity, or operation of any other I-insureme™ business) for six (6) full calendar months. Following the six-month period of inactivity, the former Affiliate may reapply under a new Sponsor; however, the former Affiliate's Downline will remain in their original line of sponsorship. I-insureme™ will consider waiving the six-month waiting period only under exceptional circumstances. Such requests for waiver must be submitted to I-insureme™ in writing.

4.6 Unauthorized Claims and Actions

4.6.1 Indemnification

An Affiliate is fully responsible for all of his or her verbal and written statements made regarding I-insureme™ products and the Marketing and Compensation Plan that are not expressly contained in official I-insureme™ materials. Affiliate agrees to indemnify I-insureme™ and I-insureme's directors, officers, employees, and affiliates, and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by I-insureme™ as a result of the Affiliate's unauthorized representations or actions that violate any of I-insureme's Policies and Procedures. This provision shall survive the termination of the Affiliate Agreement.

4.6.2 Product Claims

Except for information contained in official I-insureme™ literature, Affiliate may not make any claims (which include personal testimonials) as to any therapeutic, curative, or beneficial properties of any products offered by I-insureme™. In particular, no Affiliate may make any claim that I-insureme™ products are useful in the cure, treatment, diagnosis, mitigation, or prevention of any diseases. Such statements can be perceived as guarantees or for future products that the Company may carry. Not only do such claims violate I-insureme™ policies, but they potentially violate federal, state and local laws and regulations.

4.6.3 Income Claims

In their enthusiasm to enroll prospective Affiliates, some Affiliates are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because a new Affiliate may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At I-insureme™, we firmly believe that the I-insureme™ income potential is great enough to be highly attractive without reporting the earnings of others. As in any business, this business will take hard work and consistent effort over a substantial amount of time. Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Affiliates may believe it beneficial to provide copies of checks or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact I-insureme™, as well as the Affiliate making the claim, unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because I-insureme™ Affiliates do not have the data necessary to comply with the legal requirements for making income claims, an Affiliate, presenting or discussing the I-insureme™ opportunity or Marketing and Compensation Plan to a prospective Affiliate, may not make

income projections, income claims, or disclose his or her I-insureme™ income (including the showing of checks, copies of checks, bank statements, or tax records).

4.6.4 Income Disclosure Statement (“IDS”)

The I-insureme™ IDS is designed to convey truthful, timely, and comprehensive information regarding the income that I-insureme™ Affiliates earn. A copy of the IDS must be presented to a prospective Affiliate (someone who is not a party to a current I-insureme™ Affiliate Agreement) anytime the Compensation Plan is presented or discussed or any type of income claim or earnings representation is made. The terms “income claim” and/or “earnings representation” (collectively “income claim”) include: (1) statements of average Affiliate earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non-average earnings” include “Our number one Affiliate earned \$XXX last year” or “Our average (rank) makes \$XXX per month.” An example of a “statement of earnings ranges” is “The monthly income for (rank) is \$XXX on the low end to \$YYY on the high end.” A lifestyle income claim typically includes statements (or pictures) involving large homes, luxury cars, exotic vacations, or other items suggesting or implying wealth. They also consist of references to the achievement of one’s dreams, having everything one always wanted, and are phrased in terms of “opportunity” or “possibility” or “chance.” Claims such as “My I-insureme™ income exceeded my salary after six months in the business” or “Our I-insureme™ business has allowed my wife to come home and be a full-time mom” also fall within the purview of “lifestyle” claims. A hypothetical income claim exists when Affiliate attempts to explain the operation of the Compensation Plan through the use of a hypothetical example. Certain assumptions are made regarding the (1) number of Affiliates sponsored, (2) number of down-line Affiliates, (3) average product volume per Affiliate, and (4) total organizational volume. Running these assumptions through the Compensation Plan yields income figures that constitute income claims. In any public or non-public meetings (e.g., a home meeting, one-on-one, regardless of venue) with a prospective Affiliate or Affiliates in which the Compensation Plan is discussed or any type of income claim is made, Affiliate must either provide the prospect(s) with a copy of the IDS or guide them to where it may be found on official I-insureme™ marketing materials or websites when the IDS is available from I-insureme™. Copies of the IDS when available may be printed or downloaded without charge from the Corporate website. An Affiliate who develops sales aids and tools (as provided in Section 4.2.1) in which the Compensation Plan or income claims are present must incorporate the most current IDS into each such sales aid or tool prior to submission to the Company for review.

4.7 Commercial Outlets

Affiliate may not sell I-insureme™ products from a national chain or national commercial outlets. National outlets are defined as companies that have more than five locations. Affiliates may not display or sell I-insureme™ products in any retail establishments that have more than five locations. Display of I-insureme™ literature and products is permitted in service-oriented establishments that function by appointment only or provide opportunity for one-on-one interaction with the prospect or customer.

4.8 Trade Shows, Expositions and Other Sales Forums

Affiliate may display and/or sell I-insureme™ products at trade shows and professional

expositions. I-insureme™ does not restrict the number of Affiliates at any given event or trade show. However, it is expected that each Affiliate use judgment in determining the appropriate number of participants at any given event. In addition to limiting the number of participants at any given event, I-insureme™ expects Affiliate to work in cooperation with other I-insureme™ Affiliates and to maintain a positive presentation of the Company. Affiliate is expected to be considerate, to follow all Policies and Procedures as outlined in this Statement of Policies, and to refrain from disparaging comments about other I-insureme™ Affiliates in order to obtain future customers and prospects. I-insureme™ reserves the right to refuse Affiliate's participation at any function that it does not deem a suitable forum for the promotion of its products or the I-insureme™ opportunity.

4.9 Conflicts of Interest

4.9.1 Non-solicitation

I-insureme™ Affiliates are free to participate in other companies, including multilevel or network marketing business ventures or marketing opportunities (collectively, "network marketing"). However, during the term of this Agreement, Affiliate may not directly or indirectly recruit other I-insureme™ Affiliates or Preferred Customers for any other network marketing business. Following the cancellation of an Affiliate's Independent Affiliate Agreement, and for a period of six calendar months thereafter, with the exception of an Affiliate who is personally sponsored by a former Affiliate, a former Affiliate may not recruit any I-insureme™ Affiliate or Preferred Customer for another network marketing business. Affiliate and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed globally and business that is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Affiliate and I-insureme™ agree that this non-solicitation provision shall apply to all markets in which I-insureme™ conducts business. The term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another I-insureme™ Affiliate or Preferred Customer to enroll or participate in, and/or explain another multilevel marketing, network marketing, or direct sales opportunity. The conduct described in the preceding sentence constitutes recruiting, even if Affiliate's actions are in response to an inquiry made by another Affiliate or a Preferred Customer.

