



INDEPENDENT BUSINESS OWNER

POLICIES & PROCEDURES



These Policies & Procedures are incorporated into and form a material part of the Stella & Dot Family Brands Independent Business Owner Agreement (the “**Business Owner Agreement**”). If you sign up for one (or more) Stella & Dot Family Brand by entering into a Business Owner Agreement and purchasing a Starter Kit for such brand(s), you agree to be bound by these Policies & Procedures that apply to such brand(s).

Throughout these Policies & Procedures, when the term “Agreement” is used, it collectively refers to the Business Owner Agreement, which includes these Policies and Procedures, the Compensation Plan and any applicable Addendum. These documents are incorporated by reference into the Business Owner Agreement (all in their current form and as amended from time to time by Stella & Dot LLC).

In this document, we use general terminology to refer to each brand collectively. Please refer to **Appendix A** for definitions of the terminology used in these Policies & Procedures. Any terms used in these Policies & Procedures but not defined herein shall have the meanings ascribed to them in the Business Owner Agreement or Compensation Plan, as applicable.

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INTRODUCTION

Our amazing culture is one that sets us apart. These Policies & Procedures are designed to protect our culture and ensure each Independent Business Owner plays by the same rules. To that end, it is your responsibility as an Independent Business Owner to read and familiarize yourself with this document. This document will guide you in the operation of your Stella & Dot Family Brands business and help you uphold the values and standards of our extraordinary community.

From time to time, it may be necessary to amend these agreements. You can always find the most recent version in your Lounge.

Most of the policies below apply across the Stella & Dot and KEEP Collective Brands; however, in the event a policy is brand specific, we will differentiate within the policy itself so you are never unclear about the policies that are specific to you.

PRACTICING THE VALUES OF OUR STELLA & DOT FAMILY

We pride ourselves on professionalism, honesty and equality! With this in mind, we expect that you will represent the Stella & Dot Family Brands at all times, by ensuring that you:

- Operate with integrity, ethics and professionalism. This includes maintaining a high standard of professionalism and courtesy with customers, other Business Owners, Business Owner Support and all other members of the Stella & Dot Family Brands Corporate Office (“**Home Office**”);
- Act in good faith at all times;
- Provide helpful customer service in the spirit of developing long-term customer relationships;
- Refrain from making negative or disparaging comments or gossiping about others, the Home Office, the Compensation Plan, or our products. While we appreciate you providing direct feedback to your Mentor or the Home Office, public disparagement only serves to undermine the confidence our community thrives on; and
- Abide by all Policies & Procedures, never looking for loopholes or to skirt the intent of the Business Owner Agreement.

Thank you in advance for always operating within the Stella & Dot Family Brands spirit!

INTERNATIONAL CORPORATE WEBSITE URLS

We often refer to the Corporate Website throughout the Policies & Procedures. Please note the official Corporate Website URLs for:

Stella & Dot Family Brands: www.stelladotfamily.com

Stella & Dot U.S.: www.stelladot.com

Stella & Dot Canada: http://www.stelladot.com/en_ca

Stella & Dot France: www.stelladot.fr

Stella & Dot Germany: www.stelladot.de

Stella & Dot UK: www.stelladot.co.uk

Stella & Dot Ireland: www.stelladot.ie

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KEEP Collective: www.keepcollective.com

KEEP Collective Canada: ca.keepcollective.com

EVER: www.everskin.com

FOR QUESTIONS AND SUPPORT

If you have any questions about any part of the Stella & Dot Family Brands Independent Business Owner Agreement, including the Policies & Procedures, you can discuss them with your Mentor or Upline Star or Director. If neither is available, you are always welcome to contact your applicable Home Office Field Development team or your Field Relations team. See **Appendix B** for contact information by brand.

SECTION I. GETTING STARTED AS AN INDEPENDENT BUSINESS OWNER

1.1 Qualifications

You become a Stella & Dot Family Brands Independent Business Owner once your completed Business Owner Agreement has been received and accepted by the Home Office. To be a Stella & Dot Family Brands Independent Business Owner, you must:

- Be eighteen (18) years of age or older;
- Have a valid Social Security number, Green Card, Social Insurance Number or National Identifier Number, depending on the country in which you live OR possess a valid work visa in the U.S. (including Puerto Rico); a country in which the respective brand which you represent operates; i.e. the U.S., Canada, the United Kingdom, Germany, France or the Republic of Ireland (note that KEEP Collective and EVER only operate within the U.S. at this time);
- Have a valid default Credit or Debit Card on file at all times;
- Have a valid taxpayer identification number (we will use this number for tax reporting purposes); and
- Be sponsored by a current Business. If you do not have a specific Mentor that you'd like to be sponsored by, not to worry! In such cases the Home Office Field Relations team will assign you to a Mentor with a track record of success and coaching ability;
- Visit the brand and country-specific Corporate Website and sign up by submitting the online form which includes the electronic acceptance of your Business Owner Agreement. You will also need to purchase a Starter Kit.

1.2 Online Independent Business Owner Agreement

When you purchase your Starter Kit during the online sign-up process, you will be required to read and accept the online Business Owner Agreement. The Business Owner Agreement defines the role and responsibilities of a Business Owner. It is imperative for Business Owners to read and comply fully with the Business Owner Agreement prior to signing-up. You will need to sign an agreement for each brand you would like to represent. Violation of any of the policies outlined within these Policies & Procedures may result in termination of your Business Owner Agreement, the impact of which is outlined in the Home Termination and Effects of Termination policies of these Policies & Procedures.

1.3 Independent Business Owner ID

Every Business Owner has a unique Business Owner ID. You will be automatically assigned a non-changeable ID. If you represent more than one brand within the Stella & Dot Family Brands you will have a unique ID for each brand.

1.4 Calculation of Commissionable Earnings

All measures of qualifications are based on Personal Qualifying Volume (PQV) values rather than Retail Sales. This is to create a simple, consistent qualification across countries and currencies and because some sale types, such as charity related products or Corporate Referral Orders may yield a lower qualifying volume. Please always refer to your PQV earned rather than your Retail Sales achieved. Similarly, commissions will be paid based on Personal Retail Volume (PRV) which also reflects lower commissions earned on charity related products and Corporate Referral Orders.

In addition to the commissions and PQV earned from personal sales as described above, you will also earn commissions on your team's sales, if you have a team and are in compliance with all agreements. For more information on this, please view the Compensation Plan, available in your Lounge.

1.5 Family Tree Structure

We believe the best person to coach you in your business is someone who knows how to run the business first-hand. This is why the Stella & Dot Family Brands model is based on a Family Tree team structure. You are assigned a Mentor who is required to provide coaching and guidance to you to help you succeed and meet your business goals! The vast majority of your training and answers to your questions will be readily available in your Lounge, in training materials, or provided by your Mentor and her/his Mentor of Star Business Owner Career Rank and above. Other resources you are able to tap into include those in your Upline on your Family Tree.

1.6 E-Marketing Suite and Personal Website (PWS)

We recommend taking advantage of technology tools available to you, as these tools are significant assets to your business. It is up to you whether or not you would like to use the E-Marketing Suite and/or its components, including the Independent Business Owner Personal Website ("PWS"). Please see your Lounge for more information and to sign-up.

1.7 Independent Business Owner Discounts

In addition to the personal discount you receive on products within the Stella & Dot Family Brand you represent, you may also receive special offers for products of a Sister Brand, providing not only an exciting benefit for you as a consumer, but also a strong competitive advantage in building your downline and promoting the Stella & Dot Family Brands and our products. In true Stella & Dot Family Brands style, each Sister Brand will offer only the best products and value in its category.

Global policies around personal Business Owner discounts are as follows:

- All Discounts are for YOU. You may buy gifts for friends and family using your discount but please ensure that these gifts do not fall under 'Bonus Buying'. For detailed information, please see the Bonus Buying policy.
- Your discounts are non-transferrable to either customers or other Independent Business Owners. Items purchased for someone else with your discount will not be covered under our Refund, Returns, Exchanges and Delight Guarantee Policies;
- When purchasing product using your discounts, the credit card used to purchase these items must bear your name. This helps us ensure your account is not flagged for extending your Business Owner discount to others; and
- All discounts may not apply to Business Supplies.

Stella & Dot and KEEP Collective:

- All discounts cannot be combined with Hostess Rewards to purchase product; and,

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- In connection with new line product launches, we may offer certain products for purchase for a discount that is greater than your normal Business Owner discount. These deep discount periods are referred to as “Sample Periods.” Sampling quantities are limited. Our goal is to provide inventory to your customers. Thus, during sampling periods, we allocate a certain percentage of the inventory to sampling. If this threshold is passed, certain items will be disabled for sampling at any time and without advanced warning. This is to ensure we have stock to sell to customers; and, the business model for Stella & Dot and KEEP Collective does not require Business Owners to maintain inventory for customers. Therefore, we limit the number of items you can purchase in a sample order during a Sample Period.

1.8 Independent Contractor Status

As an Independent Business Owner, you are not an employee of Stella & Dot Family Brands; by that token, you are not entitled to receive any benefits from the company, such as unemployment compensation, workers’ compensation or minimum wages. Stella & Dot Family Brands shall not be required to make contributions for employment insurance, workers’ compensation and other similar levies in respect of payments to be made. You are fully responsible for paying all applicable federal and state/provincial withholding taxes, source deductions, taxes, employment insurance premiums, workers’ compensation contributions or provincial employee health tax contributions and other levies, premiums, license requirements and fees related to your earnings and activities as a Business Owner.

Per the terms of your Business Owner Agreement, you agree that as an Independent Business Owner you are an independent contractor and not an employee or agent of Stella & Dot Family Brands. You shall be solely responsible for paying all expenses incurred by yourself, including but not limited to travel, food, lodging, secretarial, office, telephone and other business expenses. You will not have authority to incur any debt, obligation or liability on Stella & Dot Family Brands’ behalf, and you will not represent, indicate or suggest in any manner that you have influence over Stella & Dot Family Brands’ corporate decisions, or authority or representation of Stella & Dot Family Brands.

1.9 No Inventory Requirements

As an Independent Business Owner, you are not required to purchase nor are you required to carry any specific amount of inventory of any Stella & Dot Family Brands Product. Order transactions can be made directly with Stella & Dot Family Brands on behalf of Independent Business Owners through the Stella & Dot Family Brands website, through our Dottie™ app and/or via an Independent Business Owner’s PWS.

1.10 Independent Business Owner Information

Each Independent Business Owner is responsible for ensuring the accuracy of her/his information on file with Stella & Dot Family Brands and also with keeping such information up-to-date either in your Lounge or by contacting your Field Relations team. It is of particular importance that you provide us with your current email address, since we primarily send you communications via email. To change a Social Security number, please fax an updated W-9 to (650) 745-1293, Attn: Finance Department, with a fax cover sheet for confidentiality purposes. Business Owners must submit appropriate legal documentation to support a name change request.

SECTION II. DOING BUSINESS

Stella & Dot Family Brands are direct-to-consumer businesses, which means your success is contingent on positive personal relationships provided in person and online. Therefore, Stella & Dot Family Brands’ sales practices strive to steer customers away from one-time, impulse purchases and instead steer them towards long-term sales relationships with you. The Stella & Dot Family Brands’ model emphasizes Sales Events (Trunk Shows and Design Sessions,) that, in addition to being online, can include a Hosted in-person experience at a set time in a private home.

2.1 Commission Policy

Your pay depends on your monthly Pay Rank and is comprised of commissions from your personal retail sales and team sales commissions (where applicable). You can view your activity and track progress toward your pay in the reports area of your Lounge. For full Pay and Career Rank details, please refer to the Compensation Plan, also available in your Lounge.

Here are a few additional important notes about Commission and Payout:

Non-Commissionable	Starter Kit, orders placed using Sample Discounts and Business Supplies, Personal Orders.
'Special Sale' Items	Commission is earned on the sale price of these items, not the regular retail price.
Overpayments	If overpayments are made to you, they will be deducted from an existing balance or from future payments if the existing balance is insufficient.

Most of your questions pertaining to commission payout or payout timeline can be answered by your Mentor or found in the Compensation Plan located in your Lounge.

Commission payments are issued in YOUR name and cannot be paid otherwise. If you have any issues or discrepancies with your commission report, please report them by end of the calendar month following the month for which the commission was issued. For any questions pertaining to issues with your commission, please do not hesitate to contact the Delight Center.

Please keep in mind that you are not required to purchase products for your own personal use, for personal gifting, or for business purposes to become, maintain or promote within your business. Please be sure to review our Inventory Loading policy, which limits the quantity of inventory you may maintain to ensure Business Owners adhere to this business practice.

2.2 Pay Portal and Independent Business Owner Debit Card

Questions around Pay Portal and your Debit Card are best addressed directly by Pay Portal. You'll find 'Pay Portal FAQs' in your Lounge. If you have questions beyond that, please contact Pay Portal Customer Support either by email or by phone.

Stella & Dot: support@stelladotpay.com, 888-376-8005 (for US & Canada)

KEEP Collective: support@keepcollectivepay.com, 855-347-4899 (for US & Canada)

Your VISA Debit Card may take up to ten (10) business days to be delivered to you after signing up as a Business Owner.

Your payout will not be loaded onto your VISA Debit Card from your Pay Portal account until: 1) you activate it once you receive the card in the mail and 2) you set-up your account to transfer funds to/from your branded VISA Debit Card.

The Pay Portal may charge a nominal monthly usage fee. Please refer to the Pay Portal site for additional details.

2.3 Personal Information and Orders

Handling Personal Information

As an Independent Business Owner, you will receive Personal Information from and about prospective Business Owners, customers, Hostesses, and other individuals. Keeping their Personal Information secure not only helps to ensure your compliance with the law, but it also helps you to maintain current customers' and potential customers' trust, which is an important factor in your success.

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Do not share an individual's Personal Information, unless you have his/her consent or a real business reason to do so, and you have disclosed this purpose and the potential for sharing to the individual and obtained his/her consent for the intended use or disclosure. You are responsible for protecting Personal Information from unauthorized access or disclosure.

Provide Customers Notice and Respect Their Choices

Customers may want to know why you are collecting their Personal Information and what you plan to do with it. You should be clear about telling them what you are collecting, how you will use it, and with whom you will share such information. You should notify customers before or at the time you collect their Personal Information and then be sure you use and share Personal Information only in the ways you promised. Provide customers choices how you communicate with them and respect the choices made. Your customers have the right to access the personal information you hold about them, ask that it be corrected, and to make complains about how you have treated the information.

Limit your Collection of Personal Information

Collect only the Personal Information you really need. Review the forms you use to collect Personal Information, and revise them to remove fields of information you do not need. For example, don't collect a credit or debit card number unless your customer actually makes a purchase.

Keep Personal Information Accurate

Keep the customers' Personal Information up-to-date. Keeping your contacts current helps you to stay in touch with them.

Store and Dispose of Personal Information Responsibly

Protect personal information you hold using physical, organizational, and technological safeguards appropriate for the sensitivity of the information. More sensitive information requires a higher degree of protection. Dispose of it in a way that makes it unreadable, such as by shredding paper documents.

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Order Forms

You are responsible for ensuring the security and confidentiality of customers' Personal Information you obtain. Please make sure to never transcribe your customer's credit card information.

Do not use or disclose the information on order forms for any purpose other than submitting an order or confirming the information with the relevant customer. You are required to keep order forms for six (6) months from order placement date, in case a customer or Hostess has an order question. After the six (6)-month period, shred the form. Note when using the Stella & Dot Family Brand mobile application, Dottie, your customers' credit card information is never stored.