4.9.2 Affiliate Participation in Other Direct Selling Programs

If Affiliate is engaged in other non-I-insureme™ direct-selling programs, it is the responsibility of Affiliate to ensure that his/her I-insureme™ business is operated entirely separate and apart from any other program. To this end, the following must be adhered to:

- a) Affiliate shall not display I-insureme™ promotional material, sales aids, or products with or in the same location (physical or virtual) as any non- I-insureme™ promotional material or sales aids, products, or services.
- b) Affiliate shall not offer the I-insureme™ opportunity or products to prospective or existing Preferred Customers or Affiliates in conjunction with any non-I-insureme™ program, opportunity, product, or service.
- c) Affiliate may not offer any non- I-insureme™ opportunity, products, services, or opportunity at any I-insureme™-related meeting, seminar or convention, or within two hours of any I-

insureme™ event. If the I-insureme™ meeting is held telephonically or on the internet, any non-I-insureme™ meeting must be at least two hours before or after the I-insureme™ meeting and on a different conference telephone number or internet web address from the I-insureme™ meeting.

4.9.3 Agency Activity (Genealogy) Reports

Agency Activity Reports are available for Affiliate access and viewing at I-insureme's official website. Affiliate access to their Agency Activity Reports is password protected. All Agency Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to I-insureme™. Agency Activity Reports are provided to Affiliate in strictest confidence and are made available to Affiliate for the sole purpose of assisting Affiliate in working with their respective Agency organizations in the development of their I-insureme™ business. Affiliate should use their Agency Activity Reports to assist, motivate, and train Affiliates within their Agency. The Affiliate and I-insureme™ agree that, but for this agreement of confidentiality and nondisclosure, I-insureme™ would not provide Agency Activity Reports to the Affiliate. An Affiliate shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation, or other entity:

- a) Directly or indirectly disclose any information contained in any Agency Activity Report to any third party;
- b) Directly or indirectly disclose the password or other access code to his or her Agency Activity Report;
- c) Use the information to compete with I-insureme™ or for any purpose other than promoting his or her I-insureme™ business; and/or
- d) Recruit or solicit any Affiliate or Preferred Customer of I-insureme™ listed on any report or in any manner attempt to influence or induce any Affiliate or Preferred Customer of I-insureme™ to alter their business relationship with I-insureme™. Upon demand by the Company, any current or former Affiliate will return the original and all copies of Agency Activity Reports to the Company.

4.9.4 Leads Received from I-insureme™

I-insureme™ may develop a lead generation program whereby the Company acquires leads of prospective Customers and Affiliates and sells or otherwise distributes them to qualified Affiliates. When an Affiliate receives or purchases any such lead from the Company, the Affiliate agrees that he or she shall use such lead solely for the purpose of promoting the I-insureme™ products and opportunity to the prospective Customer or Affiliate. The Affiliate further agrees that s/he shall not use the information contained in the lead to promote any non-I-insureme™ product, service, or opportunity. If at any time the Affiliate is no longer actively training and supporting their downline, or they are actively promoting another Direct Sales or Network Marketing company and the company lead requests to be transferred to a sponsor that will support them, Affiliate agrees to allow them and their immediate Affiliates to be transferred to a new sponsor.

4.10 Targeting Other Direct Sellers

I-insureme™ does not condone Affiliates specifically or consciously targeting the sales force of another direct sales company to sell I-insureme™ products or to become an Affiliate for I-

insureme™, nor does I-insureme™ condone Affiliate solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should Affiliate engage in such activity, they bear the risk of being sued by the other direct sales companies. If any lawsuit, arbitration, or mediation is brought against an Affiliate alleging that s/he engaged in inappropriate recruiting activity of a company's sales force or customers, I-insureme™ will not pay any of Affiliate's defense costs or legal fees, nor will I-insureme™ indemnify the Affiliate for any judgment, award, or settlement.

4.11 Cross Sponsoring

Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrollment of an individual who or entity that already has a current Preferred Customer or Affiliate Agreement on file with I-insureme™, or who has had such an agreement within the preceding six (6) calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, fictitious ID numbers, any straw-man, or other artifice to circumvent this policy is prohibited. Affiliate shall not demean, discredit, or defame other I-insureme™ Affiliate in an attempt to entice another Affiliate to become part of the first Affiliate's marketing organization. This policy shall not prohibit the transfer of an I-insureme™ business in accordance with Section 4.25. If cross sponsoring is discovered, it must be brought to the Company's attention immediately. I-insureme™ may take disciplinary action against the Affiliate who changed organizations and/or those Affiliates who encouraged or participated in the cross sponsoring. I-insureme™ may also move all or part of the offending Affiliate's organization to his or her original organization if the Company deems it equitable and feasible to do so. However, I-insureme™ is under no obligation to move the cross-sponsored Affiliate's organization, and the ultimate disposition of the organization remains within the sole discretion of I-insureme™. Affiliate waives all claims and causes of action against I-insureme™ arising from or relating to the disposition of the cross-sponsored Affiliate's organization.

4.12 Errors or Questions

If Affiliate has questions about or believes any errors have been made regarding referral fees, bonuses, Agency Activity Reports, or charges, Affiliate must notify I-insureme™ in writing within thirty (30) days of the date of the purported error or incident in question. I-insureme™ will not be responsible for any errors, omissions, or problems not reported to the Company within thirty (30) days.

4.13 Governmental Approval or Endorsement

Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Affiliate shall not represent or imply that I-insureme™ or its Marketing and Compensation Plan have been "approved," "endorsed," or otherwise sanctioned by any government agency.

4.14 Holding Applications or Orders

Affiliate must not manipulate enrollments of new applicants and purchases of products. All Affiliate Applications and Agreements and product orders must be sent to I-insureme™ within seventy-two (72) hours from the time they are signed by an Affiliate or placed by a customer, respectively.

4.15 Identification

All U.S. Affiliates are required to provide their Social Security Number to I-insureme™. I-insureme™ uses this information for income reporting purposes only. Upon enrollment, the Company will provide a unique Affiliate Identification Number to the Affiliate by which s/he will be identified. This number will be used to place orders and to track referral fees and bonuses. International Affiliates working as U.S. Affiliates may be required to provide appropriate forms that fulfill US law and preclude registration in their home country. Under its right of contract, I-insureme™ retains the right to reject any application that does not include a valid Social Security Number, or appropriate international forms required by U.S. law for International Affiliates.

4.16 Income Taxes

Each Affiliate is responsible for paying local, state, and federal taxes on any income generated as an Independent Affiliate. If an I-insureme™ business is tax exempt, the federal tax identification number must be provided to I-insureme™. Every year, I-insureme™ will provide an IRS Form 1099-MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) had earnings in excess of the annual minimum as established by the Internal Revenue Service in the previous calendar year; or 2) made purchases during the previous calendar year in excess of \$5,000.

4.17 Insurance

Affiliate may wish to arrange insurance coverage for his/her business. Typically, a homeowner's insurance policy does not cover business-related injuries or the theft of or damage to inventory or business equipment. Affiliate should contact his/her insurance company to make certain that their business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to the present homeowner's policy.

4.18 International Marketing

Because of critical legal and tax considerations, I-insureme™ must limit the resale of I-insureme™ products and the presentation of the I-insureme™ business to prospective customers and Affiliates located within the United States and U.S. territories and those other countries that the Company has announced are officially opened for business. Moreover, allowing a few Affiliates to conduct business in markets not yet opened by I-insureme™ would violate the concept of affording every Affiliate the equal opportunity to expand internationally. I-insureme™ shall hold the Affiliate personally liable for losses related to illegal business activities in unauthorized markets, and Affiliate agrees to indemnify I-insureme™ and I-insureme's directors, officers, employees, and affiliates, and to hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by I-insureme™ as a result of an Affiliate's unauthorized violation of this policy. This provision shall survive the termination of the Affiliate Agreement.

Accordingly, Affiliates are authorized to sell I-insureme™ products and to enroll Preferred Customers or Affiliates only in the countries in which I-insureme™ is authorized to conduct business, as announced in official Company literature. I-insureme™ products or sales aids cannot be shipped into or sold in any foreign country. Affiliate may sell, give, transfer, or distribute I-insureme™ products or sales aids only in countries authorized as open for business and only with products and materials authorized for sale in that specific country. In addition, no Affiliate may, in any unauthorized country: (a) conduct sales, enrollment, or training meetings; (b) enroll or attempt to enroll potential customers or Affiliates; or (c) conduct any other activity for the purpose of selling I-insureme™ products, establishing a marketing organization, or

promoting the I-insureme™ opportunity. Affiliate understands that conducting any pre-launch activity in countries not officially open for I-insureme™ business is against company policy and may be illegal in some countries.

4.19 Adherence to Laws and Ordinances

Affiliates shall comply with all federal, state, and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases, these ordinances are not applicable to Affiliates because of the nature of their business. However, Affiliates must obey those laws that do apply to them. If a city or county official tells a Affiliate that an ordinance applies to him or her, the Affiliate shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of I-insureme™. In most cases, there are exceptions to the ordinance that may apply to an I-insureme™ Affiliate.

4.20 Minors

A person who is recognized as a minor in his/her state of residence may not be an I-insureme™ Affiliate. Affiliate shall not enroll or recruit minors into the I-insureme™ program.

4.21 Position Holder Restrictions

An individual may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary in only one I-insureme™ business. Affiliate may not have a simultaneous beneficial interest or participate in more than one affiliation without the written consent of the Company. A beneficial interest includes, but is not limited to, any ownership, interest, equitable interest, or any rights to present or future benefits, financial or otherwise, unless otherwise approved by the Company. Affiliate shall not have an ownership interest in, operational or management control of, or derive any benefits directly or indirectly from any subsequent team membership not in the same line of sponsorship as the individual's initial business center. Affiliate's position may be converted into a business entity pursuant to Section 4.4. To maintain the integrity of the I-insureme™ Marketing and Compensation Plan, an individual wishing to conduct business as an entity may not maintain a separate affiliation under his or her name. A valid form of government ID must be faxed/scanned to the Company for each and every individual who has any interest in said business entity.

4.22 Actions of Household Members or Affiliate Individuals

If any member of Affiliate's immediate household engages in any activity which, if performed by Affiliate, would violate any provision of the Agreement, such activity will be deemed a violation by Affiliate, and I-insureme™ may take disciplinary action pursuant to the Statement of Policies against Affiliate. Similarly, if any individual associated in any way with a corporation, partnership, trust, or other entity (collectively "Affiliate individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and I-insureme™ may take disciplinary action against the entity.

4.23 Requests for Records

Any request from Affiliate for copies of invoices, applications, agency activity reports, or other records will require a fee of \$1.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

4.24 Sale, Transfer, or Assignment of I-insureme™ Business

Although an I-insureme™ business is a privately owned, independently operated business, the sale, transfer, or assignment of an I-insureme™ business is subject to certain limitations. If Affiliate wishes to sell his or her I-insureme™ business, the following criteria must be met:

- a) Protection of the existing line of sponsorship must always be maintained so that the I-insureme™ business continues to be operated in that line of sponsorship. Therefore, the Sponsor of said business will have the right of refusal after I-insureme's rights to said business under the same terms as the original offer to purchase.
- b) The buyer or transferee must become a qualified I-insureme™ Affiliate. If the buyer is an active I-insureme™ Affiliate, he or she must first terminate his or her I-insureme™ business and wait six (6) calendar months before acquiring any interest in a different I-insureme™ business.
- c) Before the sale, transfer, or assignment can be finalized and approved by I-insureme™, any debt obligations the selling Affiliate has with I-insureme™ must be satisfied.
- d) The selling Affiliate must be in good standing and have earned at least \$200 per month for the previous three (3) months and not be in violation of any of the terms of the Agreement to be eligible to sell, transfer, or assign an I-insureme™ business.
- e) Seller agrees to a three-year, worldwide, non-compete agreement that they will not solicit, directly or indirectly, any I-insureme™ Affiliate into another direct-selling opportunity.
- f) I-insureme™ maintains first right to claim the sale, transfer, or re-assignment of any given I-insureme™ business. In the event that I-insureme™ does not lay claim to the available business, all other proposals concerning the sale, transfer, or re-assignment must be approved by I-insureme™ in writing and are subject to the Company's discretion for approval. Prior to selling an I-insureme™ business, the selling Affiliate must notify I-insureme's Compliance Department in writing of his or her intent to sell the I-insureme™ business. No changes in line of sponsorship can result from the sale or transfer of an I-insureme™ business. Affiliate may not sell, transfer, or assign individual business centers. If a business is sold, transferred, or assigned, all business centers must be included in the transaction.