Personal Web Site (PWS) Orders

When a customer orders through your PWS, the system will automatically add the customer to your contact list for purposes of follow-up and remarketing. Please note that a customer's contact information, excluding credit card information, is stored electronically in your Lounge under 'Contacts.' Hostesses will also automatically be added to 'Contacts' when a Sales Event is booked. You may only contact email addresses in your contact list, including customers and Hostesses, via email where you are able to establish consent to do so in accordance with the Unsolicited Emails policy below.

2.4 Sales Event Set-up in the Lounge & Hostess Rewards

The success of your business depends on sharing the Hostess opportunity with others so they can help you acquire new customers beyond your immediate reach. Thus, it is important to develop a rapport with other Hostesses and stay in touch with them. We recommend you remind your Hostess to use all Hostess Rewards as they approach expiration.

- Once an email address has been set for a Sales Event, the email address cannot be changed.
- All rewards are associated with that original email address.

Hostess Rewards expire one-hundred eighty (180) days after an order is placed, not from the date a Sales Event closes. Expired rewards will not be reinstated or transferred for any reason.

2.5 Independent Business Owner as Hostess

In an effort to expand the Stella & Dot Family Brands experience to those outside of your social network, you may personally host no more than four (4) Sales Events per calendar year.

You may keep the hostess rewards from two (2) personally hosted Sales Events. For the other two (2) sales event, you may collect the rewards and use them as gifts for loyal customers (VIPs) throughout the year as you see fit.

Please keep in mind that you cannot use your Business Owner Discounts combined with Hostess Rewards and you cannot use rewards on your Business Owner account – you must maintain a separate Hostess account.

2.6 Independent Business Owner Substitution

As a Business Owner, you are responsible for conducting your own Sales Events and coaching your Hostesses on how to successfully host a Sales Event. Accordingly, you may not ask another Business Owner to conduct a Sales Event on your behalf. If you cannot attend a booked Sales Event, rather than cancel and disappoint your Hostess, you may ask another Business Owner (from the same brand only) to stand in your place. In these circumstances, the Sales Event must be re-booked and recorded on the replacing Business Owner's account such that the associated commissions and PQV are accurately reflected.

2.7 Co-Hostess at Sales Events

If requested, you may designate a co-Hostess for a Sales Event. Please note that our systems only allow for one Hostess, so only the main Hostess will earn Hostess Rewards. Decide with the Hostesses how to split the Rewards. You are solely accountable for the logistics; Home Office cannot step in to resolve any disputes that may arise and can only assist with returns for the Hostess listed on the corresponding Sales Event.

2.8 Mystery Hostesses, Games, Contests, and Giveaways Prohibited

Personally hosting a Sales Event without disclosing the Host or Hostess prior to the event and promoting a giveaway of Hostess Rewards to those who attend is called a Mystery Hostess Sales Event. This type of Sales Event does not align with our core business values and is counter to the intent of Stella & Dot Family Brands business model and rewards program. Consequently, Stella & Dot does not permit this type of activity to be held in connection with a Stella & Dot Family Brands Sales Event.

Hostess Rewards are intended as a thank you to individuals who host a Sales Event and help expand your customer base by introducing you to potential new customers. Additionally, state, federal, and local legal requirements for contests and giveaways can be onerous and Home Office wants to ensure that you run your independent Stella & Dot Family Brands business in compliance with applicable laws.

Contests, and giveaways are strictly regulated by applicable federal, state and local laws, regulations, or any third-party rights. This includes, for example, truth in advertising laws and gaming laws, which can vary from state to state. Stella & Dot Family Brands believes it is essential to lead with style and value and not discounts.

2.9 Independent Business Owner Sample Sales

As an Independent Business Owner, you may sell your samples at an in home Sales Event. Online sample sales, publicly or in a private group, on Facebook or any other online platform, are not allowed unless the platform is authorized by Home Office for the use of all Business Owners.

- You may only hold up to two (2) samples sales per year, limited to a period of one (1) week.
- You may advertise the sample sale to a closed, private group.
- Product can only be sold at the price currently listed on stelladot.com or keepcollective.com.
- Retired but in stock pieces must be sold for the price currently listed on line.
- If you are selling items that are retired and no longer available at stelladot.com or keepcollective.com, each item may be sold for up to 50% off.
- Please remember to inform your customers that our standard Return and Guaranteed to Delight policies do not apply to items sold as samples at any Sales Event.
- Ensure your customer fills out a physical order form for all samples purchased, even if you have migrated over to using Dottie, or an applicable Business Owner app, for all your Sales Events. Please retain completed order forms as proof of purchase for your business records.

Marketing Stella & Dot items with pricing other than what is listed on the applicable Stella & Dot Family Brands company website is not allowed and is cause for termination.

2.10 Timeframes for Sales Events

We do not limit how far in advance a Sales Event may be booked because we understand plans change and dates may need to be pushed out from the original Sales Event date. As such, Sales Event dates may be changed up until the date and time the Sales Event occurs. A Sales Event cannot be moved once a sales order has been placed against it.

All Sales Events will automatically close in a specified number of days after the Sales Event is held (e.g., twenty-one (21) days for Stella & Dot Trunk Shows and fourteen (14) days for KEEP Collective Design Sessions. Orders applying Hostess Rewards may be placed at any time once rewards have been earned and doing so will not close the Sales Event. Hostesses can continue to earn rewards for outside orders as long as the Sales Event remains open, even if the Hostess has already placed an order using the initial rewards earned.

Sales Events are expected to be actual and genuine events; to ensure correct alignment of customer orders to a Sales Event, orders will be accepted a maximum of sixty (60) days prior to any scheduled Sales Event. Creation of fraudulent Sales Events for the purpose of collecting Hostess Rewards on orders that are truly outside orders constitutes Bonus Buying and Home Office may take additional actions, including but not limited to: claiming back all Hostess Rewards earned from that Sales Event, Pay Rank/Career Rank adjustments if these were earned because of a false Sales Event, account suspension, and possible termination of your Business Owner Agreement.

At times, it is necessary to move a sales order from one Sales Event to another. Only genuine customer errors will be considered acceptable reasons for moving sales orders. For all North America customers, please use the online Order Reassignment Request form available in the Lounge. A Delight Center Agent will reach out to the customer for confirmation of the error. For EU orders, please forward your request to the Delight Center along with supporting confirmation of the error from the customer.

2.11 Orders and Site Downtime

To ensure the highest level of customer satisfaction, please ensure you make every best effort to:

- Process all orders within twenty-four (24) hours of customer payment, Orders should not be held for your benefit, such as for incentive programs or to count towards next month's commission. Out-of-stock items will be placed on backorder and will be shipped once inventory is received.
- Provide follow-up services as needed and assist your customers with any product and order specific questions.
- Customer orders do require a valid email address; you may not create a false email address or use your own email address for customer orders.
- In order to best service your customers, we offer self-service tools, such as the ability to process Customer Returns. Where available, Business Owners should provide this service to their customers themselves rather than requesting assistance from the Delight Center. Regardless of how a return is processed, all products returned must be in resalable condition, unworn and in their original packaging.
- We take the quality of products very seriously and want you and your customers to be thrilled with each purchase. Please visit your Brand specific website to view the Guaranteed to Delight section for more information on refunds, exchanges, returns, and the Guaranteed to Delight policies.
- To help service your customers, product returns or exchanges should be provided by you rather than the customer making a direct request to the Delight Center.

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In the event a submitted order has not been processed on your applicable Stella & Dot Family Brand website, deeming it a “failed order,” please be sure to report it to the Delight Center within seventy-two (72) hours of original submission. All requests to correct failed orders must be submitted within the same month the order was placed, otherwise it will not be eligible to count toward that month’s commissions, promotions, or incentives. The order will instead be credited to the month in which it was reported for correction.

At times the website for any of the Stella & Dot Family Brands may be subject to temporary shutdowns for maintenance and/or due to causes beyond our reasonable control, in such events, Stella & Dot LLC shall not be liable for any losses caused by any shutdowns or downtime.

2.12 Bulk Orders

We recognize that there may be special situations in which you or your customers may need to order large quantities of the same item. This could be for either charity or other events, and we are more than happy to help make this happen. For bulk orders, please reach out to your applicable Stella & Dot Family Brand Field Relations for approval. Any approved bulk orders may not be applied towards a Sales Event.

- **Stella & Dot:** a bulk order is considered to be an order of fifty (50) or more of the same item.
- **KEEP Collective:** a bulk order is considered to be an order of fifteen (15) or more of the same item.

Your bulk purchase may not qualify for existing contests or promotions during that time, such as Glam Getaway and other incentives.

We do not offer discounts, waive shipping costs or accept returns on ‘Bulk Orders’, subject to our Buy-Back Policy. Please make sure to communicate this with your customers prior to completing their order. You may offer a discount or promotion to your customer on a ‘Bulk Order’ from your personal sales commissions. This is an agreement between you and your customer, Home Office is not responsible for such agreements.

To ensure all Business Owners have equal opportunity to sample new products, ‘Bulk Orders’ for newly released products within thirty (30) days of product release may not be approved.

2.13 Third-Party Consumers

Independent Business Owners who cultivate business contacts must remember that a third party or a company can purchase Stella & Dot Family Brands Product as gifts for its employees or clients, but there may not be a resale value attached to the products. Independent Business Owners cannot become a “vendor” to another business. Independent Business Owners who sell product to a business for gifts must include a personal letter with each gift that provides information about how the end-user can receive personal service from the Business Owner. Large-scale sales of Stella & Dot Family Brands Products to regional or national companies are prohibited since they do not lend themselves to the development of personal relationships and personal service that Stella & Dot Family Brands is based upon.

2.14 Gift Cards

While we hope to offer Gift Cards in all brands, they may not be available for each brand. Gift Card policies are only applicable to Business Owners representing Stella & Dot Family Brands that offer Gift Cards.

Gift Cards should be used in spirit of what a Gift Card is – a gift from one person to another. As a Business Owner, you may sell Gift Cards to your customers via Sales Events and your PWS to then be given away. You may also give Gift Cards to your own friends and family members. To ensure Gift Cards are not used to falsely earn incentives, rewards or commissions:

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- You may not request or require that your customer pay for an item by Gift Card or via any other specific form of payment;
- You may not recommend a Hostess purchase a Gift Card to use above and beyond Hostess Rewards for an order;
- You may not accept a Gift Card as a form of payment for a Sample purchased off your table;
- You may not sell a Gift Card to a customer at or in connection with a Sales Event for the customer to then use to purchase product at or in connection with that same Sales Event; and
- In general, you should not be dealing with Gift Cards unless you are placing an order for a customer who already has a Gift Card.

2.15 Independent Business Owner-to-Business Owner Sales

In general, we do not permit sales of Stella & Dot Family Brands Products to other Business Owners within the same Stella & Dot Family Brand, as each Business Owner within each respective Sister Brand has an equal opportunity to purchase products with the same discount.

Stella & Dot Family Brands does not take any responsibility for any resale transactions. The relevant Business Owners are responsible for ensuring compliance with applicable laws, rules and regulations when engaging in such transactions. No adjustments of volume or commissions will be made by us on these types of sales, and Business Owner-to-Business Owner sales are not covered by our Guaranteed to Delight policy.

The purchase of samples or display items from current or former Business Owners is prohibited online or offline. However, if a customer of yours is looking for a discontinued item and you do not have it, you may purchase the item from another Business Owner at retail purchase price to then sell to your customer. You must make clear to the customer the product being purchased is a used product and is not covered by Stella & Dot's Guaranteed to Delight policy.

2.16 Blanket Discounts

In order to provide a level playing field for all Business Owners, blanket discount offers are not permitted at Sales Events, through your PWS, or other marketing channels, including but not limited to offers such as "25% off everything at my Sales Event," "Place an online order today and receive 15% off," or "Free shipping on all orders." Any other offer permutations that serve to undercut the retail price of Stella & Dot Family Brands Products are restricted.

However, you may offer occasional, specific and time-limited incentives, which must:

- Be offered to a closed, specific group of individuals (such as a club, not an open invite to anyone who can view your Facebook profile, for example). The size of the closed group should align with the size of an average Sales Event invitation list;
- Run for no more than three (3) consecutive days; and
- Occur no more than one (1) time per calendar quarter.

Additionally, you may not offer discounts on any new or current line products. If you do need to sell 1-2 current line samples because they did not resonate with your customers or due to wear, you may not promote those items in any online websites or forums and/or marketing vehicles.

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To help incentivize customers to host Sales Events, you may offer a free retired Stella & Dot Family Brand item to those who book a future Sales Event with you. You may not advertise this on a public social media forum or third-party sites, as this incentive is meant to be a personal ‘thank you’ between you and a potential hostess.

As long as these guidelines are followed, you may personally incur the cost of the specific promotion for your customers, the way you see best fit. Please note that your promotional discount should not contribute to earning the minimum PQV in order to qualify or promote as this could be considered ‘Bonus Buying.’

2.17 Bonus Buying

Your success as a Business Owner depends upon your personal sales to customers. It is unacceptable to personally purchase products to qualify for compensation levels or incentive programs. This unethical, prohibited practice is referred to as ‘Bonus Buying.’ Bonus Buying is taken very seriously and may result in immediate termination of your Business Owner Agreement. You should think of Bonus Buying as buying your way into a promotion or compensation level, rather than selling and earning a promotion or compensation level.

‘Bonus Buying’ includes, but is not limited to, the following:

- The enrollment of:
 - Individuals into a Business Owner Agreement without their knowledge;
 - Non-existent persons as Business Owners; or
 - A Business Owner under a different account or with an alias name.
- The unauthorized use of a credit card or use of a fraudulent credit card.
- Subsidizing the entire or partial cost of a customer purchase or new Business Owner Starter Kit purchase to count towards your volume or to add a new Business Owner to your team. This includes offering a ‘Blanket Discount’ or rebate on the purchase of products.
- The purchase of product, either through your account or a Downline Business Owner’s account, to:
 - Qualify for contests, promotions, personal sales requirement for team sales commissions (also known as coaching commissions) or Pay Rank;
 - Avoid Compression;
 - Increase sales or Hostess Rewards; or
 - Qualify a Sales Event or any other incentive-driven purpose via your purchase, as a Business Owner, of an item from your own Sales Event, PWS or account or the purchase of an item from a Sales Event, PWS or account of another Business Owner on the same Family Tree.
- The practice of ‘Inventory Loading,’ or encouraging others to ‘Inventory Load.’
- Requiring a customer to purchase a product at a specific time in order to meet certain requirements.
- Reassigning non-Sales Event orders to Sales Events, or Sales Event orders from one Sales Event to a different Sales Event, for the purpose of increasing sales or Hostess Rewards, or Referral Rewards, or qualifying a Sales Event or any other incentive-driven purpose.

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- Hosting a Sales Event for another Business Owner within the same Brand.

Additionally, while you are welcome to place personal purchases in reasonable quantities for team incentives, these volume purchases should not be the tipping point to qualify for a Pay Rank or incentive. If you would not have qualified without that order, the order will be deducted from your total sales and your Pay Rank or incentive earning will be adjusted accordingly.

2.18 Inventory Loading

Start-up capital can be one of the biggest barriers to starting a business. The Sales Event business model is structured in a way that this barrier is alleviated and a level, affordable playing field is available to all Business Owners. Through this model, you can conduct successful business with no inventory other than your samples, should you choose to purchase them. You are encouraged to leverage your business with any technology available within your brand, such as Dottie, your PWS and other scalable resources to promote your business. You may not maintain excessive inventory or encourage other Business Owners to do so. This is referred to as “Inventory Loading.”

Stella & Dot: You may only purchase and maintain one (1) unit of any item at any given time. If for any reason you feel that you would like to preserve a personal item for your own use, you may purchase one (1) additional unit of that item for these purposes only.

KEEP Collective: So that you may build words which may have more than one (1) of the same letter, you may only purchase and maintain no more than four (4) of any given Essential Charm (letters, numbers and birthstones) at any given time, two (2) Framing Charms, and one (1) of any given Keeper or other Charm at any given time. If for any reason you feel that you would like to preserve a personal item for your own use, you may purchase one (1) additional Keeper or non-Essential Charm for these purposes only.