4.25 Separation of an I-insureme™ Business

I-insureme™ Affiliates sometimes operate their I-insureme™ businesses as husband-wife, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership, or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to ensure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Affiliates and the Company in a timely fashion, I-insureme™ will involuntarily terminate the Affiliate's Agreement. During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the I-insureme™ business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize I-insureme™ to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee.
- b) The parties may continue to operate the I-insureme™ business jointly on a "business-as-usual" basis, whereupon all compensation paid by I-insureme™ will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above. Under no circumstances will the organization of divorcing spouses or a dissolving business entity be divided. Similarly, under

no circumstances will I-insureme™ split referral fees and bonus checks between divorcing spouses or members of dissolving entities. I-insureme™ will recognize only one organization and will issue only one commission check per I-insureme™ business per referral fee cycle. Referral fee checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of referral fees and ownership of the business in a timely fashion as determined by the Company, the Affiliate's Agreement shall be involuntarily canceled. If a former spouse has completely relinquished all rights in the original I-insureme™ business pursuant to a divorce, he or she is thereafter free to enroll under any Sponsor of his or her choosing without waiting six (6) calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity Affiliate who retains no interest in the business must wait six (6) calendar months from the date of the final dissolution before re-enrolling as an Affiliate. In either case, however, the former spouse or business Affiliate shall have no rights to any Affiliate in their former organization or to any former retail Customer. They must develop the new business in the same manner as would any other new Affiliate.

4.26 Sponsoring

All Active Affiliates in good standing have the right to sponsor and enroll others into I-insureme™. Each prospective Preferred Customer or Affiliate has the ultimate right to choose his or her own Sponsor. If two Affiliates claim to be the Sponsor of the same new Affiliate or Preferred Customer, the Company shall regard the first application received by the Company as controlling.

4.27 Succession

Upon the death or incapacitation of Affiliate, his or her business may be passed to his or her heirs. Appropriate legal documentation as described in Sections 4.29 and 4.30 must be submitted to the Company to ensure the transfer is proper. Accordingly, Affiliate should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument.

Whenever an I-insureme™ business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and referral fees of the deceased Affiliate's marketing organization, provided the following qualifications are met. The successor(s) must:

- a) Execute an Affiliate Agreement;
- b) Comply with terms and provisions of the Agreement; and
- c) Meet all of the qualifications for the deceased Affiliate's status.

Bonus and referral fee checks of an I-insureme™ business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide I-insureme™ with an "address of record" to which all bonus and referral fee checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal Taxpayer Identification number. I-insureme™ will issue all bonus and referral fee checks and one Form 1099 to the business entity.

4.28 Stacking

Stacking is strictly prohibited. The term "stacking" includes (a) the failure to transmit to I-insureme™ or the holding of an Independent Affiliate Application and Agreement in excess of two (2) business days after its execution; (b) the placement or manipulation of Independent Affiliate Applications and Agreements for the purpose of maximizing compensation pursuant to I-insureme's Marketing and Compensation Plan; or (c) providing of financial assistance to new Independent Affiliates for the purpose of maximizing compensation pursuant to I-insureme's

Marketing and Compensation Plan; (d) violation the “one business per household” rule; and/or (e) enrollment of fictitious individuals or entities into the I-insureme™ Compensation Plan. Failure to comply with this provision can mean termination of the Affiliate business or other remedies available to the Company at the Company’s sole discretion.

4.29 Transfer upon Death of an Affiliate

To effectuate a testamentary transfer of an I-insureme™ business, the successor must provide the following to I-insureme™: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor’s right to the I-insureme™ business; and (3) a completed and executed Affiliate Agreement.

4.30 Transfer upon Incapacitation of an Affiliate

To effectuate a transfer of an I-insureme™ business because of incapacity, the successor must provide the following to I-insureme™: (1) a notarized copy of an appointment as trustee or conservator; (2) a notarized copy of the trust document or other documentation establishing the trustee’s right to administer the I-insureme™ business; and (3) a completed Affiliate Agreement executed by the trustee or conservator.

SECTION 5 - RESPONSIBILITIES OF AFFILIATE

5.1 Change of Address, Telephone, and E-mail Addresses

To ensure timely delivery of products, support materials, and commission checks, it is critically important that I-insureme’s files are always kept current. Street addresses are required for shipping because the carrier under contract cannot deliver to a post office box. Affiliates planning to change their e-mail address or to move must send their new address and telephone numbers to I-insureme’s Corporate Offices to the attention of the Affiliate Services Department. To guarantee proper delivery, two weeks advance notice must be provided to I-insureme™ on all changes.

5.2 Ongoing Training and Development Obligations

Any Affiliate who sponsors another Affiliate into I-insureme™ must perform a bona fide assistance and training function to ensure that his or her Downline is properly operating his or her I-insureme™ business. Affiliate must have ongoing contact and communication with the Affiliate in their Downline organizations. Examples of such contact and communication may include, but are not limited to personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of Downline Affiliate to I-insureme™ meetings, training sessions, and other functions. Upline Affiliates are also responsible for motivating and training new Affiliates in I-insureme™ product knowledge, effective sales techniques, the I-insureme™ Marketing and Compensation Plan, and compliance with this Statement of Policies. Communication with and the training of downline Affiliates must not, however, violate Section 4.2 (regarding the development of Affiliate-produced sales aids and promotional materials). Affiliate should monitor the Affiliates in their Downline organizations to guard against Downline Affiliate making improper product or business claims or engaging in any illegal or inappropriate conduct. As Affiliate progresses through the various levels of leadership, s/he will become more experienced in sales techniques, product knowledge, and understanding of the I-insureme™ program. Affiliate will be called upon to share this knowledge with less-experienced Affiliates within their organization. Regardless of their level of achievement, Affiliate has an ongoing obligation to continue to personally promote sales through the generation of new customers and

through servicing his/her existing customers.

5.3 Disparaging

I-insureme™ wants to provide its Independent Affiliates with the best products, Compensation Plan, and service in the industry. Accordingly, we value constructive criticisms and comments. All such comments should be submitted in writing to the Affiliate Support Department. Remember, to best serve Affiliates, we must hear from them. While I-insureme™ welcomes constructive input, negative comments and remarks made in the field by Affiliates about the Company, its products, or Compensation Plan serve no purpose other than to sour the enthusiasm of other I-insureme™ Affiliates. For this reason, and to set the proper example for their Downline, Affiliate agrees that they will not encourage their affiliates or associates directly or indirectly or to act themselves, in any capacity or manner to make, express, transmit, speak, write, verbalize, or otherwise communicate in any way (or cause, further, assist, solicit, encourage, support, or participate in any of the foregoing), any statements that defame, disparage, are inimical to, or damage the reputation of the Company, its affiliates, subsidiaries, members, managers, employees, officers, directors, executives, Affiliates, representatives, or products and services.

5.4 Providing Documentation to Applicants

Affiliate must provide the most current version of the Statement of Policies and the Compensation Plan to individuals whom they are sponsoring to become Affiliates before the applicant(s) sign an Affiliate Agreement. Additional copies of the Statement of Policies can be downloaded from I-insureme's website.

5.5 Reporting Policy Violations

An Affiliate who observes a policy violation by another Affiliate should submit a written report of the violation directly to the attention of the I-insureme™ Compliance Department. Details of the incidents, such as dates, number of occurrences, person(s) involved, and any supporting documentation, should be included in the report.

SECTION 6 - SALES REQUIREMENTS

6.1 Product Sales

The I-insureme™ Marketing and Compensation Plan is based on the sale of I-insureme™ products to end consumers. Affiliates must fulfill personal and Downline organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, referral fees, and advancement to higher levels of achievement. The following sales requirements must be satisfied for Affiliate to be eligible for commissions:

- a) Affiliates must be appropriately licensed to earn referral fees on insurance products.
- b) Affiliates must satisfy the Personal Annualized Volume and/or Group Annualized Volume requirements to fulfill the requirements associated with their rank, as specified in the I-insureme™ Marketing and Compensation Plan. "Personal Volume" includes purchases made by the Affiliate and purchases made by the Affiliate's personal Customers. Group Volume shall include the total Sales Volume of all Affiliates in his or her marketing organization, but shall not include the Affiliate's Personal Volume.
- c) If at any point in the future, I-insureme™ offers non-licensed and non-insurance related products or services, at least 70% of an Affiliate's total monthly Personal Volume must be sold to end product consumers or consumed with regards to those particular products/services. I-

insureme™ may require proof of previous sales prior to honoring an order for any product by an Affiliate. Affiliate must certify that s/he has sold at retail at least 70% of all prior physical inventory purchased. Affiliate will be allowed by I-insureme™ to purchase a reasonable amount of product for personal use and enjoyment, as well as to be used as sales samples. The Company will monitor compliance with this rule, and any fraudulent information supplied by the Affiliate will be grounds for termination of the Agency of the violating party. For this reason, it is important that the Affiliate keep accurate sales records. It is Company policy to strictly prohibit the purchase of products in unreasonable amounts solely for the purpose of qualifying for commissions or advancement within the Compensation Plan. All such forms of frontloading or stockpiling are strictly prohibited.

d) I-insureme™ recommends that Affiliates service at least three to five retail customers.

6.2 No Territory Restrictions

There are no exclusive territories granted to anyone. No franchise fees are required.

SECTION 7 - BONUSES AND REFERRAL FEES

7.1 Compensation

7.1.1 Insurance Compensation

A Property & Casualty license is required to earn referral fees on the insurance portion of our business, which will be paid as follows:

- a) Personal Lines – active licensed affiliates will earn 50% of the commission paid to Dickinson Agency both on new and renewed personal business.
- b) Commercial Lines – active licensed affiliates will earn 30% of the commission paid to Dickinson Agency both on new and renewed commercial business.
- c) These referral fees will be paid directly from Dickinson Agency

7.1.2 Retirement Rescue Program Compensation

There is no license required to earn commissions through the Retirement Rescue Program. Commissions will be paid as follows:

- a) Annual subscriptions – active affiliates earn \$800* in the 1st year and \$1,000 every year thereafter as Participants renew their subscription. There are an additional 5 levels of overrides that pay \$40 per level in the 1st year and \$50 per level every year thereafter.
- b) Monthly subscriptions – active affiliates earn \$100 per month starting in the 2nd month. There are an additional 5 levels of overrides that pay \$4 per level starting in the 2nd month.

*If the affiliate is solely responsible for the sale, in that he/she presents the program, collects payment and submits payment without any intervention from the Affiliate Building Center, the affiliate will earn \$1,000 in the 1st year.

7.1.3 Bonus and Referral Fee Qualifications

Affiliate must be active and in compliance with the Agreement to qualify for bonuses, commissions and/or referral fees. So long as Affiliate complies with the terms of the Agreement, I-insureme™ shall pay said bonuses, commissions and/or referral fees to such Affiliate in accordance with the Marketing and Compensation Plan. The minimum amount for which I-insureme™ will issue payment is \$10. If Affiliate's bonuses, commissions, and/or referral fees do not equal or exceed \$10, the Company will accrue this remuneration until it totals \$10. A payment will be issued upon request or based on the Company's payment procedures, once \$10

has been accrued. If Affiliate resigns s/he may request payment immediately for the full amount in his back office. A fee of up to \$50 USD may be applied to any request for a reissuance of a check requested by an Affiliate but is determined to be for reasons that resulted due to no fault of the Company. A Property & Casualty insurance license is required to earn P&C insurance referral fees.

7.2 Adjustment to Bonuses and Referral Fees

7.2.1 Adjustments for Returned Products/Canceled Policies

Affiliate receives bonuses and referral fees based on the actual sales of products to end consumers. When a product is returned to I-insureme™ for a refund or is repurchased by the Company or an insurance policy is canceled, the following may occur at the Company's discretion: (1) any bonuses and referral fees attributable to the returned or repurchased product(s)/canceled policies will be deducted in the month in which the refund is given and continuing every pay period thereafter until the referral fee is recovered from the Affiliate who received bonuses and referral fees on the sales of the refunded products/canceled policies; or (2) the Affiliate who earned referral fees based on the sale of the returned products/canceled policies will have the corresponding points deducted from their Group Volume in the next month and all subsequent months until it is completely recovered.

7.3 Reports

All information provided by I-insureme™ in online agency activity reports, including but not limited to Personal Sales Volume and Group Volume (or any part thereof) and agency sponsoring activity, is believed to be accurate and reliable. Nevertheless, due to various factors, including but not limited to, the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products/canceled policies; and credit card and electronic check chargebacks; the information is not guaranteed by I-insureme™ or any persons creating or transmitting the information. All personal and group volume information is provided "as is" without warranties, express or implied, or representations of any kind whatsoever. In particular, but without limitation, there shall be no warranties of merchantability, fitness for a particular use, or non-infringement. to the fullest extent permissible under applicable law, I-insureme™ and/or other persons creating or transmitting the information will in no event be liable to any Affiliate or anyone else for any direct, indirect, consequential, incidental, special or punitive damages that arise out of the use of or access to personal and group volume information (including but not limited to lost profits, bonuses, or commissions, loss of opportunity, and damages that may result from inaccuracy, incompleteness, inconvenience, delay, or loss of the use of the information), even if I-insureme™ or other persons creating or transmitting the information shall have been advised of the possibility of such damages. To the fullest extent permitted by law, I-insureme™ or other persons creating or transmitting the information shall have no responsibility or liability to Affiliate or anyone else under any tort, contract, negligence, strict liability, products liability or other theory with respect to any subject matter of this agreement or terms and conditions related thereto. Access to and use of I-insureme's online and telephone reporting services and Affiliate reliance upon such information is at his/her own risk. All such information is provided to Affiliate "as is." If Affiliate is dissatisfied with the accuracy or quality of the information, his/her sole and exclusive remedy is to discontinue use of and access to I-insureme's online reporting services and his/her reliance upon the information.

SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE (ONLY APPLICABLE FOR I-insureme™ NON-INSURANCE RELATED PRODUCTS/SERVICES)

8.1 Customer and Preferred Customer Product Guarantee

As I-insureme's products are primarily virtual (e.g., insurance coverage), any refund offered will be based on the insurance company through which the coverage was purchased.

8.2 Returns by Retail Customers

For any products that are not insurance-based, I-insureme™ offers through its Affiliate a 100%, 30-day money-back satisfaction guarantee to all retail Customers. Affiliate is bound to honor the retail Customer guarantee. If, for any reason, a retail Customer is dissatisfied with any I-insureme™ product, the retail Customer may return the unused portion of the product to Affiliate from whom it was purchased within sixty (60) days for a replacement, exchange, or a full refund of the purchase price (minus shipping and handling costs). When Affiliate issues a refund to a retail Customer pursuant to this policy, Affiliate may return the product to I-insureme™ for an exchange. To receive the exchange, Affiliate must (a) return the product within ten (10) business days of the date that the product was received from the retail Customer; and (b) send a copy of the retail sales receipt with the returned product. A retail Customer who makes a purchase of \$25.00 or more has three (3) business days (72 hours) after the sale or execution of a contract to cancel the order and receive a full refund. This is consistent with the cancellation notice on the order form. When Affiliate makes a sale or takes an order from a retail Customer who cancels or requests a refund within the 72-hour period, Affiliate must promptly refund the Customer's money, as long as the products are returned to Affiliate in as substantially good condition as when received. Additionally, Affiliate must orally inform Customers of their right to rescind a purchase or an order within 72 hours and ensure that the date of the order or purchase is entered on the order form. All retail Customers must be provided with a copy of an official I-insureme™ sales receipt at the time of the sale. The back of the receipt provides the Customer with written notice of his or her rights to cancel the sales agreement.

8.3 Return of Inventory and Sales Aids by Affiliate upon Cancellation

Upon cancellation of a Affiliate's Agreement, Affiliate may return his or her products and sales aids held in his or her inventory for a refund. Affiliate may only return products and sales aids that (a) s/he personally purchased from I-insureme™ (purchases from other Affiliates or third parties are not subject to refund); (b) are in resalable condition (see Definition of "Resalable" in Section 12-Definitions); and (c) were purchased within ninety (30) days prior to the date of cancellation, unless the state they reside in requires a different time period. Upon receipt of resalable products and sales aids, Affiliate will be reimbursed 90% of the cost of the original purchase price(s). Shipping and handling charges will not be refunded. The training fee, which includes the free replicated Affiliate website, will not be refunded once it is set up. If purchases were made through a credit card, the refund will be credited back to the same account. If Affiliate was paid a commission based on a product(s) that s/he purchased and such product(s) is subsequently returned for a refund, the commission that was paid based on that product purchase will be deducted from the amount of the refund.

8.3.1 Montana Residents

A Montana resident may cancel his or her Affiliate Agreement within fifteen (15) days from the date of enrollment and may return his or her Starter Kit for a full refund within such time period.

8.4 Procedures for All Returns

The following procedures apply to all returns for refund, repurchase, or exchange:

- a) All merchandise must be returned by the Affiliate or Customer who purchased it directly from I-insureme™. Affiliate may return his or her product upon cancellation of their Agency. If Affiliate is returning their inventory, the items must be in a resalable condition and purchased within thirty (30) days prior to the date of cancellation, unless the state they reside in requires a different time period.
- b) All products to be returned must have a Return Authorization Number, which is obtained by creating a Support Ticket via the Affiliate Services Department. This Return Authorization Number must be written on each carton returned. This number is valid for ten (10) days only from date of issue.
- c) The return must be accompanied by a copy of the original dated retail sales receipt.
- d) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned, and the most economical means of shipping is suggested. All returns must be shipped to I-insureme™ shipping pre-paid. I-insureme™ does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be on Affiliate. If returned product is not received by the Company's Distribution Center, it is the responsibility of Affiliate or Customer to trace the shipment.
- e) If Affiliate is returning merchandise to I-insureme™ that was returned to him or her by a personal retail Customer, the product must be received by I-insureme™ within ten (10) business days from the date on which the retail Customer returned the merchandise to Affiliate, and must be accompanied by the sales receipt Affiliate gave to the Customer at the time of the sale. No refund or replacement of product will be made if the conditions of these rules are not met.

SECTION 9 - DISPUTE RESOLUTION & DISCIPLINARY PROCEEDINGS

9.1 Disciplinary Sanctions

Violation of the Agreement, this Statement of Policies, or violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by Affiliate that, in the sole discretion of the Company may damage its reputation or goodwill (such damaging act or omission need not be related to Affiliate's I-insureme™ business), may result, at I-insureme's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring of Affiliate to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and referral fee checks;
- Loss of rights to one or more bonus and commission checks;
- Withholding from Affiliate all or part of Affiliate's bonuses and commissions during the period that I-insureme™ is investigating any misconduct or alleged violations of the Agreement. If Affiliate's business is canceled for disciplinary reasons, Affiliate will not be entitled to recover any commissions withheld during the investigation period;
- Re-assignment of all or part of their marketing organization;
- Suspension of the individual's Affiliate Agreement for one or more pay periods;

- Involuntary termination of the offender's Affiliate Agreement;
- Suspension and/or termination of the offending Affiliate's I-insureme™ website or website access;
- Any other measure expressly allowed within any provision of the Agreement or which I-insureme™ deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by Affiliate's policy violation or contractual breach;
- For situations deemed appropriate by I-insureme™, the Company may institute legal proceedings for monetary and/or equitable relief. Each violation is reviewed on a case-by-case basis, and all disciplinary actions are at the sole discretion of I-insureme™.