2.19 Permanent Retail Displays/Pop-Up Shops

Similar to inventory purchasing, the cost of maintaining retail space is prohibitive to many potential Independent Business Owners. Independent Business Owners are not allowed to set-up a permanent retail display and/or sell products in a retail establishment. Products are intended to be sold at in-home Sales Events or through a Stella & Dot Family Brands PWS. A retail location includes, but is not limited to, mall booths, boutiques, hair salons, grocery stores, flea markets, restaurants and other permanent establishments.

You may conduct a Sales Event at the same retail location once every three (3) months in a calendar year.

Hostesses may rent space for Sales Events if need be; however, in order to prevent the appearance of such a space as being a retail establishment, the Business Owner and/or Hostess may not store product at the location. The product must be stored in either the Business Owner’s or Hostess’ home.

2.20 Product Claims

As an Independent Business Owner, you must not make any claims regarding your Stella & Dot Family Brands business or any Stella & Dot Family Brands Products other than claims that are provided in your Marketing Materials. Any photos or product testimonials relating to the Stella & Dot Family Brands Products may not be used.

The Federal Trade Commission (FTC) as well as state laws strictly regulate truth-in-advertising and prohibit false or misleading claims. All objective claims must be truthful, not misleading and have prior and adequate substantiation. The FTC looks especially closely at advertising claims related to consumer products. As an Independent Business Owner, you must ensure that you are not making independent claims about your business or any Stella & Dot Family Brands Products that could be false, misleading or otherwise violate the law.

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To protect your Stella & Dot Family Brands business, you must only make the product claims that are provided in our Marketing Materials. Failure to comply with this policy may result in the termination of your Business Owner Agreement.

2.21 Income Projections or Claims

When presenting or discussing the Stella & Dot Family Brands' opportunity or the Compensation Plan to a prospective Independent Business Owner, you must provide the prospect with a current copy of the Income Disclosure Statement and you may not make claims or projections about potential or guaranteed income or profits. You must also make clear that Independent Business Owners make commissions based only on the sale of Stella & Dot Family Brands Products and not through sponsoring other Business Owners. The FTC and the laws of several states strictly regulate claims regarding the amount of income that can be earned for business opportunities, such as those offered by Stella & Dot Family Brands. These regulations require that appropriate disclosures also be provided when making income claims or earning representations. Stella & Dot Family Brands Independent Business Owners do not have the data necessary to comply with the legal requirements for making income claims or earnings representations.

2.22 No Representations Regarding Governmental Approvals

Independent Business Owners may not make representations in any way that would indicate or imply that the Stella & Dot Family Brands opportunity or products has been approved or endorsed by any governmental or regulatory agency. For example, you may not say that Stella & Dot Family Brands Products are approved or cleared by the FDA.

2.23 Repackaging or Relabeling Prohibited

Repackaging Stella & Dot Family Brands product possibly could violate laws or result in civil liability, for this reason, all products must be sold in their original packaging only.

2.24 Intended Use of Stella & Dot Family Brands Products

You must adhere to the guidelines provided by Stella & Dot Family Brands related to the intended use of our products. There are numerous state and federal laws and rules and regulations that govern testing requirements for children of certain ages. Stella & Dot Family Brands makes every effort to adhere to testing requirements applicable to our products. In some instances, we are not able to undergo the very rigorous and cost-prohibitive testing required for children's products with respect to each and every one of our products. Please assume our products are not intended for use by children, unless the product is specifically labeled for use by children. You must adhere to these warnings and inform your customers of the usage guidelines provided by Stella & Dot Family Brands. You will be responsible for any use of our products in violation of our guidelines.

2.25 United States Military Bases/Posts

Domestic

We currently support shipping both product and business supplies to U.S. military bases. Prior to joining a Stella & Dot Family Brand, if you are posted to U.S. military bases, please inquire with the applicable base regarding whether a business license is required.

Overseas

We currently support shipping products to overseas Army Post Office (APO) and Fleet Post Office (FPO) addresses; however, we do not currently support shipping business supplies to overseas APO/FPO addresses. Prior to joining a Stella & Dot Family Brand, if you are posted to overseas bases, please check with your base commander to make sure that you are permitted to operate a home-based business and/or use the APO/FPO shipping address.

You may sell Stella & Dot Family Brands Product only while physically on a base and only to those individuals who are also posted to the base (i.e. on American soil).

SECTION III. ADVANCING AS AN INDEPENDENT BUSINESS OWNER

As an Independent Business Owner, you are ultimately in charge of running your own business and deciding whether to take advantage of various opportunities that are offered. We want you to have the opportunity to advance your business by receiving the training, support and pay that matches your goals, efforts and results. This section of the Policies & Procedures will describe the importance of and difference between Pay and Career Ranks, how they relate to your business and the different programs we offer to help support you in further growing your business by building a team. Remember your best support system is your Mentor and the full gamut of support you receive from all those in your Family Tree.

3.1 Pay Rank

We believe in rewarding the hard work and efforts of both you and your team. Your Pay Rank resets at the beginning of each month and is determined by your Retail Sales, PQV, and your sponsorship activity, as well as your team's sales, PQV, and sponsorship activity over the course of each month. Your monthly Pay Rank determines what percentage of team sales commissions you earn from your team's sales. Please refer to the Compensation Plan, found in your Lounge, to review the Pay Rank formula and all applicable definitions. You should become familiar with all reports available in your Lounge to track your Pay Rank throughout the month.

The Compensation Plan does not reward Independent Business Owners for purchasing products or for merely recruiting others. The rewards and commissions earned under the Compensation Plan are based on sales to customers. All references to "recruitment" and "sponsoring" in the Agreement are simply descriptive of the proposed method of building a Downline organization under the Compensation Plan. Personally recruiting Independent Business Owners to a Stella & Dot Family Brand is the method of building a personal Downline organization.

3.2 Career Rank

Your Career Rank is the highest Pay Rank you have earned within the previous six (6) months, beginning the month you earn a promotion. When you promote to a new Career Rank, you maintain that Career Rank for six (6) months. At the end of the six (6) month period, if you have not earned that Pay Rank again, your Career Rank will change to reflect the highest Pay Rank you achieved within the last six (6) months. For example, if you earn a promotion to Associate Director based on your April sales, your Career Rank for April will also change to Associate Director. If you do not earn at or above that Career Rank in May, June, July, August, or September, your October Career Rank will adjust to the highest Pay Rank you earned between May and September. Your Career Rank establishes the title you can use when publically announcing yourself as a Stella & Dot Family Brands Independent Business Owner and determines which events and meetings you are eligible to attend and when you are eligible to sample product, among other things. Please remember that if your Career Rank changes, you must change your title in print, online and all communication materials within fifteen (15) days.

3.3 - Director's Personal Qualifying Volume (PQV) Exemption Period

We offer a one (1) time, one (1) month only PQV exemption policy for Business Owners who have achieved and maintained a Pay Rank of Associate Director or above. We understand that because Director level Career Ranks are considered full-time jobs, you may financially depend on your Pay Rank each month. Being a Business Owner at this level does require a considerable amount of dedication to your business. To appreciate the level of commitment you show to Stella & Dot Family Brands, we offer assistance with your Pay Rank. Please note that your renewal date cannot be extended due to the exemption period. To qualify for this one (1) time exemption, you simply need to have achieved a Pay Rank of Associate Director or above for at least three (3) months within the preceding six (6) months.

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This one (1) time exemption period is intended for Directors planning to continue business at the Director level following the exemption period. You may use your one (1) time exemption whenever you would like, but once you have used it, it's gone. Please reach out to Field Relations for the exemption request in writing by no later than the 20th day of the month in which the exemption is intended to be used.

This policy allows eligible Business Owners to earn a one (1) month exemption from earning the PQV needed to Qualify for coaching commission and to maintain a Director-Level Pay Rank. This exemption does *not* apply to any other components of a Pay Rank including:

- Minimum number of qualified Legs or Titled Legs;
- Minimum monthly TQV requirements;
- Compensation Plan, sales programs, contests, awards or monthly incentives for you or any Business Owner on your team; or
- Pay Rank achievement for Promotion Bonuses.

If you actually generate PQV during the exemption period, this PQV will count toward TQV, sales programs, contests, awards and monthly incentives.

You are responsible for understanding and properly utilizing this one (1) time exemption period. If you have any questions at all about this policy, please contact Field Relations team for clarification. Unfortunately, the exemption period cannot be lifted once granted, even if actual PQV is achieved during the exemption period.

3.4 Corporate Leads

Leads refer to customers or non-customers who visit any of our Corporate Websites and request more information about a Stella & Dot Family Brand, typically on one or more of the following:

- Receiving a copy of our Marketing Materials;
- Hosting a Sales Event; and
- Learning more about how to launch a Stella & Dot Family Brand business.

We want to ensure each Lead has the best *local*, in-brand experience possible. As such, if the Lead has requested to either *only* receive a copy of our Marketing Materials or host a Sales Event, we will connect the Lead to the nearest Business Owner in the applicable brand who Qualified the month prior, based on their Family Brand's Qualifying Volume (QV) requirement to be a Qualified Business Owner.

If the Lead is interested in learning more about becoming a Business Owner, we use the same requirements and qualifications as outlined in the Corporate Manual Assignments policy, to connect the Lead with a seasoned Leader in order to successfully launch a business as a new Business Owner.

3.5 Corporate Referral Orders

Corporate Referral Orders refer to customer orders placed on one of our Corporate Websites when the customer has not indicated a particular Business Owner. These orders are passed along to the nearest in-brand Business Owner who has qualified the month prior as a gift from us. 'Nearest' will be based on the BILL TO address for orders. For example, if someone in California purchased a gift and sent it to someone in Florida, the referral would be based on the California address. To receive Corporate Referrals, you must be subscribed to the E-Marketing Suite.

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These referrals should not be expected; successful businesses are not built upon referral orders. PQV and commission amounts earned on these types of orders are different from those earned by orders directly placed on your PWS or at Sales Events. For these orders, an 'Order Confirmation' will be emailed to you, including all the necessary customer contact information needed to follow-up, ensure a delightful experience and hopefully make this customer *your* loyal customer, Hostess or even future Downline Business Owner.

Please note, during the first few months of a new Family Brand's ecommerce launch, as we develop and refine our system functionality, it may not be possible to assign orders to Business Owners. Please know that we endeavor to assign all orders as quickly as possible.

3.6 Training Events

Home Office and Field Leaders offer events throughout the year including local meet-ups, regional trainings and National Sales Conferences. We recommend you attend as many of these meetings as possible. In fact, depending on your Career Rank, you may be required to attend certain events in order to maintain your Career Rank. These events are meant to provide you with the training needed to advance your business and to learn more about new collections, new incentive programs and general business updates! They are fun and a great way to connect with the Stella & Dot Family Brands community. You can learn more about these events in your Lounge.

If you choose to bring personal items or samples to an event please take care to secure your personal artifacts or samples, as we are not responsible for any lost or stolen items.

Stella & Dot Family Brands will provide accommodations for the hearing impaired at Home Office led events only upon direct request. To request accommodations, you must submit your request to your brand's events team via email no less than thirty (30) days in advance of the event.

SECTION IV. BUILDING A TEAM

One of the key elements of a successful Business Owner's business is the ability to build a team. Building a team empowers you to lead by example and coach other Business Owners on skillsets you have acquired in the business. One of the many benefits of building a team is earning team sales commissions for the time and effort you spend in coaching each of them to success in their business.

4.1 Leadership Support

A successful Business Owner provides support and encouragement the Business Owners in her or his Downline Below are some of the ways you can support your Downline and grow your team.

Lead by Example

- Exemplify the cornerstone of leadership by maintaining an active and consistent in-home Sales Event schedule.
- Show consistent engagement in your business

New Business Owner Training

- Conduct training by phone or in-person within seven (7) days of new Business Owner sign-up, following the New Business Owner Training available in your Lounge.

Coaching and Guidance

- Actively engage in mentoring your Downline Business Owners and assist them in achieving their goals;

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- Return phone calls or emails within three (3) business days unless you have pre-notified your Downline that you will be unavailable for a short vacation period of no greater than two (2) weeks.
- Keep friendly and professional relationships with the Stella & Dot Family Brands' community at large. Disparaging remarks and negative behavior about anyone within the Stella & Dot Family Brands' community is not in line with our code of conduct.
- Keep a positive presence within social media and in all other channels. All questions about product quality and policies should be handled directly with Home Office and not in any public forum, including social media.

Training

- Regularly attend all meetings and trainings. If you cannot attend a meeting or training session, ensure you provide twenty-four (24) hour advance cancelation notice and reschedule as soon as possible.
- Communicate proactively, on a monthly basis by email, phone or in-person meetings, to your Downline to discuss business goals and progress as well as offer encouragement and kudos.
- Disseminate Home Office information to your Downline in a timely manner.

Kudos and Recognition

- Regularly recognize your Downline team via kudos for efforts and achievements through personal notes, phone calls, team newsletters or forum postings.
- Keep open and regular communications with your own Mentor so as to not cut off additional coaching support for your Downline team. Your Upline leadership team should feel comfortable to freely communicate with your team members in all forums.

In the rare event that a Leader is consistently not providing leadership support, Home Office may step in and evaluate a more supportive reporting structure for some or all of the Downline teams or, in appropriate circumstances, allowing a Roll-up (see Roll-up policy below).

4.2 Building Teams in a Sister Brand and Referral Sales Commissions

All Business Owners can participate in any or all of the Stella & Dot Family Brands, including referring Business Owners to any other Sister Brand.

Business Owners, up to and including the rank of Associate Director, can build a team in a Sister Brand as the Direct Mentor if they enroll in that brand by purchasing the Starter Kit. In this case, the Business Owner earns Direct Team sales commissions.

When a new Business Owner enrolls in any Family Brand, she/he will be asked to select either a Sister Brand 'Referrer' who introduced her/him to the opportunity and/or a Business Owner who will be her/his Mentor. Enrolling Business Owners who were referred by a Sister Brand Business Owner may choose both a Referrer and a Mentor, if and only if the enrolling Business Owner has a personal relationship with her/his selected Mentor. Solicitation of Sister Brand Business Owners to become the Mentors for their referrals is strictly forbidden. If a Mentor was not designated in the sign-up process, the applicable Field Relations team will assign the Business Owner to a Mentor via the Corporate Leads policy. In any instances where there is a concern of poaching, solicitation, recruiting or alliances between Brands, the Field Relations team will investigate, and violations of this policy may result in immediate termination of one or both Business Owners' accounts.

Building a Referral Team

You can build a Referral Team by referring prospects to a Sister Brand, regardless of whether or not the Business Owner has enrolled in the Sister Brand. All Business Owners, including Directors and above, can enjoy Referral Team rewards, earning Referral Team sales commissions.

You will *automatically* be the Referrer for a Business Owner who has been active on your first line as a Direct Team member (i.e. not your Referral Team) within the last six (6) months, if this Business Owner enrolls in a Sister Brand.

A Referrer does not earn bonuses (e.g., Extra 3% New Stylist Team Sales Commissions, Monthly Leadership Development Bonus, etc.), Group Qualifying Volume, or Total Qualifying Volume based on the sales activity of her/his Referral Team. Referral Teams do not count toward qualifications for Pay Rank attainment. Please see the Compensation Plan for a full overview of Referral Commissions.

You may refer a household member to another Sister Brand and serve as the Referrer to such household member and earn Referral Sales Commissions on that household member's sales. However, it is imperative that this household member is truly a separate person running a completely separate business. Any violations of our Confidentiality Policies or Partnerships Policies and/or any fraudulent enrollment of Business Owners will result in immediate termination of all applicable Business Owner Agreements.

Building a Team in a Sister Brand

If you sponsor a team in a Sister Brand, and that team is therefore your Direct Team, you earn the commissions specified within the brand's compensation plan based on your qualifications within that brand. The sales of one brand do not count toward your qualifications in another. All other programs and rewards, such as Hostess Rewards, Jumpstart Programs, seasonal incentives, and other plan elements, are also separate.

When you have a Direct Team, you provide the coaching to your team, so you will need to stay up to date on brand specific information such as product knowledge, Compensation Plan and incentives. You will also want to be an active member of that community, by attending local meet ups, regional meetings and national trainings.

When you sponsor someone on your Direct Team, you forfeit all rights to Referral Team Benefits for that Business Owner. Once someone has joined your Direct Team, they cannot switch to being on your Referral Team in any circumstance.

4.3 Sponsoring/Mentorship Relationships

Personally sponsoring new Independent Business Owners is the foundation of leadership because it reinforces the activity that leads to a consistent, sustainable and strong business – introducing new people to the Stella & Dot Family Brands Independent Business Owner opportunity. Please note, it is our expectation that when you introduce someone to the opportunity, you bring her/him into your direct line for mentorship. We do not support “stacking” teams by suggesting or requiring a new Business Owner to join the team of a Business Owner on your Downline team for the purpose of promoting that Downline or yourself.

“**Personally Sponsored Independent Business Owners**” are first line Business Owners who specifically entered your name/ID number when they enrolled. This can mean either:

- You have personally sponsored organically; or
- You have personally sponsored after receiving a Home Office Lead but not through the Corporate Manual Assignment process (i.e., you were assigned the Lead before she/he enrolled).

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If you have Personally Sponsored Independent Business Owners on your first line (as noted above), you may enjoy the full benefits of our Compensation Plan including team sales commissions and qualifications to promote and maintain Pay Rank, based on Qualified Legs.

We do recognize the time and effort required to mentor all new Independent Business Owners anywhere in your Downline organization through your brand's Jump Start program and onto success; therefore, those assigned to you via the Corporate Manual Assignments process within their first month of enrollment and those who roll up to your first line for any reason will count towards the full benefits of the Compensation Plan, just as if they were "Personally Sponsored".

Occasionally, it may be necessary for Home Office to join some direct-to-corporate teams together, particularly at the beginning of a new brand or to re-assign a Business Owner to an entirely new Upline leader within the brand (i.e., not someone who was previously a member of her Upline Leadership Team). An Adopted Business Owner is defined as a Business Owner who is re-assigned to a Business Owner's first line at any time after her first month of enrollment in the brand.

Adopted Business Owners are a wonderful addition to your team and count toward your TQV and your team sales commissions. However, these Business Owners are familiar with the Stella & Dot Family Brands and do not require the same start-up coaching as a new Business Owner. In addition, because Sponsoring new is such a fundamental activity to the success of your business, Adopted Business Owners will not count toward your Team Structure (Qualified or Titled Legs) for Pay Rank or Promotions for the first twelve (12) months they are on your team. Additionally, you are not eligible to earn the Leadership Development bonus on the Legs they lead. After twelve (12) months, Adopted Business Owners (and their teams) will count towards the full benefits of the Compensation Plan.

4.4 Associate Director Responsibilities

By achieving and accepting the Associate Director Business Owner Pay Rank, you will be required to fulfill all the qualifications listed below. Should you choose not to accept these responsibilities, you must inform your applicable Field Relations team via email so they may partner with you to transition your team, as further described in the Non-Acceptance of Leadership policy, which also provides information on exceptions to this rule.

- The minimum PQV requirement as set forth in the Compensation Plan for all Leaders must be derived from Sales Events.
- Make every reasonable effort to hold monthly open team meetings, or support existing local meetings that are open to all Independent Business Owners, regardless of whether they are on you team.
- Make every reasonable effort to participate in all weekly Leadership calls conducted by Home Office or by your immediate Upline Leader and to disseminate relevant information obtained from such participation to your team.
- Offer all Downline Independent Business Owners for whom you are the closest Associate Director Career Rank or above the opportunity for coaching to build their business.
- Be available to respond to questions or inquiries from team members, and strive to respond to all such questions or inquiries.
- Make every reasonable effort to plan, hold and conduct one (1) Meet Stella & Dot Family Brand Opportunity Session (as described in the Stella & Dot Family Brands Leadership Guide) per calendar quarter in accordance with the Policies & Procedures. Such events should be held in locations open to the public (e.g. restaurants, hotel conference centers).
- Attend applicable Stella & Dot Family Brands company sales events, such as Hoopla. In the event you are not able to attend, you should inform your Field Relations team and ensure other arrangements have been made for your team.

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- Although the Leadership Retreat is not a mandatory function as an Associate Director, you are invited and encouraged to attend this function if you are able.

4.5 Director Responsibilities

In addition to the aforementioned duties, Director or above responsibilities include but are not limited to:

- Attending any applicable Leadership Retreat. In the event you are not able to attend, you should inform your Field Relations team and ensure other arrangement have been made for your team.
- Holding monthly All-Business Owner meet-ups, or support existing local meetings. Planning, holding and conducting at least three (3) Opportunity Events per calendar quarter.

4.6 Senior Director Responsibilities

If you advance to the Senior Director or above, in addition to the aforementioned duties, you agree to the following additional duties during the term:

Make every reasonable effort to work with other Senior Directors or above in your region and the Stella & Dot Home Office to arrange coordinate and conduct regional team meetings. The frequency and location of such meetings shall be determined by you, your regional Senior Directors and Home Office.

4.7 Leadership Focus Policy

Business Owner holding the career rank of Director or above may not simultaneously lead a team in another direct selling business outside or within the Stella & Dot Family Brands, either directly or via their spouse living at the same address.

Once you achieve the career rank of Director, you will forfeit your position as a leader with any other Stella & Dot Family Brand business or another direct selling business. If you are involved in another direct selling company and do not wish to terminate your relationship with that company, you must inform Field Relations, who will transition your Stella & Dot Family Brands team to the Next Qualified Leader. This Leadership Focus Policy applies to the extent permitted by applicable law, which can vary from province or territory. We understand that taking on the additional leadership responsibilities may not align with your personal career goals. As such, if you feel being a leader is not for you at the time of a promotion, you may work with your Field Relations team to reduce your team size through Roll-ups to maintain a lower Career Rank.

4.8 Corporate Manual Assignments

When a new Business Owner signs up, without indicating a Mentor-of-Choice, Field Relations will manually assign the new Business Owner to a Mentor. This is referred to as a Corporate Manual Assignment and is a gift from Home Office Leaders in the field!

Assignments are made to the Business Owner in the same brand, based on the following criteria:

Stella & Dot:

- Is geographically closest;
- Is paid at Star Pay Rank or above in the preceding month. If there is not a Star Business Owner or above within a fifty (50) mile radius of the new Business Owner, but there is a Senior Business Owner within fifty (50) miles, we will assign to the

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Senior Business Owner. If there is no Senior Business Owner within fifty (50) miles, we will assign to the closest Business Owner who is at a Star Pay Rank or above; and

- Is Qualified based on the Qualifying Volume requirement for the brand.

Assignments are based on Career Rank because this ensures the new Business Owner is being assigned to a Mentor who is not only active in the business, but who is also currently leading a team and is exclusively focused on a Stella & Dot Family Brand. This is very important for new Business Owners as they learn the ins and outs of the business!

KEEP Collective:

- In the early stages of a new brand, we want to ensure all new Business Owners are assigned to the best possible in-brand Mentor, but we may not have a large network of established leaders. As such, we will make assignments using a more generous set of requirements based on the structure of Stella & Dot Family Brand's requirements, and taking into account proven success with selling, sponsoring and coaching team members to success demonstrating values consistent with a Stella & Dot Family Brands leader in addition to proximity of geographic location.

Please keep in mind that in order to build a great social-selling business, there is no substitute for leveraging YOUR social network. Home Office assignments are somewhat rare and should not be expected, as they are not the best way to build a personal business.

In order to ensure new Business Owners every opportunity to succeed with a Mentor they connect with, Business Owners who were assigned a Mentor via Corporate Manual Assignment may request reassignment within the first thirty (30) days of the effective date of their Business Owner Agreement. Your Field Relations team will review each case on an individual basis and may approve or deny the request in order to maintain a no-poaching community.

4.9 Inadequate Support

Leaders are encouraged to coach Business Owners at all levels of their Downline team. As such, please note Mentor Reassignments are exceedingly rare and are considered only in extreme circumstances.

Your Mentor and Leadership team are encouraged to provide you with the support, coaching, and guidance needed to help you successfully build and grow your business. If you feel that you are not receiving adequate support or training from your Mentor or Leadership team, you should discuss this directly with your Mentor or Leadership team

4.10 Roll-ups

A Roll-up is defined as the process of a team transitioning from the current Mentor to a new Mentor. Roll-ups occur when you, as a Business Owner with a team:

- Terminate the Business Owner Agreement as a result of Voluntary Cancellation, Deactivation or Home Office Termination;
- Lose your team due to the Compression Policy (Stella & Dot) or Inactivity Policy (KEEP Collective);
- It is determined by us, in our sole discretion, that a Roll-up is appropriate due to chronic failure of a Mentor to provide training and support to Downline team members.

At the time of a team's Roll-up, every Business Owner on the first line will immediately roll-up to the Next Qualified Leader (NQL). NQL is defined as the next Upline Leader within the Family Tree who:

- Has Qualified based on the brand's PQV requirement in one (1) of the previous three (3) months; and

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- Has the willingness and capacity to actively coach the rolling-up team as per the 'Minimum Leadership Support' requirements. Roll-ups will remain at the discretion of the Home Office in the event of any documented cases of leadership complaints and/or compliance issues against the Upline Business Owner.

During a Roll-up, in the rare event the NQL inherits two (2) or more Star Legs (or above), only the Star and above Leg with the highest Career Rank will count as a titled leg for the Upline. The remaining Star and above legs will count as adopted per the Sponsoring/Mentoring Relationships policy. In the event the highest Star or above legs hold equal Career Ranks, TQV will be used to determine who the titled leg Business Owner will be.

If you advance in Career Rank because of a Roll-up or when an Adopted Leg is released to you after twelve (12) months, please ensure you are familiar with the additional requirements of your new Career Rank and provide appropriate mentoring and coaching for your Downline team(s) per the Mentor Guidelines and Obligations policy and the Minimum Leadership Support policy.

If there is not a NQL on your Family Tree, the Field Relations team will manually assign the team to an NQL on another Family Tree. In these rare circumstances, first line Business Owners of the rolling team will be reassigned to the closest leader with a Career Rank at least one (1) level higher than that of the rolling Business Owner, potentially outside the Family Tree and based on geographic location. Star Directors and above may be reassigned to Home Office and form a new direct-to-corporate line.

In the instance of a roll-up where the Downline team and Upline leadership team are not from the same country (except Roll-ups between US and Canada) rolling the Downline team to the NQL within the Family Tree will be given preference. However, the rolling Downline Business Owner will first roll to her/his local Home Office for a maximum of fifteen (15) business days. Stella & Dot Family Brands is committed to ensuring all Business Owners have engaged and active sponsors, as such the local Field Relations team will review the Roll-up for any potential conflicts such as language or time zone barriers. To allow a Business Owner to roll up to a Business Owner in another country, both Business Owners will need to:

- Be fluent in a shared language;
- Agree there are no time zone barriers. At a minimum, a mutually agreed weekly coaching time utilizing a video conferencing tool (such as Skype) will need to be established; and
- Have a coaching plan approved and retained on file by Field Relations.

If, after review by Field Relations and input from both Business Owners it is determined there are barriers that would prevent a successful business and mentoring relationship, the rolling Business Owner will roll to the closest Qualified Leader within her/his home country per the Corporate Manual Assignment policy. If, after fifteen (15) business days, no response has been received from the rolling Downline Business Owner, Field Relations will make the final determination and roll the Downline to the NQL within the Family Tree.

International Upline leaders are expected to uphold the same leadership and mentoring responsibilities as outlined in the Minimum Leadership Support policy.

The Field Relations team has up to thirty (30) days to process Roll-ups. Roll-ups are effective in the month executed and will not be retroactive to the date of the original request.

4.11 Compression

Compression only applies to you if you have a team. Compression is designed to ensure all Business Owners have an active and engaged Mentor who is leading by consistent example through personal Sales Event sales. If you, as a Mentor, do not

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Qualify at least once in your brand's qualifying timeline, you will lose your team and they will roll-up to the qualified Upline Business Owner, Business Owners do not earn team sales commissions in months they do not qualify. If you do not qualify for team sales commissions in any month within your brand's qualifying timeline, your team will roll-up due to Compression. Your personal account is not affected by Compression.

Your Field Relations team may transfer your team if this policy or any of the requirements of sponsoring or leading a team are violated.

Stella & Dot: Independent Stylists must qualify at least once in a rolling six (6) month period, where the six (6) months begins in the month after you last qualified. In order to lead by example, PQV minimums must be generated primarily through in-home Sales Events. Sales cannot be generated *solely* through online purchases (non-Sales Event orders).

KEEP Collective: Independent Designers in this brand who have not Qualified by selling 300 PQV in a month at least once in a rolling six (6) month period will be deactivated and their teams will be rolled up to the qualified Upline Business Owner. Please refer to the Inactivity Policy, for further details.

SECTION V. MARKETING YOUR BUSINESS

5.1 Promoting Your Business

When promoting your business, it is of vital importance to not violate any of the compliance policies that may negatively impact you, the Stella & Dot Family Brands or the community of Business Owners. You must at all times conduct your Stella & Dot Family Brands business in a manner that reflects favorably on Stella & Dot Family Brands and the good name, goodwill and reputation of Stella & Dot Family Brands and our products. You must not engage in deceptive, misleading or unethical conduct or practices that are or might be detrimental to Stella & Dot Family Brands, our products or the public. To ensure you are operating your independent business in compliance with applicable laws, rules and regulations as well as the terms of your Business Owner Agreement, please carefully review and abide by these policies.

To further assist you with your Stella & Dot Family Brands business, we are providing the following general guidelines when advertising your business in any medium, in addition please reference the Social Media Marketing Guidelines, available within your brands Lounge

5.2 Clearly Representing Your Independent Business Owner Status

You may not misrepresent yourself in a way that creates confusion that you represent the Home Office. If you list contact information, you must identify yourself as an 'Independent Business Owner' (i.e. a Stylist or Designer) and always use the word "I" instead of "We." In addition, you must clearly state in all marketing materials and on public forums (including your social media pages) that you are an "Independent Stylist," or "Independent Designer," to make it clear that you are not an employee of Stella & Dot LLC (i.e. you do not work at or for Home Office).

5.3 Advertising

Your advertising activities must ensure fairness to all Independent Business Owners. Business Owners are not permitted to advertise through mass mailings or through channels otherwise deemed inappropriate by Stella & Dot. Any advertisements related to your Stella & Dot Family Brands business (whether in print, online, via social media, radio or television) must be limited to a fifty (50) mile radius of the city in which you live and must be accurate, professional and not misleading in any way. This does not apply to your PWS or social media, for example your Facebook page, which reaches an audience broader than fifty (50) miles in radius, but does include any paid platform (such as Facebook Ads or Google Ads).