9.2 Grievances and Complaints

When Affiliate has a grievance or complaint with another Affiliate regarding any practice or conduct in relationship to their respective I-insureme™ businesses, the complaining Affiliate should first report the problem to his or her Sponsor, who should review the matter and try to resolve it with the other party's Upline Sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Company's Compliance Department. The Compliance Department will review the facts and attempt to resolve it.

9.3 Mediation

Prior to instituting arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least ten (10) days in advance of the mediation. Each party shall pay its own attorney's fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Mesa, Arizona and shall last no more than two (2) business days.

9.4 Arbitration

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Affiliate waives all rights to trial by jury or to any court. All arbitration proceedings shall be held in Mesa, Arizona. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct-selling industry, selected from the panel that the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in a court of competent jurisdiction in Mesa, Arizona. This agreement to arbitration shall survive any termination or expiration of the Agreement. Notwithstanding the foregoing, nothing in this Statement of Policies shall prevent I-insureme™ from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect I-insureme's interest prior to, during, or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection

with any arbitration or other proceeding.

9.5 Governing Law, Jurisdiction, and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Mesa, Arizona. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Arizona shall govern all other matters relating to or arising from the Agreement. Notwithstanding the foregoing and the mediation and arbitration provisions set forth in Sections 9.3 and 9.4, residents of the State of Arizona shall be entitled to bring an action against I-insureme™ in their home forum pursuant to Arizona law.

SECTION 10 - PAYMENT AND SHIPPING

10.1 Payments

I-insureme™ accepts payments in the forms of Visa, MasterCard, Discover, American Express, and cashier's checks. The Company will not process orders that are not accompanied by full and proper payment. The Company will not be responsible for the loss of any referral fees and bonuses or other payments because of declined payments, delays, or errors in orders, charges, receiving agreements, or other acts outside the control of the company.

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

Affiliate shall not permit other Affiliates or Customers to use his or her credit card or permit debits to their checking accounts, to enroll or to make purchases from the Company, unless an authorization letter is on file with the Company prior to the transaction.

10.3 Sales Tax

Sales tax collection in the United States is very complex. Presently, there are over 7,500 sales taxes imposed. The rate of tax and taxability of products varies from state to state and even within a state. The rates and taxability of products are subject to constant change. To relieve our Independent Affiliates of this complex burden, I-insureme™ has entered into an agreement with all state and local jurisdictions (except Alaska and Hawaii) that impose a sales tax to collect these taxes on behalf of all Independent Affiliates.

10.3.1 Collection of Sales Taxes by I-insureme™

Under the terms of these agreements, I-insureme™ is required to collect the applicable tax at the time of sale. The tax collected will be based on the suggested retail price of orders placed by an Independent Affiliate. The price subject to sales tax will include the shipping charges if the state where the products are shipped requires sales tax be charged on this cost. The States of Alaska, Delaware, Montana, New Hampshire, and Oregon do not presently have a sales tax. Of these states, only Alaska has local sales taxes.

10.3.2 Collection of Sales Taxes by an Independent Affiliate

When Affiliate sells the products, s/he is required to collect the sales tax based on Affiliate's selling price. The taxes s/he collects will be a reimbursement for the taxes pre-collected by I-insureme™. Affiliate will not have any additional reporting to do.

Independent sellers are not required to have a sales tax license for their I-insureme™ business. However, if they have another business, they may be required to have a sales tax license for that business. These agreements are for sales tax only. Some states and local jurisdictions may require Affiliate to have a business license. S/He should consult with their accountant or tax

preparer regarding other responsibilities they may have.

There are special requirements for Independent Affiliates in the States of New Mexico and Washington. The company has prepared a special bulletin for these states. Please call and request this bulletin.

10.3.3 Selling in the States of Alaska, Hawaii and US Territories except Puerto Rico

I-insureme™ as a company will not collect and remit sales tax for Independent Affiliates selling in the States of Alaska and Hawaii and in the U.S. Territories of American Samoa, Baker Island, Howland Island, Guam, Jarvis Island, Johnston Atoll, Kingman Reef, Midway Islands, Navassa Island, Northern Mariana Islands, Palau, Palmyra Atoll, United States Virgin Islands (St. Croix, St. John, and St. Thomas), and Wake Island. It is the responsibility of each Independent Affiliate making sales in these states or territories to register, collect, and remit these taxes to the applicable jurisdictions. Affiliate should contact the jurisdiction(s) where s/he is making sales to obtain the necessary forms to register and report. Independent Affiliates are required to comply with the terms of these agreements. If Affiliate has any questions regarding this notice or needs a special bulletin, please contact the Company by calling 480-840-7550 and select the extension for Affiliate Support, or e-mail support@iinsureme.com with Subject Line of: Sales Tax.

SECTION 11 - INACTIVITY, RECLASSIFICATION & CANCELLATION

11.1 Effect of Cancellation

So long as Affiliate remains active and complies with the terms of the Affiliate Agreement and this Statement of Policies, I-insureme™ shall pay referral fees to Affiliate in accordance with the Marketing and Compensation Plan. Affiliate's bonuses and referral fees constitute the entire consideration for Affiliate's efforts in generating sales and all activities related to generating sales (including building a Downline organization). Following Affiliate's non-renewal of his or her Affiliate Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her Affiliate Agreement (all of these methods are collectively referred to as "cancellation"), the former Affiliate shall have no right, title, claim, or interest to the marketing organization that s/he operated or any referral fees or bonus from the sales generated by the organization. An Affiliate whose business is cancelled will lose all rights as an Affiliate. This includes the right to sell I-insureme™ products and services and the right to receive future referral fees, bonuses, or other income resulting from the sales and other activities of Affiliate's former Downline sales organization. In the event of cancellation, Affiliate agrees to waive all rights they may have, including but not limited to property rights, their former Downline organization, and any bonuses, referral fees, or other remuneration derived from the sales and other activities of his or her former Downline organization. Following Affiliate's cancellation of his or her Affiliate Agreement, the former Affiliate shall not hold themselves out as an I-insureme™ Affiliate and shall not have the right to sell I-insureme™ products or services. An Affiliate whose Affiliate Agreement is canceled shall receive referral fees and bonuses only for the last full pay period in which s/he was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

11.3 Involuntary Cancellation

Affiliate's violation of any of the terms of the Agreement, including any amendments that may be made by I-insureme™ in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary cancellation of his or her Affiliate Agreement. Cancellation

shall be effective on the date on which written notice is mailed, faxed, or delivered by an express courier, to the Affiliate's last known address (or fax number), or to his/her attorney, or when the Affiliate receives actual notice of cancellation, whichever occurs first. I-insureme™ reserves the right to terminate all Affiliate Agreements upon thirty (30) days written notice in the event that it elects to (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

11.4 Voluntary Cancellation

A participant in this Marketing 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. The written notice must include the Affiliate's signature, printed name, address, and Affiliate I.D. number. If an Affiliate was on the Company's Autoship program at the time of cancellation, the Autoship agreement shall be cancelled unless the Affiliate specifically requests that the Autoship agreement remain in effect. If the former Affiliate requests that the Autoship agreement remain, he or she shall be reclassified as a Preferred Customer, if such a program is available at the time of cancellation.