5.4 Social Media

We encourage Independent Business Owners to use social networking sites, blogs and other forms of internet communication to promote your Stella & Dot Family Brands business. However, please note the following requirements regarding your use of social media in connection with your business:

- To ensure your business activities are kept separate from your personal social activities, we recommend you establish a new social media profile for your Stella & Dot Family Brands business.
- You may not use any derivative of the Stella & Dot Family Brand names in any social networking account names, website URLs, email addresses or your PWS URL extension, which include but are not limited to “Stella” and/or “Dot,” “Stella & Dot,” “SD,” “KEEP Collective,” “Keep,” “KC,” “EVER,” “EVER Skincare,” and the like.
- You may promote Stella & Dot Family Brands Products and your Independent Business on social media, but you may not use social media sites to sell Stella & Dot Family Brands Products.
- You must comply with the rules associated with any particular social media website or network.
- You must refrain from making postings that are false, misleading or deceptive. This includes but is not limited to, false or deceptive postings about Stella & Dot Family Brands, Stella & Dot Family Brands Products, the business opportunity presented by Stella & Dot Family Brands, and/or Independent Business Owner personal information or credentials.
- You must refrain from making postings or linking to any posting or other material that is or may be considered: (a) sexually explicit, obscene or pornographic; (b) offensive, profane, threatening, harmful, defamatory, libelous, harassing or discriminatory; (c) solicitous of any unlawful behavior; (d) a personal attack on any individual, group or entity; (e) in violation of any intellectual property rights of Stella & Dot Family Brands or any other third party; or (f) not consistent with the terms and conditions of these Policies & Procedures.
- You may not use social media outlets to comment on other brand products that are competitive to a Stella & Dot Family Brands Products in order to drive sales and direct customers to your PWS.

Independent Business Owners are solely responsible for any postings and online activity related to your Stella & Dot Family Brands business. If you create, operate or own a website, blog or other internet site, you may not sell, offer, book a Sales Event or sponsor a Business Owner via the site itself. While you may add your Personal Website URL on your respective blog or social media profile, you may not redirect customers to your PWS via an Independent URL or hyperlink to which it is not explicitly clear to the customer what site they are being taken to. Please see policy Marketing and Naming: (PWS) Any SEO or SEM for this website, blog or internet site must be focused only on the individual Business Owner and may not include any iteration of S&D Trademarks.

5.5 Sales Through Commenting on Competitor Products Similar to Stella & Dot Family Brands

You may not use social media outlets to comment on other brand products that are competitive to a Stella & Dot Family Brands Products in order to drive sales and direct customers to your PWS.

5.6 Unsolicited Communications

You may not engage in unsolicited electronic communications in connection with the advertising, promotion or sale of Stella & Dot Family Brands Products or in an effort to recruit an individual to your Stella & Dot Family Brands business. You may send electronic communications to (i) any person from whom you have prior consent to contact via the specific mode of communication or (ii) family members, personal friends or any other person with whom you have established a business or personal relationship.

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Without limiting the above, any electronic communications, including but not limited to, messages sent via e-mail, social networking sites or other means sent by an Independent Business Owner in connection with her/his business must meet the following requirements:

- The communication must clearly identify the Independent Business Owner as the sender of the email and as an Independent Business Owner of Stella & Dot Family Brands;
- The communication must include an accurate return email address of the sender;
- The communication must include a notice that advises the recipient that she/he may reply to the email via the return email address provided or other means to change email preferences or opt-out of future emails;
- The communication must include the Independent Business Owner's physical mailing address; and
- The communication must clearly and conspicuously disclose that the message is an advertisement or solicitation.

In addition to the above requirements, you must refrain from deceptive subject lines or false header information, and you must honor opt-out requests as soon as possible, and in any event, no later than ten (10) days of receipt of any such request.

5.7 Marketing Materials and Restricted Use of Stella & Dot Family Brands Trademarks

S&D Trademarks and S&D Content are valuable business assets that support a unique and equitable business opportunity for Independent Business Owners. Per the terms of your Business Owner Agreement, Stella & Dot is the sole and exclusive owner of S&D Trademarks and S&D Content. As an Independent Business Owner, during the term of your Business Owner Agreement, you have a limited right to use the S&D Trademarks solely to promote your Stella & Dot Family Brands business. In summary, you may not create, market, promote or sell any marketing materials that incorporate Stella & Dot Trademarks or Stella & Dot Content to any other Independent Business Owners, Stella & Dot Family Brands customers, or any other third parties.

When representing yourself as an Independent Business Owner, you may use only those logos available in the Marketing Materials section of your Lounge. All logos made available to you include the verbiage "Independent 'Business Owner'" underneath the Stella & Dot or KEEP Collective logos. Some of these also include a disclaimer that the applicable Stella & Dot Family Brand has not approved of the independent marketing materials of Independent Business Owners. Your collateral must always maintain the integrity of the EVER brand, comply with all Policies & Procedures, as well as all applicable laws.

In addition, Independent Business Owners must not do any of the following:

- Edit, alter or customize any S&D Trademark, including logos approved for use, in any manner.
- Use any trademark or service mark that is similar to or may be confused with any S&D Trademark or S&D Content.
- Combine any S&D Trademark or S&D Content with any other trademarks or service marks.
- Use S&D Trademarks or S&D Content in connection with any other business or opportunity outside of the Stella & Dot Family Brands.
- Use S&D Trademarks or S&D Content in connection with any products that are not genuine Stella & Dot Family Brands Product.

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- Profit from the use of Stella & Dot Family Brand trademarked names outside of commissions earned on the sale of Stella & Dot Family Brands Product that may have been obtained through the use of Stella & Dot Family Brands trademarked names to directly market their business.
- Use S&D Trademarks in connection with Google AdWords or other paid search engine optimization strategies. This includes the use of your PWS since this contains branded domain names, such as 'stelladot.com.' This reduces any confusion between your PWS and Stella & Dot Family Brands corporate websites.
- Register or attempt to register any S&D Trademarks or similar marks in any class of products or services anywhere in the world.

Demonstration, display or sales of Stella & Dot Family Brands Products in retail or service establishments of any kind must be in accordance with these Policies & Procedures.

5.8 Restricted Use of Third Party Trademarks

If you do choose to create your own marketing imagery, you may not use trademark-protected names, phrases, or logos of third parties or other brands.

5.9 Co-Mingling Marketing of Brands

You may not co-mingle marketing for your other business(es) within the same media channels as your Stella & Dot Family Brands marketing campaigns or in-person Sales Events.

If your other business is a Sister Brand, Hostess Rewards will not be combined and you will run the risk of not qualifying for either event by splitting orders between both. Hostess Rewards are not transferrable across brands and could thus be detrimental for your Hostess if you sell multiple lines at the same events. We advise maintaining independent online presences including email signatures, Facebook Fan Pages, etc.

Similarly, you may not solicit for or promote a different Sister Brand in any online forum or offline event that was created for the purpose of Business Owners of a brand coming together for community, information and/or training (including but not limited to Facebook, Instagram or Twitter).

5.10 Marketing and Naming: Personal Website (PWS)

We highly encourage you to market your PWS link in order to drive online sales to your business! However, please make sure you comply with the following:

- Do not use any level of search engine optimization or search engine marketing strategies for your PWS such as Google AdWords. Paid advertising that extends beyond a fifty (50) mile radius of where you live is strictly prohibited. Please see policy Marketing Materials and Restricted Use of Stella & Dot Family Brands Trademarks.
- Do not direct leads or potential sales to your personal PWS. Should you notice a potential lead or order on a social media site, please provide assistance by posting the Stella & Dot, KEEP, or EVER Corporate website URL. The lead or order will be assigned to the appropriate Business Owner, per the Corporate Leads or Corporate Referral Orders policies). We actively monitor these pages and will assign customers via our Leads assignment program.
- Your PWS extension should relate directly to your name – this gives your customers the personalized shopping experience they love! You are not permitted to use any derivative or permutation of any Stella & Dot Family Brands name or any generic extension such as 'shop,' or geographic locations (cities, major regions).

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- We reserve the right to change your PWS extension if it does not relate to your name or is non-compliant with our policies.
- There are some regulatory limitations on statements about our products, and you will be required to abide by these limitations on your PWS.
- You may not use any permutation of any Stella & Dot Family Brands name for use in an independent website URL, your email address or account names for social networking sites.
- Do not redirect traffic to your site via an alias URL or hyperlink that takes a user to your PWS.
- Do not use URL shortening tools to market your PWS. URL derivatives including, but not limited to bit.ly, goog.gl and owl.ly are prohibited and considered a direct violation of these Policies and Procedures.

5.11 Business Owner to Business Owner Marketing and Services Restrictions

In accordance with the provisions of your Business Owner Agreement, no Business Owner can promote any non-Family Brand services or goods of any kind to another Business Owner. This includes but is not limited to the sales of graphic design services, business coaching, sales tools, marketing materials, business supplies, display items, another direct selling opportunity, etc. Business Owners may make approved sales tools available free of charge if they wish, but may not charge other Business Owner for such materials.

Business Owners from one Stella & Dot Family Brand may sell brand products to Business Owners from a different Sister Brand; however, Business Owners may not use their contacts obtained through one Family Brand to market products, services, or the business opportunity of a Sister Brand, either directly or in any forum (e.g., Facebook, Twitter, Instagram, Community) dedicated to a different brand, see the Co-mingling Marketing of Brands policy for further details.

5.12 Catalogs and Flyers

You may not advertise, promote, sell or sponsor through other company catalogs. We do however encourage you to advertise your business via our Marketing Materials, such as Look Books and Opportunity Brochures, which can be accessed for view and/or purchase in your Lounge.

You may leave a flyer in non-retail establishments, such as a doctor's office or salon, provided the intent is to attract participants to an in-home Sales Event, not to sell.

5.13 Phone Listing Policy

As an Independent Business Owner, you may list your phone number in the manner below:

- Name, Career Rank
- Independent [Business Owner (Stylist or Designer)] with [Your Brand] (i.e. Stella & Dot or KEEP Collective)
- Address, Phone Number.

5.14 Sales Through Other Internet Sites

You may not sell any Stella & Dot Family Brands Products on any website other than your PWS. The offer of sale of EVER products on other websites, including but not limited eBay, Amazon, Craigslist, Groupon, Poshmark, blogs or internet auction sites is strictly prohibited. This includes engaging others, even those outside your direct household (e.g., Hostesses, customers, friends, family, acquaintances, or other businesses) to sell on your behalf on such websites. Any means of circumventing this

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rule are not allowed. Please pay close attention to this rule, as violation may result in immediate termination of your Business Owner Agreement.

You may also not post your PWS URL to a public website to engage in URL redirection or URL forwarding. Additionally, you may not display product images from any Stella & Dot Family Brands Corporate Website on any sales websites, including but not limited to online marketplaces.

You may not sell any Stella & Dot Family Brands Products on any website other than your PWS. You may not post your PWS URL to a public website to engage in URL redirection or URL forwarding. Additionally, you may not display product images from any Stella & Dot Family Brands Corporate Website on any sales websites, including but not limited to online marketplaces.

Even after your Business Owner Agreement is terminated, you must not sell large quantities of Stella & Dot Family brands products acquired as a Business Owner on any websites, including but not limited to websites, such as eBay.

5.15 Media Engagement and Public Relations

All third-party media communications are handled by our Home Office Public Relations team. As an Independent Business Owner, please do not reach out directly through social media platform, chat groups, comment sections, or any other communication modes to celebrities, bloggers, national magazines or other media outlets on behalf of any Stella & Dot Family Brand specifically to direct customers to your PWS in order to generate personal sales.

You must obtain approval from the Home Office Public Relations team before participating in any local or national media plans. The Home Office PR team will initiate all television, cable TV, radio, Internet, newspaper, blogs, syndicated columns, broadcast shows, newsletter and magazine interviews, features and paid advertisements. If you are presented with an opportunity to promote your business in the media, you should contact the Home Office Public Relations team at PR@stelladot.com.

Participate in press and advertising opportunities that will be distributed more than a fifty (50) mile radius of where you live, unless prior approval is given by the PR Department.

5.16 Trade Shows/Expos/Booth Events

Public events can be opportunities to receive exposure for your business as you may identify customers interested in hosting a Sales Event, purchasing a product or becoming a Business Owner. You may promote your business at exhibits, trade shows and craft fairs, so long as you are in compliance with each of the following:

- You must register for the event and always refer to yourself as a Stella & Dot Family Brands Independent Business Owner.
- Only one (1) Business Owner per brand per event - the first Business Owner from a brand to register for the space with the event sponsor has the right to conduct that event. A second Business Owner from the same brand may need to withdraw if the first registered Business Owner does not want double participation. It is a good business practice to check with the event sponsor in regard to this.
- The booth must be staffed at all times and must not be shared by another business.
- Participation in any specific event must have a duration of no more than two (2) weeks in a calendar year. The only exception is annual state fairs, which are typically held for three to four (3-4) consecutive weekends.

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- Such events cannot be treated as Sales Events, are not eligible for Hostess Rewards and orders from these events must be entered as individual orders.
- We do not provide our sales/use tax registration information directly to you. If you are required to provide this information to the event organizer, please contact taxpayer@stelladot.com with the event organizer's name and contact information and they will provide them with these details.

5.17 Charity Requests

Occasionally, we are asked to participate in charitable events coordinated through our Marketing and Public Relations Departments. Business Owners who wish to submit an event for consideration can submit all relevant details to foundation@stelladot.com. Please note that generally speaking, Stella & Dot Family Brands will defer local-area charitable events to be sponsored by local area Business Owners.

Most events that Stella & Dot Family Brands sponsors are at the national level. In the event that we agree to a Social presence at a charitable event, all Business Owners within twenty-five (25) miles of the event location who are Career Rank of Director and above will be approached with the opportunity to team-up or pass on the event. Directors will be encouraged to donate their commissions to the charity while maintaining the benefit of PQV, prospective Business Owner or future Social Leads.

5.18 Charitable Commitments Responsibilities

Independent Business Owners must at all times conduct her/his Stella & Dot Family Brands business in a manner that reflects favorably on Stella & Dot Family Brands and the good name, goodwill and reputation of Stella & Dot Family Brands and our products. If you agree to obligations or commit to promises with customers, hostesses, or members of the public and fail to fulfill your personal obligations, such failure may result in tarnishment of Stella & Dot Family Brands' reputation and goodwill and/or subject Stella & Dot Family Brands to potential liability. Any failure to fulfill commitments made to third-parties in connection with your Stella & Dot Family Brands business will constitute a breach of your Business Owner Agreement, and will result in immediate termination of your agreement with us.

5.19 Stella & Dot Foundation

The proceeds from the sale of our Foundation products are allocated to our affiliated charities are purchased through only Social orders, customer orders or Business Owner personal product orders (i.e. Foundation products redeemed using Hostess Rewards or Business Owner personal purchases are not included in our charitable contributions).

SECTION VI. TAXES AND FINANCIAL RECORDS

6.1 Income Tax

For U.S. Independent Business Owners, by approximately January 31st each year, Stella & Dot issues Tax Form 1099 for the previous year. This form will be issued to you if you have earned commission checks, incentives, prizes and such of \$600 or more. Commission and other earnings must be claimed as income with your tax filings each year.

6.2 W-9 Changes

For any changes, such as your name or address changes, please fax in an updated form to 650.589.5240; Attn: Finance Department.

6.3 Sales Tax

When you become a Business Owner, you authorize us to collect and remit, to the proper governmental agencies, the applicable sales tax generated as a result of your sales of product as outlined below. When a Business Owner's orders are

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placed with the Company, sales tax is charged on the actual retail price, taking into account any discounts applied. You must agree to be bound by all sales tax collection agreements between us and all appropriate taxing jurisdictions, and all related rules and procedures. Free product from Hostess Rewards are subject to Sales Tax on the full retail amount of the rewards.

A sale is not final until entered into the Stella & Dot Family Brands online order system and the appropriate sales/use tax amount charged, collected, and remitted to the appropriate agencies. When orders are placed, sales tax is charged on the actual retail price, taking into account any discounts applied. As an Independent Business Owner, you are bound by all sales tax collection agreements between Stella & Dot Family Brands and all appropriate taxing jurisdictions, along with all related rules and procedures.

6.4 Notice to Washington State Business Owners

Any Washington Business and Occupation Taxes owed by an Independent Business Owner outside of your Stella & Dot Family Brands business(es) are solely your responsibility. Under Washington Business and Occupation Tax law, we are required to inform all of our Independent Business Owners that we collect and pay Washington Business and Occupation Taxes on your behalf. Washington Independent Business Owners do not have to register with the Washington State Department of Revenue, unless they are engaged in other business activities outside of Stella & Dot Family Brands. Please visit the Washington State Department of Revenue's website at <http://dor.wa.gov/> if you think you may otherwise be subject to Washington Business and Occupation Taxes.

6.5 Other Exempt Sales

Organizations that are exempt from federal income tax are not necessarily exempt from sales tax. For example, the Girl Scouts of America, while exempt from income tax, are not exempt from sales tax. Each state has its own laws regarding sales tax exemptions. If you are going to be making a sale to an organization that is exempt from income tax and believe they may be exempt from sales tax, please contact taxpayer@stelladot.com

6.6 Requests for Financial Records

Business Owner financial information for the prior year will be available to you in your Lounge. If you would like to see your financial records for prior years, please send a written request with your name, Business Owner ID, email address, mailing address and financial records requested (please be specific and include the date range requested). Please allow up to six (6) weeks for delivery of your financial records. Requests should be directed to:

Stella & Dot Family Brands
c/o Business Owner Compensation
8000 Marina Boulevard, Suite 400
Brisbane, CA 94005

SECTION VII. TERMINATION AND REACTIVATION

Business Owners who operate businesses with more than one brand may choose to close any/or all business at any time per the below policies, except in the event of Home Office termination. Voluntary cancellation of one business does not automatically mean your withdrawal from all businesses; you must submit a written resignation form for each individual business that you no longer want to run.

7.1 Buyer's Remorse

If you sign-up as a Business Owner with us and decide that it is not the right thing for you we honor buyer's remorse for our Business Owners within three (3) days of the time you sign-up. Please contact the Delight Center for a full refund and, if your Starter Kit has already shipped, please send it back unopened and in as-is condition.

7.2 Voluntary Termination of Business Owner Agreement

You may terminate the Business Owner Agreement at any time and for any reason by submitting a 'Voluntary Cancellation' form, which can be downloaded from the document library in the Lounge. We also ask that if you submit written notification to your Mentor and your Downline team.

7.3 Inactivity Policy

To remain an active Business Owner in KEEP Collective, Business Owners must qualify by selling or personally purchasing the minimum PQV required to Qualify in any given month as outlined in the Compensation Plan at least once in a rolling six (6) month period. If a Business Owner does not meet this requirement, she/he will be deactivated and her/his team will be rolled to the next qualified Leader. Upon Inactivity, an Independent Designer will become a customer.

If a Business Owner would like to reactivate her/his Independent Business, please review the Reactivation policy

7.4 Termination

The Business Owner Agreement may be terminated due to one or more of the following:

- Failure to pay the annual renewal fee;
- Failure to meet the minimum activity requirements;
- Upon the death of the Business Owner or voluntary cancellation;
- Immediately upon relocation and change of your permanent residence to a residence outside of the country in which the Independent Business Owner entered into the Business Owner Agreement; or
- A Home Office Termination (see below).

7.5 Home Office Termination

In accordance with the terms of the Business Owner Agreement, Home Office can likewise terminate your Business Owner Agreement at any time and for any reason upon 30 days' written notice and it can immediately terminate your Business Owner Agreement if you violate or breach any term of the Independent Business Owner Agreement, including but not limited to these Policies & Procedures. . In the event of a Home Office termination, annual renewal fees will not be refunded to you.

In the event you operate a business in more than one Stella & Dot Family Brand, your Home Office termination may apply to some or all of your Stella & Dot Family Brands businesses, at the sole discretion of Home Office.

7.6 Effect of Termination

In the event of termination, whether voluntary or otherwise, you will lose your Independent Business Owner status and all Independent Business Owner benefits including the right to earn commissions pursuant to the Compensation Plan, product discounts, company mailings, eligibility for Business Owner contests and access to events and incentives. Your team and related team sales commissions will roll-up to the next qualified Leader, in accordance with our policy on Roll-ups during the following calendar month. Upon termination, a Business Owner has no right, contractual or otherwise, to receive commissions or other benefits from their Downline Business Owners.

Terminations of the Business Owner Agreement by an Independent Business Owner are effective the first day of the month following the date of notice of termination.

Additionally, if you self-terminate, are deactivated or terminated by Home Office, you will lose any Product Credits and Business Supply Credits that you have earned. You will receive legitimately earned commissions only for the last full payment period you were active prior to termination.

7.7 Terminated Business Owners' Buy-Back Policy

We understand that if you are no longer an Independent Business Owner with Stella & Dot Family Brands, you may not have use for some of the items that came with your Starter Kit, Sample Products or for Business Supplies. For these reasons, we offer a Buy Back Policy with the options listed below:

Starter Kit and Sample Products

Starter Kits and any sample products that a Business Owner has personally purchased from Stella & Dot Family Brands that are in resalable condition may be returned. Items purchased from other Independent Business Owners and third parties are not eligible for return. Starter Kits and Regimen Kits must meet the "resalable" requirements and have all components of the original kit included in the return. Upon receipt of a resalable Starter Kit or any sample products, you will be refunded 90% of the net cost of the original purchase price less applicable setoffs. The original shipping and handling fees are not eligible for refund.

The Starter Kit and sample products must be returned to the Fulfillment Center via registered mail. A trackable and/or insured (insured for approximately \$600) shipping method should be used, as Home Office will not be responsible for lost shipments. Please send your package to:

Stella & Dot Fulfillment Center
5820 Opus Drive
Groveport, Ohio 43125 USA
ATTN: Independent Business Owner Buy-Back

Starter Kits and sample products will be deemed "resalable" if each of the following is satisfied:

- The items are unopened and unused;
- The packaging and labeling are current and have not been altered or damaged;
- The items and packaging are in such condition and with ample shelf life that they are commercially reasonable to resell the items at full price;
- The items, at the time of purchase, are not identified at the time of sale as a "closeout," "discontinued," seasonal or ineligible for return; and
- The items are returned to us within twelve (12) months of the date of purchase (unless you are from Maryland, Massachusetts, Wyoming or Puerto Rico).

We will not refund any sample credit products that are not in resalable condition, damaged or in otherwise poor condition. Damaged or used items (including jewelry that was used for display purposes) may not be returned.

Refunds for any of the above will be issued within four (4) weeks from receipt of the returned product.

Business Supplies and Discounted, Discontinued or Seasonal Products *(purchased separately from the Starter Kit)*

General business supplies purchased in connection with your Stella & Dot Family Brands business are eligible for return under the policy above applicable to Starter Kits and, with respect to Stella & Dot and KEEP Collective, any sample products, if they are in resalable condition and meet the other requirements listed above.

Personalized business supplies, such as business cards, are not eligible for return and will not be refunded.

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PWS fees are non-refundable, except as required by applicable state law.

7.8 Account Holds

Home Office may suspend your account if, for example, money is owed, or for violation of other policies in these Policies & Procedures. If an account is suspended, you are prohibited from placing orders, receiving all or a portion of commissions, registering for corporate events, or obtaining other Business Owner rewards. Access to the above will be restored once the account is current and/or all Policy & Procedures violations are corrected; or if you are in a requalification period, until the requalification period has expired.

7.9 Reactivation Policy

You are welcome to sign up as a Business Owner again if your Business Owner Agreement ended as a result of your voluntarily cancellation or deactivation. If the Home Office terminates you, you may not reactivate at any time. Home Office reserves the right to deny a request for reactivation. If your application is accepted, you must start at the beginning Business Owner Status Level of 'Pending' and beginning Career Rank of Stylist, Designer or Specialist, as applicable. A Business Owner who reactivates has no right or interest in the Downline team that existed at the time of the cancellation or termination of the Business Owner's prior Business Owner Agreement.

Your Stella & Dot Family Brands account may be reactivated in one of two ways, depending on how long it has been since your Business Owner account was deactivated.

Deactivated Within the Past Six (6) Months

If you decide to sign up again as a Business Owner within six (6) months of when you self-terminated, please contact the Delight Center and they will assist you with reactivating your account. If you have qualifying Sales Events, Home Office will open your account for one (1) week to allow for order entry. If after one week you do not have enough orders to Qualify, your account will once again be deactivated. If you place a personal order during this time, but do not Qualify, you will be charged the difference between the discount rate and retail rate for your Stella & Dot Family Brands products purchased.

When you reactivate, you will retain your previous Business Owner ID and Mentor (Mentor changes cannot be made,) downline team(s) you may have previously mentored will not be realigned to you. You will not be granted a new Jump Start.

Deactivated More Than Six (6) Months Ago

If you decide to reactivate after more than six (6) months since your cancellation date, please contact the Delight Center so they can have your previous account cleared. Once this is complete, you will be able to sign-up online and submit a new Business Owner Agreement. In doing this, you will be provided a new Business Owner ID, be able to select any Mentor you would like, purchase a new Starter Kit, and be able to take advantage of a new Jump Start.

SECTION VIII. GENERAL TERMS

8.1 Continued Permanent Residence

In order to retain your original Business Owner Agreement with Stella & Dot, you must be a resident and have the legal right to own a business and earn income in the U.S. The Business Owner Agreement does not transfer to another country in which Stella & Dot Family Brands operates. If Stella & Dot Family Brands operates in the country of your new residency, you must sign up to be an Independent Business Owner in your new place of residency to continue your Stella & Dot Family Brands business. Businesses are not transferable.

8.2 Solicitation of Overseas Business and International Sales

Business Owners are not allowed to operate a business in any country in which their brand does not operate. The only exception to this pertains to Military Bases/Posts, please see the United States Military Base/Posts policy. You may not ship any product or business supplies outside of the country in which you have signed your Business Owner Agreement.

Due to complex legal and tax considerations involving international sales, no sales may be made outside the United States (including Puerto Rico), Canada, the United Kingdom, France, Germany or the Republic of Ireland. You may not solicit business from other countries and/or neighboring territories such as Guam. Additionally, you may sell only in the country in which you have a valid Business Owner Agreement.

8.3 Annual Automatic Renewal of Business Owner Agreement

Your Business Owner Agreement will automatically renew every twelve (12) months on the anniversary of the date you entered into a Business Owner Agreement, subject to our Inactivity Policy.

We expect all Business Owners to have a default credit card on file as renewal fees are automatically charged on the due date so please plan accordingly. It is your responsibility to track your upcoming renewal date. Home Office will not provide advance notice of renewal dates.

8.4 Marketing Suite and/or Personal Website (PWS) Automatic Renewal

Business Owners are offered additional business tools, which vary by Brand, such as a PWS or an E-Marketing Suite (which includes a PWS). Each brand has a free trial period. Before the free trial period ends, you can decide to cancel your services or keep them. If you decide to keep them, on day after you free trial period ends, the credit card on file will automatically be charged the applicable fee, depending on your brand and the subscription duration you selected when enrolling, where applicable. The applicable fee after your free trial will be automatically charged without notice to you – so please keep track of the number of days left on your free-trial and plan accordingly.

If at any time, you decide to cancel your free trial, you will no longer have the option of restarting or continuing your free trial where you left off.

If you choose to cancel your added services (such as E-Marketing Suite or PWS), you may enroll again at any time via your Lounge; however, when enrolling again, please keep in mind that there is no guarantee that the original PWS URL extension you initially requested will remain available.

8.5 Building Your Business and Participating in Direct Selling Companies

At any Career Rank, Business Owners are allowed to sell products and hold multiple agreements both across Stella & Dot Family Brands and with other direct selling companies at the same time.

If you choose to sell and build a team in multiple businesses, you must ensure your businesses are operated entirely separate and apart from each other. In addition, you will need to continue to uphold your responsibilities as an Independent Business Owner as outlined in the Business Owner Agreement, including these Policies & Procedures.

Should an Independent Business Owner choose to represent more than one direct sales business, the below policies apply to when the additional business is within the Stella & Dot Family Brands and also when the business is outside of the Stella & Dot Family Brands.

- Selling with Multiple Direct Sales Brands:

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- Independent Business Owners may sell other brands regardless of their Stella & Dot Family Brands Career Rank provided they meet the requirements of the Leadership Focus Policy if they have a Downline team, and are compliant with all Marketing and Confidentiality policies.
- Per the Non-Solicitation and Confidentiality provision of your Business Owners Agreement, you may not request people you've met through your Stella & Dot Family Brands business to solicit sales for your other businesses, either within or outside of the Family.
- Building Teams with Multiple Direct Sales Brands:
 - Independent Business Owners who have a Downline team in a Stella & Dot Family Brand, may build a team with their other direct sales business up to but not including the Career Rank of Director and above. Once you are paid at a Director level for the first time in one Brand, you will need to forfeit your Direct Team with your other business or forfeit your Stella & Dot Family Brand Downline team. Please ensure you are familiar with the Leadership Focus Policy for additional details.
 - In the event your businesses are within the Stella & Dot Family Brands, Direct Teams cannot be transitioned to Referral Team status. Once you sponsor a Direct Team within a brand, you forfeit all rights to Referral Benefits in that brand. We recommend Business Owners focus direct sponsoring in one brand and only build Referral Teams in Sister Brands.
 - Per the Non-Solicitation provision of your Business Owners Agreement and the Confidentiality Obligations you may not request people you've met through your Stella & Dot Family Brands business to recruit for your other businesses, either within or outside of the Family.
 - Marketing your Direct Sales Businesses:
 - You may not co-mingle marketing for your other business(es) within the same social media channels as you market your Stella & Dot Family Brands business.
 - You may not market your other business(es) on any social media channels dedicated to a Stella & Dot Family Brand, either public or private. This includes, but is not limited to, Home Office managed public and private Facebook groups and team pages and groups managed by other Independent Business Owners.
 - You may not solicit your new business (either for sales or recruitment purposes) at any Stella & Dot Family Brands meet-ups or events.

Should you have specific questions about what is or is not within policy when building your business across Sister Brands or with other direct selling companies, please reach out to your Field Relations team for guidance.

8.6 Conflicts and Conflicted Obligations

Stella & Dot Family Brands does not permit any person who is a principal, either directly or indirectly, of another direct selling company, to serve as an Independent Business Owner. For the purposes of this policy, principal shall mean any director, officer, executive, sole proprietor, general partner, or owner of 10% or more of any outstanding stock in any business entity that conducts sales through a direct sales channel, or controls or is under common control with any business entity that conducts sales through a direct sales channel. Stella & Dot Family Brands reserves the right to limit participation in Stella & Dot Family Brands events if an Independent Business Owner is directly or indirectly an employee of or otherwise involved in another direct selling company.

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Additionally, you should not enter into, have or hold agreements, relationships, or commitments to any person or entity that conflict with these Policies and Procedures, your obligations to Stella & Dot under the Independent Business Owner Agreement, and/or your ability to perform services as defined within these policies and your Independent Business Owner Agreement.

8.7 Acts of Third Parties

For the purpose of these Policies & Procedures and the Business Owner Agreement you must not through any third party, directly or indirectly, engage in any conduct or activity not permitted by the Independent Business Owner. You will ultimately be responsible for ensuring that the terms of the Business Owner Agreement (including these Policies and Procedures) are complied with by any third party acting on your behalf or under your direction or instructions, and you shall be held responsible for any breach of such terms and policies by such third parties as if you had caused the breach.

8.8 Targeting Sales of Other Direct Selling Companies

Stella & Dot does not condone Business Owners specifically or consciously targeting the sales force of another direct sales company to solicit or entice members of the sales force of another direct sales company to become Stella & Dot Family Brands Independent Business Owners while possibly violating the terms of their contract with such other company. Should a Business Owner engage in such activity, the Business Owner bears all risk associated with such activity, including in the event that a third party claims or threatens any action against Stella & Dot.