11.5 Non-renewal

Affiliate may also voluntarily cancel his or her Affiliate Agreement by failing to renew the Agreement on its anniversary date. The Company may also elect not to renew an Affiliate's Agreement upon its anniversary date or elect to change the status of the account to Retail/Preferred Customer based on receipt of payment for the renewal.

SECTION 12 - DEFINITIONS

Active Affiliate — An Affiliate who satisfies the minimum Personal Sales Volume (PSV) requirements, as set forth in the I-insureme™ Marketing and Compensation Plan, to ensure that s/he is eligible to receive bonuses and referral fees.

Active Rank — Refers to the current rank of an Affiliate, as determined by the I-insureme™ Marketing and Compensation Plan, for any referral fee qualification period. To be considered "Active" relative to a particular rank, an Affiliate must meet the criteria set forth in the I-insureme™ Marketing and Compensation Plan for his or her respective rank (see the definition of "Rank").

Agreement — The contract between the Company and each Affiliate includes the Affiliate Application and Agreement, the I-insureme™ Statement of Policies, the I-insureme™ Marketing and Compensation Plan, and the Business Entity Form (where appropriate), all in their current form and as amended by I-insureme™ at its sole discretion. These documents are collectively referred to as the "Agreement."

Automatic Telephone Dialing System — Any equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

Cancel — The termination of an Affiliate's business. Cancellation may be either voluntary, involuntary, through non-renewal, or inactivity.

Compensation Plan — Guidelines and referenced literature used for describing how Affiliates are able to generate referral fees and bonuses.

Customer — An individual or entity who purchases I-insureme™ products that are not

enrolled as an I-insureme™ Affiliate. Customers may purchase products at the Suggested Retail Price through an Affiliate's website or via the I-insureme™ Customer program.

Genealogy Report — A monthly report generated by I-insureme™ that provides critical data relating to the identities of Affiliate, sales information, and enrollment activity of each Affiliate's marketing organization. This report contains confidential and trade secret information that is proprietary to I-insureme™.

Group Annualized Volume (GAV) — The commissionable value of I-insureme™ products purchased directly from I-insureme™ through an Affiliate's agency organization. Group Volume does not include the Personal Volume of the subject Affiliate (Affiliate Setup/Training fees and sales aids have no point value).

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

Inactive Status — The status given to an Affiliate who does not personally sell what is required to receive bonuses and/or to maintain rank.

Leg — Each one of the individuals enrolled immediately underneath you and their respective marketing organization represents one "Leg" in your marketing organization. .

Level — The layers of Downline Affiliates in a particular Affiliate's marketing organization. This term refers to the relationship of an Affiliate relative to a particular Upline Affiliate, determined by the number of Affiliates between them who are related by enrollment or placement sponsorship. For example, if A sponsors B, who sponsors C, who sponsors D, who sponsors E, then E is on A's fourth level.

Maintenance Requirement — The combined production of personal sales and Downline sales needed to qualify and be paid for a given rank.

Marketing Organization — The Customers, Preferred Customers, and Affiliates sponsored below a particular Affiliate.

Official I-insureme™ Material — Literature, audio or videotapes, and other materials developed, printed, published, and distributed by I-insureme™ to Affiliate.

Paid-as-Rank — Affiliate failing to achieve their rank maintenance requirement in any given qualification period will be paid at the lower rank to which they qualify, but they keep their rank in title (only).

Personal Annualized Volume (PAV) — The total value of points generated by an Affiliate in a calendar month based on sales: (1) by the Company to the Affiliate; and (2) by the Company to the Affiliate's internet Customers and personally enrolled Preferred Customers.

Points — An arbitrary value assigned to each I-insureme™ product that is used to track business activity, qualify for referral fees and bonuses, and calculate referral fees and bonuses. A Customer registered in the I-insureme™ Preferred Customer Program who agrees to a standing Autoship order that ships approximately every twenty-eight (28) days and is charged to the Preferred Customer's credit or debit card. Preferred Customers purchase I-insureme™ products at the Preferred Customer price and do not engage in building a business or retailing product.

Placement by Upline — The placement of a new Affiliate who is enrolled due to spillover by someone in the Upline. For example, if A has three Affiliates enrolled directly under him or her (B and C), and A sponsors or enrolls D, D may spillover under the next available position in A's Downline.

Recognition Title — The "title" that an Affiliate has achieved pursuant to the I-insureme™

Marketing and Compensation Plan. Titles are used to recognize productivity at corporate events and in official publications and are permanent until a higher recognition title is achieved. May also be referred to as Recognition Rank but can differ from an Affiliate's Active Rank (see definition of "Active Rank").

Recruit — For purposes of I-insureme's Conflict of Interest Policy (Section 4.9), the term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another I-insureme™ Affiliate or Preferred Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

Resalable — Products and sales aids shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling have not been altered or damaged; 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) it is returned to I-insureme™ within ninety (90) days from the date of purchase, unless the state they reside in requires a different time period; and 5) the product contains current I-insureme™ labeling. Any merchandise that is clearly identified at the time of sale as non-returnable, discontinued, or as a seasonal item, shall not be resalable.

Retail Sales — These are sales to a retail Customer. If a sale is made to a Customer (including a Preferred Customer) who subsequently submits an I-insureme™ Affiliate Agreement within thirty (30) days from the date of the sale, or if an immediate household family member of the customer submits an I-insureme™ Affiliate Agreement within 30 days of the sale, such sale shall not constitute a Retail Sale. An Affiliate's personal purchases from I-insureme™ do not constitute Retail Sales.

Sponsor — A Affiliate who introduces and enrolls a customer, Preferred Customer, or a new Affiliate to I-insureme™ and is listed as the Sponsor on the Affiliate Application and Agreement.

Upline — The Affiliate or Affiliate above a particular Affiliate in a sponsorship or placement line up to the Company. Conversely stated, it is the line of sponsors that links any particular Affiliate to the Company.