8.9 One Business Owner for Each Business Owner Agreement

To fully acknowledge your work as an Independent Business Owner, we recognize only one name per Business Owner Agreement. As an Independent Business Owner, you may utilize a support person in your business. However, the individual who holds Sales Events and has regular customer contact must be the individual whose name is on the Business Owner Agreement. If you engage or allow any other person to hold Sales Events or have regular customer contact other than in your name, Stella & Dot may immediately terminate your Business Owner Agreement and/or employ such sanctions as it sees fit.

Regardless of relationship, marital or family status, you may reside at the same address as another Stella & Dot Family Brands Independent Business Owner or have another Independent Business Owner in your immediate family, provided that:

- You run your business entirely independently of that other Independent Business Owner; and
- You do not directly or indirectly sponsor that other Independent Business Owner, nor may you both be sponsored within the same Family Tree.

8.10 Licenses

Some local governments might have ordinances that restrict the way you conduct your Stella & Dot Family Brands business. Please contact your local government office to determine if any business licenses are required. Also, if you live in a subdivision or condominium, check with your association to determine if there are any limitations on conducting business activities in your home.

8.11 Non Exclusive Territories

Stella & Dot Family Brands does not grant franchises. Additionally, you are not permitted to conduct sales or sponsoring for exclusive territories.

8.12 Charge/Checking Accounts

As a Stella & Dot Family Brands Independent Business Owner, you may not use any S&D Trademarks or derivatives thereof on bank accounts, credit applications with local suppliers or other business forms. Checking accounts can simply be designated as “Business Accounts,” or if you need to list a business use your name and Stella & Dot Family Brands Independent Business Owner. The intent of this is to avoid any implication that an Independent Business Owner’s business is Home Office.

8.13 Sale of Third Party Product

As an Independent Business Owner, you may not market, sell, offer for sale or promote any third party products to any Stella & Dot Family Brands Independent Business Owners as well as Stella & Dot Family Brands’ end customers other than those manufactured, distributed, or approved in writing by Stella & Dot.

8.14 Customer Cancellation

The U.S. federal government requires that every U.S. customer who generates an order or makes a purchase from you must receive a copy of the Cancellation Policy (found on the back of the order forms). For orders placed using Dottie, a link to each brand’s Cancellation Policy is included in the order confirmation email.

Orders that are placed on our corporate website or through our mobile application (e.g., Dottie) may only be cancelled up to thirty (30) minutes after the order is placed provided it is within Delight Center Business Hours and it is not already being processed. If a customer wishes to cancel an order that is already being processed, please arrange a return, which will allow the customer to receive a refund in accordance with our Return Policy.

8.15 Grievances, Complaints, and Reporting Policy Violations

If you observe a violation of these Policies & Procedures; have a grievance or complaint about another Business Owner that you are unable to resolve regarding any practice or conduct related to the Stella & Dot Family Brands business, please submit an email describing the situation to the Field Relations team for review.

SECTION IX. DISPUTE PROCEEDINGS AND RESOLUTION

9.1 Sanctions for Breaching the Business Owner Agreement

If you are found in breach of your Business Owner Agreement, including these Policies & Procedures, or if Stella & Dot Family Brands determines that you have engaged in or are engaging in any illegal, fraudulent, deceptive, or unethical business conduct, you may be subject, at Stella & Dot’s discretion, to one or more of the following corrective measures:

- A written warning or admonition;
- A requirement that you take immediate corrective measures;
- Imposition of a fine;
- Suspension of your Business Owner Agreement for one or more pay periods;
- The removal of a frontline Business Owner and their Downline team from your Downline team; or
- Involuntary Home Office termination of your Business Owner Agreement.

To the extent permitted by applicable law, Stella & Dot Family Brands may withhold bonuses and commissions during its investigation into potential or alleged misconduct related thereto, and in the event your Business Owner Agreement is

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terminated, Stella & Dot Family Brands may withhold any amounts due and owing to Stella & Dot Family Brands. If your Business Owner Agreement is terminated, you will not be entitled to any commission or bonus not earned as of the date of your termination.

9.2 Alternative Dispute Resolution

Any and all disputes will be resolved in accordance with the arbitration provisions of the Business Owner Agreement.

SECTION X.INTERNATIONAL

10.1 International Sponsorship

Where applicable, you are welcome to sponsor between North America, the United Kingdom, Germany, France or Ireland, but you must sign and return the Stella & Dot Family Brands 'International Sponsorship Agreement' (ISA), which is located in the International section of your Lounge. Signing this agreement helps ensure that the Business Owners on your team receive top-notch support from you, while recognizing the differences associated with international Sponsorship, including different incentives or promotions, languages, time zones, etc.

* * *

Appendix A

Glossary

Adopted Business Owner is defined as a Business Owner who is re-assigned to another Business Owner's first line at any time after her first month of enrollment in the brand. Please see policy Sponsoring/Mentorship Relationship for additional detail.

Bonus Buying Unethical and prohibited of personally purchasing product to qualify for compensation levels or incentive programs. This unethical, prohibited practice is referred to as **Bonus Buying** and is taken very seriously, and may result in immediate termination of your Business Owner Agreement.

Business Owner Agreement means the Stella & Dot Family Brands Independent Business Owner Agreement between any Independent Business Owner and Stella & Dot LLC. The Business Owner Agreement also includes the Policies & Procedures, and Compensation Plan.

Career Rank means the highest achieved Pay Rank within the last six (6) months.

Compensation Plan means the Compensation Plan for your specific Stella & Dot Family Brand.

Compression is the act of losing a team and rolling it to the Next Qualified Upline Business Owner.

Corporate Leads or Leads means a potential customer, Hostess or Business Owner who filled out a Connect form on one of the Corporate Websites and did not indicate connection with a specific Business Owner.

Family Brands means any brand within the Stella & Dot Family Brands.

Family Tree means your entire team, beginning with the person whose mentor is Home Office, and all the way down.

Home Office means the corporate office for Stella & Dot Family Brands.

Host or Hostess means an individual who hosts or is a Hostess for a Sales Event.

Host or Hostess Rewards means the rewards a Hostess or Host earns when a Sales Event she/he hosts Qualifies.

Independent Business Owner, (IBO) or Business Owner means Stella & Dot Stylists, KEEP Collective Designers and EVER Specialists.

Inventory Loading is the practice of purchasing and maintaining excessive inventory.

Lounge means your applicable Business Owner web portal, which you obtain access to once you sign the Business Owner Agreement and purchase a Starter Kit for any of the Stella & Dot Family Brands. This is where Business Owners find Business Owner training materials, view their sales history, enter customer orders, and more.

Marketing Materials means the advertising, marketing and informational materials that Stella & Dot Family Brands provides to its Independent Business Owners from time to time, including but not limited to, our Look Books, Product Detail Guides and Opportunity Brochures.

Mentor is any Upline Leader, including your direct sponsor.

Mystery Hostess An Independent Business Owner personally hosting a Sales Event without disclosing the Host or Hostess prior to the event and promoting a giveaway of Hostess Rewards to those who attend. Please see the Mystery Hostesses, Contests, and Giveaway Prohibited policy for more information.

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NQL means Next Qualifying Leader, or the Upline Business Owner who has qualified to receive a Roll-up Business Owner.

Operating Countries means the countries in which a Stella & Dot Family Brand is fully operational and allows for enrollment of Independent Business Owners. For Stella & Dot, this includes the U.S. (including Puerto Rico), Canada, the United Kingdom, Germany, France and the Republic of Ireland. For KEEP Collective, this includes the U.S. (including Puerto Rico) and Canada. For EVER, this includes the U.S. (Including Puerto Rico).

Qualify means achieving a minimum PQV or other sales requirement to begin to earn commissions, rewards, or incentives, as applicable and detailed in the Compensation Plan.

Pay Rank means a monthly achievement based on qualifications of QV, GQV and team structure as defined and detailed in the Compensation Plan.

Personal Information identifies, may identify, or permits you to contact, an individual. It includes, without limitation, a customer's, potential customer's, or other individual's name, address, email address, phone number, credit card information, Social Security Number, purchase history and other information associated with these details. In short, "Personal Information" includes any information about an identifiable individual. All Independent Business Owners are required to comply with the applicable Canadian privacy legislation, including without limitation, the federal Personal Information Protection and Electronic Documents Act, at the Independent Business Owner's sole expense and

Personally Sponsored Independent Business Owner business owners who when enrolling in a Stella & Dot business requested a specific Mentor.

Policies & Procedures means the Stella & Dot Family Brands Policies & Procedures.

Referral Rewards means the rewards an EVER customer, Host, or Business Owner may earn when referring a specific number of new customers to EVER in a specific time period, as detailed in the Referral Rewards rules on EVER Connect, located in the Specialist Lounge.

Roll-up is defined as the process of a team transitioning from the current Mentor to a new Mentor. For additional information, please see the Roll-ups policy.

S&D Content means all text, images, graphics, videos, training tools and other content and materials used or displayed on or in connection with and Stella & Dot Family Brands Products, Marketing Materials, business supplies or any of our Stella & Dot Family Brands corporate websites.

S&D Trademarks means all trademarks, service marks, trade names, product names, logos and domain names used or displayed on or in connection with any Stella & Dot Family Brands product, our Marketing Materials, business supplies or on our corporate website. S&D Trademarks include but are not limited to the following: Covet by Stella & Dot™, Covet by Stella & Dot logos, Create. Share. Love.™, Dottie®, EVERbright™, EVER logos, EVER's leaf logo, EVER's magnolia print pattern, EVER Skincare™, KEEP Collective®, KEEP Collective logos, KEEP Collective's heart of keys logo, KEEP Collective's key logo, Keeper™, LSR10®, Olive by Stella & Dot™, One of a Kind Life™, Our Mission: To Give Every Woman the Means to Style Her Own Life®, Pure Results Regimen with LSR10®, S&D™, S^D®, S&D Style Society™, Smooth All Over Beauty Balm™, Stella & Dot®, Stella & Dot logos, Stella & Dot's ampersand logo, Stella & Dot's heart logo, The EVER Edit™, The Keys to Happiness™, The Order of Beauty®, Things You Love From the People You Love®, TimeKey®, Use It. Share It. Grow It.™, and You're a Keeper®.

Sales Events means Stella & Dot Trunk Shows and KEEP Collective Design Sessions.

Sample Period means a period of time where certain Stella & Dot Family Brands Products are available for purchase at a discount greater than your normal Business Owner discount of 25% off retail purchase price.

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Sister Brand means another brand in the Stella & Dot Family Brands.

Stella & Dot means Stella & Dot LLC, including any of the Stella & Dot Family Brands.

Stella & Dot Family Brands means “Stella & Dot LLC” and includes Stella & Dot, KEEP Collective, and EVER LLC.

Stella & Dot Family Brands Products means any products or goods sold by any of our Stella & Dot Family Brands.

Stella & Dot Family

Appendix B

Contact Details by Brand

Home Office Field Relations

- Stella & Dot: stylistrelations@stelladot.com
- KEEP Collective: designerrelations@keepcollective.com
- EVER: specialistrelations@everskin.com

Compliance

- Stella & Dot: compliance@stelladot.com
- KEEP Collective: designerrelations@keepcollective.com
- EVER: compliance@everskin.com

Mailing Addresses

Home Office:

8000 Marina Boulevard, Suite 400,
Brisbane, CA 94005 USA

Specialist Relations:

15990 N. Greenway-Hayden Loop, Suite 160,
Scottsdale, AZ 85260 USA

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Appendix C

Canada Anti-Spam Law Policy

SECTION I. PURPOSE OF THIS ADDENDUM

The purpose of this Addendum to the Policies & Procedures (“Addendum”) is to highlight Canada’s Anti-Spam Legislation (“CASL”) to our Independent Business Owners and to inform our Independent Business Owners that they must comply with CASL when selling and promoting Stella & Dot Family Brands Product. If you send electronic messages, such as e-mails, to Canadian recipients, whether you are located in Canada or not, as of July 1, 2014, you may be subject to CASL.

Please note that this Addendum is not providing you with legal advice on your individual CASL compliance. We advise that you consult with your own personal legal counsel if you have any questions or concerns related to your activities as an Independent Business Owner outside of the parameters set forth in this Addendum as well as with respect to any of your electronic communications made outside of your activities as a Business Owner.

SECTION II. INTERNATIONAL APPLICATION OF CASL

CASL has international reach and applies to anyone sending a “commercial electronic message” or “CEM” (as explained below) received on a computer, mobile device, smart phone or other device (“computer device”) located in Canada and sending CEMs from a computer device located in Canada.

SECTION III. BACKGROUND TO CASL

Among other things, CASL covers a broad range of activities, including prohibiting:

- 1) sending a “commercial electronic message” or “CEM” via any electronic medium (email, social media, instant messenger, etc.) without the recipient’s prior express or implied consent, unless a statutory implied consent or an exclusion applies (as explained in this Addendum);
- 2) hacking, malware and spyware;
- 3) phishing, fraudulent or misleading practices. Note this includes making misleading statements in the subject line of any electronic message;
- 4) altering someone else’s data transmission;
- 5) privacy invasion, including data mining for personal information or using personal information collected from data mining; and
- 6) as of January 2015, CASL will also prohibit altering someone else’s computer device unless you have their prior consent (such as downloading a conference app to your smart device), excepting only certain programs listed in CASL, such as cookies, HTML and Java.

CASL is a comprehensive, sweeping legislation that captures CEMs sent from business to business, business to consumer, and also CEMs to individuals. This Addendum focuses on CEMs.

SECTION IV. TERMINOLOGY EXPLAINED

4.1 – Commercial Electronic Message (“CEM”) and Valid Consent

- Commercial Electronic Message (“CEM”):

A CEM is a message that deals with a sale of goods, services or land, or that encourages participation in such commercial activity. This includes but is not limited to advertisements and information about promotions, offers,

business opportunities, events. For you, this could mean, but is certainly not limited to, an electronic communication to a customer, Hostess or potential customer or Hostess about products, promotions Trunk Shows, Hostess or Independent Business Owner Opportunity and events, such as Meet Stella & Dot events.

CASL prohibits the sending of CEMs unless:

- a) you have the prior express or implied consent of the recipient,
 - b) the message contains certain information to identify you, and
 - c) you include a mechanism to allow the recipient to unsubscribe from getting CEMs from you.
- Express consent exists where the recipient elects to receive electronic messages. It must be positive opt in consent, meaning the person has to take action to opt in (they are not automatically opted in). Easy to opt out consent under Canadian or other privacy law does not count. Express consent lasts until the person chooses to unsubscribe.
 - Implied consent exists in certain business to business situations such as:
 - a) the person is in an “existing business relationship” by having purchased something from you or supplying or selling you a good or service. This implied consent is time limited. It expires two (2) years after the business relationship ends. Under a special CASL rule this implied consent is deemed to last until July 1, 2017.
 - b) the recipient’s email address is voluntarily given to you or Stella & Dot, such as it is handed to a Stella & Dot employee or Independent Business Owner in an exchange of business cards at a trade show.
 - c) the recipient’s business contact details are conspicuously posted on such recipient’s website or elsewhere.

For both (b) and (c) above, the message must be about the recipient’s business duties or interests rather than about the recipient’s personal life.

Please note that all implied consents end if the person unsubscribes from future electronic communications.

4.2 – Exclusions from CASL for CEMs

Some CEMs are excluded from CASL. Examples of excluded CEMs include the following:

- Messages sent within one organization about the business of the organization, such as internal work within the company.
- Messages sent between organizations that “have a relationship” (which term is not defined), where the messages concerns the activities of the organization to which the message is sent. Such as a work related message sent by Stella & Dot to its affiliated companies given the corporate relationship.
- Messages sent on platforms where the required identification and unsubscribe information is conspicuously published and readily available to the recipient on the user interface, where duplication in each message would be needlessly repetitious. For example, BBM messages that include your identification automatically.
- Information that is merely posted on Twitter, LinkedIn, Facebook or the like. Posting is not considered a CEM as it is not a message pushed out to a specific person; the readers choose to come to the posting. By contrast, using LinkedIn as if it were email to send a message to one person could be a CEM depending on the content;
- Messages sent between people in a “family relationship” or in a “personal relationship”. CASL defines these narrowly in the CASL regulations as follows:
 - a. “**family relationship**” means the relationship between an individual who sends a message and the individual to whom the message is sent if those individuals are related to one another through a marriage,

common-law partnership or any legal parent-child relationship and those individuals have had direct, voluntary, two-way communication.

- b. **“personal relationship”** means the relationship between an individual who sends a message and the individual to whom the message is sent, if those individuals have had direct, voluntary, two-way communications and it would be reasonable to conclude that they have a personal relationship, taking into consideration any relevant factors such as the sharing of interests, experiences, opinions and information evidenced in the communications, the frequency of communication, the length of time since the parties communicated or whether the parties have met in person.

****Please note that the Canadian Regulator has said that for a “personal relationship” to exist the Regulator would expect that the two people have at least met face to face, as opposed to being one of our very many friends on a social media site, such as Facebook.****

Note the above-referenced CEMS are exempt from the CASL consent requirements but must still have the mandatory information and an unsubscribe mechanism. How social media communications will be regulated is still unclear at this point in time, but it would be best to proceed with care in any commercial, electronic communications over social media.

Section V. Ensuring Compliance with CASL

5.1 – Confirming Express or Implied Consent

It is your responsibility to ensure that any e-mails you send in connection with your activities as an Independent Business Owner are in compliance with CASL.

Before sending a CEM that may be received on a computer device in Canada, Business Owners must confirm that they have express or implied consent to send the message.

5.2 – Valid Consent Under CASL

When collecting an email address (for example via a web form or paper form) for mailing distribution lists, EACH of the following must be included for the consent to be valid under CASL:

- The name of the person or organization sending the CEM, or if the CEM is being sent on behalf of another person or organization, the name of the person or organization on whose behalf the CEM is sent.
- The specific purpose for which you are obtaining consent (e.g. “receive offers from Stella & Dot”).
- Contact information, which must include:
 - (1) a physical mailing address; AND
 - (2) an electronic communications method, whether email or phone or a web page contact form.

A hyperlink to a webpage with all this contact information is acceptable.

- A notice that is clear and prominent, explaining that the recipient may elect to unsubscribe from receiving further CEMs from the Business Owner or Stella & Dot, as applicable.

5.3 – Content Requirements for a CEM under CASL

Business Owners who send CEMs must ensure that each CEM they send includes EACH of the following:

- The name of the person or organization sending the CEM, or if the CEM is being sent on behalf of another person or organization, the name of the person or organization on whose behalf the CEM is sent.
- Contact information, which must include:
 - (1) a physical mailing address; AND
 - (2) an electronic communications method, whether email or phone or a web page contact form.

A hyperlink to a webpage with all this contact information is acceptable.
- A notice that is clear and prominent, explaining that the recipient may elect to unsubscribe from receiving further CEMs from the Business Owner or Stella & Dot, as applicable.

5.4 – Valid Unsubscribe Requirements

In order for the unsubscribe mechanism to conform to CASL requirements, it must:

- Enable the recipient (at no cost) to readily remove himself or herself from the mailing list;
- Stay valid for a minimum of sixty (60) days after the CEM has been sent; and
- Process requests without delay.

The Business Owner must move to unsubscribe the recipient to honor his or her choice to unsubscribe within ten (10) days of the date the request is made.

5.5 – Why You Should Comply

Failure to comply with the CEM requirements of CASL may result in monetary penalties of up to \$1 million for individuals.

Independent Business Owners who do not take care to ensure they are complying with CASL requirements as set forth in this Addendum are also subject to termination by the Home Office pursuant to Section 9.5 of the Policies & Procedures.

Section VI. MORE INFORMATION

Each and every Independent Business Owner must make an effort to be in compliance with CASL and the above-referenced requirements.

More information can also be found on the Canadian government's website at: <http://fightspam.gc.ca>.

This Addendum is considered a part of the Policies and Procedures and Business Owner Agreement you entered into with Stella & Dot LLC.

If you have any questions about any part of this Addendum, you're always welcome to contact your applicable Field Relations team.

Appendix D

Requirements for Direct Selling Licenses and ID Cards for Independent Business Owners in Canada

Stella & Dot Family

Requirements for Direct Selling Licenses and ID Cards for Independent Business Owners in Canada

In Canada, each Provinces and Territory regulates its direct sales companies and their sales representatives. Stella & Dot Jewelry Corp. (d/b/a Stella & Dot or KEEP Collective) (“**Stella & Dot**”) is licensed as a direct sales vendor in each province and territory where a company vendor license is required, sometimes called a vendor or business license. Stella & Dot Family Brands Independent Business Owners (“**IBOs**”) selling in certain provinces and territories are also required to have individual licenses or identification cards.

Stella & Dot requires IBOs to comply with these license requirements. In any province or territory where IBOs are required to be licensed or carry an ID card, their local consumer protection office may bar a non-compliant IBO from further sales until they obtain a license or ID card. Other penalties are also possible.

Attached is a chart which summarizes these requirements for by province and/or territory. Stella & Dot is responsible for imparting this information to each IBO selling Stella & Dot Family Brands products in Canada. If you have any questions on the requirements or would like to check the status of your license, please contact the applicable Stella & Dot Family Brand Field Relations team.

If your province requires you to send in your application materials to the applicable Stella & Dot Family Brand Field Relations team, please address it to:

Stella & Dot LLC (d/b/a Stella & Dot)
15990 N. Greenway-Hayden Loop, Suite 160
Scottsdale, AZ 85260
ATTN: Stella & Dot Field Relations

Stella & Dot LLC (d/b/a KEEP Collective)
15990 N. Greenway-Hayden Loop, Suite 160
Scottsdale, AZ 85260
ATTN: KEEP Collective Field Relations

Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information
Alberta	No	Yes	<p>Fill out and print the ID Card template which can be found in the Hub or Stellaverse.</p> <p>Upon request, ID Cards must be produced to customers, an inspector or the Director, a peace officer.</p> <p>Should you terminate your IBO Agreement you must destroy your ID Card.</p>	None.	<p>For general information: http://www.servicealberta.gov.ab.ca/1248.cfm</p>
British Columbia	No	No	None.	None.	None.
Manitoba	Yes	No	<p>Step 1: IBO prints and completes application form and writes check payable to “Minister of Finance, Government of Manitoba” for the licencing fee (currently set at \$55.00).</p> <p>Application is available at:</p>	\$55.00	<p>For general information: http://www.gov.mb.ca/cca</p>

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Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information
			<p>http://www.gov.mb.ca/cca/cpo/forms/direct_seller_application.pdf</p> <p>Step 2: IBO sends completed application form and check to Field Relations.</p> <p>Step 3: Authorized Field Relations representative reviews and signs the application form and retains a copy of it and the check on file.</p> <p>Step 4: Home Office then sends the form and check to the Manitoba</p>		<p>/cpo/index.html</p>
<p>New Brunswick</p>	<p>Yes</p>	<p>No</p>	<p>Step 1: A Criminal Record check must be performed by a municipal or provincial police force, prior to submitting a direct selling license application. More information on how to obtain a criminal record check from the Royal Canadian Mounted Police is available at: http://www.rcmp-grc.gc.ca/en/criminal-record-and-vulnerable-sector-checks</p> <p>Step 2: IBO prints and completes application form and writes check payable to the “Minister of Finance” for the licensing fee.</p> <p>Application is available</p>	<p>\$35.00</p>	<p>For general information: http://www2.gnb.ca/content/gnb/en/services/service_s_renderer.622.Direct_Sellers_License.html</p>

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Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information
			<p>at: http://0101.nccdn.net/1_5/3a7/180/26c/Application-for-Salesperson-license-EN.pdf.</p> <p>Step 3: IBO sends completed application form and check to Field Relations where it is signed off by an authorized Field Relations representative.</p> <p>Step 4: Field Relations sends complete application package to the New Brunswick Licensing office.</p> <p><i>Note: Question 5 on the application form must have Stella & Dot Jewelry Corp.'s address for service in New Brunswick, which is currently listed as:</i></p> <p><i>Stella & Dot Jewelry Corp.d/b/a Stella & Dot or KEEP Collective c/o Stewart McKelvey Suite 1000, Brunswick House, 44 Chipman Hill Saint John, NB E2L 2A9.</i></p>		
Newfoundland & Labrador	No	No	<p>Please note that a salesperson of a direct seller licensed under this Act shall produce a copy of the Company's direct seller's license for inspection when requested to do so by a customer. Please contact Field Relations for a current copy.</p>	None.	<p>For general information: http://www.servicenl.gov.nl.ca/consumer/consumer_a</p>

Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee		Additional Information										
						ffairs/licencing.html										
Northwest Territories	Yes	No	<p>Step 1: IBO must fill out the application and submit with the fee made payable to “The Government of the Northwest Territories.” The fee schedule is set out below:</p> <p>The application is available at: http://www.maca.gov.nt.ca/resources/forms/consumer_protection_act_application.pdf (only the direct seller license sections have to be completed)</p> <p>Step 2: IBO forwards a copy of the completed application to Field Relations in Arizona office for record retention.</p>	<table border="1"> <thead> <tr> <th data-bbox="1371 529 1568 670">Where application is submitted:</th> <th data-bbox="1568 529 1663 670">Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="1371 670 1568 769">Between April 1 - June 30</td> <td data-bbox="1568 670 1663 769">\$180</td> </tr> <tr> <td data-bbox="1371 769 1568 911">Between July 1 - September 30</td> <td data-bbox="1568 769 1663 911">\$135</td> </tr> <tr> <td data-bbox="1371 911 1568 1052">Between October 1 – December 31</td> <td data-bbox="1568 911 1663 1052">\$90</td> </tr> <tr> <td data-bbox="1371 1052 1568 1192">Between January 1 – March 31</td> <td data-bbox="1568 1052 1663 1192">\$45</td> </tr> </tbody> </table>		Where application is submitted:	Amount	Between April 1 - June 30	\$180	Between July 1 - September 30	\$135	Between October 1 – December 31	\$90	Between January 1 – March 31	\$45	<p>For general information: http://www.maca.gov.nt.ca/wp-content/uploads/2011/10/2015-Direct-Seller-Procedures.pdf</p>
Where application is submitted:	Amount															
Between April 1 - June 30	\$180															
Between July 1 - September 30	\$135															
Between October 1 – December 31	\$90															
Between January 1 – March 31	\$45															
Nova Scotia	Yes	No	<p>Step 1: IBO prints and completes application form and writes check payable to the “Minister of Finance” for the licencing fee. The fee schedule is set out below:</p>	<table border="1"> <thead> <tr> <th data-bbox="1371 1211 1568 1352">Where application is submitted:</th> <th data-bbox="1568 1211 1663 1352">Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="1371 1352 1568 1404"></td> <td data-bbox="1568 1352 1663 1404"></td> </tr> </tbody> </table>		Where application is submitted:	Amount			<p>For general information: https://www.novascotia.ca</p>						
Where application is submitted:	Amount															

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Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information								
			<p>The application is available at: http://www.gov.ns.ca/snsmr/pdf/ans-business-lic-individual.pdf.</p> <p>Step 2: IBO sends completed application form and check to Field Relations in Arizona.</p> <p>Step 3: Authorized Field Relations representative reviews and signs the application form and retains a copy of it and the check on file.</p> <p>Field Relations sends complete application package to the Nova Scotia Licensing Office.</p> <p><i>Note: Individual license holder renewal notices will be sent by the licencing office to Field Relations.</i></p>	<table border="1"> <tr> <td data-bbox="1375 334 1570 467">Within the 1st quarter from March 31</td> <td data-bbox="1570 334 1665 467">\$52.95</td> </tr> <tr> <td data-bbox="1375 467 1570 600">Within the 2nd quarter from March 31</td> <td data-bbox="1570 467 1665 600">\$37.35</td> </tr> <tr> <td data-bbox="1375 600 1570 734">Within the 3rd quarter from March 31</td> <td data-bbox="1570 600 1665 734">\$24.95</td> </tr> <tr> <td data-bbox="1375 734 1570 867">Within the 4th quarter from March 31</td> <td data-bbox="1570 734 1665 867">\$12.45</td> </tr> </table>	Within the 1 st quarter from March 31	\$52.95	Within the 2 nd quarter from March 31	\$37.35	Within the 3 rd quarter from March 31	\$24.95	Within the 4 th quarter from March 31	\$12.45	<p>/sns/paal/sns/paal027.asp</p>
Within the 1 st quarter from March 31	\$52.95												
Within the 2 nd quarter from March 31	\$37.35												
Within the 3 rd quarter from March 31	\$24.95												
Within the 4 th quarter from March 31	\$12.45												
Nunavut	Yes	No	<p>Step 1: IBO prints and completes application form (only the direct seller license sections should be completed) and writes a check payable to “Government of Nunavut” for the licencing fee.</p> <p>The application is available at: http://cgs.gov.nu.ca/PDF/Application%20for%20Vendor%20Direct%20Seller%20or%20Collection%20Agent.pdf</p>	<p>\$30.00</p>	<p>For general information: http://cgs.gov.nu.ca/PDF/Licensing%20Collection%20AgenciesVendorsDirect%20Sellers.pdf</p>								

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Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information
			<p>Step 2: IBO then sends application and check to the following address:</p> <p>Consumer Affairs, Community and Government Services Government of Nunavut, Box 440, Baker Lake, NU X0C 0A0.</p> <p>Step 3: IBO receives and then forwards a copy of completed application to Field Relations in Arizona for record retention.</p>		
Ontario	No	No	None.	None.	
Prince Edward Island	Yes	No	<p>Step 1: IBO must fill out the application and submit with the fee made payable to “The Provincial Treasurer.”</p> <p>The application is available at: http://www.gov.pe.ca/forms/pdf/25.pdf</p> <p>Step 2: IBO receives and then forwards a copy of license to Field Relations in Arizona for record retention.</p>	\$50.00	<p>For general information: http://www.gov.pe.ca/jps/index.php3?number=14968&lang=E</p>

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Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information
Quebec	No	No	None.	None.	None.
Saskatchewan	Possibly*	Yes	<p>Fill out and print the ID Card template in Stellaverse or the Hub.</p> <p>A license is required only if each transaction with each individual customer is over \$500 on average. Where each sale is less than an average of \$500, IBOs do not need a license but are required to carry an ID Card.</p> <p>If applicable:</p> <p>Step 1: IBO prints and completes application form (only the direct seller license sections have to be completed) and writes a check payable to “Minister of Finance” for the licencing fee. Credit cards are also accepted for an additional fee. Please see last page of application.</p> <p>The application is available at: http://fcaa.gov.sk.ca/Default.aspx?DN=b328b42a-6169-46f4-b391-67fc7b6e58bd</p>	\$125.00	<p>For general information: http://fcaa.gov.sk.ca/CPD-Direct-Sellers-Licensing-Information</p>

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Province or Territory	IBO License Required?	IBO ID Card Required?	Instructions for Compliance	Applicable Fee	Additional Information
			<p>Step 2: IBO sends application form and check to Field Relations in Arizona.</p> <p>Step 3: IBO forwards a copy of completed application to Field Relations representatives in Arizona for record retention.</p> <p>Step 4: Field Relations sends the form and check to the Saskatchewan Licencing office.</p>		
Yukon	No	No	None.	None.	