

TRADES OF HOPE

INDEPENDENT CONTRACTOR AGREEMENT ("AGREEMENT")

THIS INDEPENDENT CONTRACTOR AGREEMENT is made by and between TRADES OF HOPE LLC, (hereinafter referred to as the "Company" or "TOH"), a Florida limited liability company, and the person named in the application being submitted to become a Direct Sales Consultant of the Company (hereinafter referred to as "You" and "Your" or "CE" or "Consultant"). You are entering into this Agreement as a result of your desire to become a direct sales consultant for the Trades of Hope product line ("Direct Sales Consultant"). Therefore, in consideration of such desire and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and You hereby agree as follows:

1. **Engagement of Services.** Subject to the terms and conditions of this Agreement, the Company hereby agrees that You will be a Direct Sales Consultant to the Company. You confirm to be a legal citizen of the USA and of legal age of 18 and legal age in the state of residency, to engage in this agreement with your own legal name and not be a Corporation, Sole Proprietorship, Partnership, Limited Liability Corporation, Limited Liability Partnership or other entity such as groups of individuals. Only Independent Contractors are permitted to become a direct sales consultant compassionate entrepreneur and to sign and accept this agreement.

2. **Scope.** During the term of this Agreement, You agree to serve as a **Direct Sales Consultant** for the Company's products and will perform the duties and functions detailed in this Agreement, in accordance with the TOH Policies and Compensation Plan. You are not required to exclusively perform services to the Company, but may engage in work elsewhere during the term of this Agreement so long as You are fulfilling your duties under this Agreement. You further agree to provide your own vehicle, insurance, communications and tools necessary to perform the duties listed below.

3. **Policies and Compensation Plan.** You have carefully read and agree to comply with the TOH Policies and Compensation Plan, which are incorporated into and made part of the "Agreement". As consideration for entering into this Agreement, as well as the services to be performed hereunder, the Company will pay to You compensation as set forth in the Trades of Hope Policies and Compensation Plan (referred to herein as the "TOH Policies and Compensation Plan"). To receive such payments, you must be in "Good Standing" as defined in the TOH Policies and Compensation Plan and You must not otherwise be in violation of this Agreement. You are not entitled to receive any benefits other than those described herein and in the TOH Policies and Compensation Plan. In addition, You agree that you shall perform your duties and all activities as a Direct Sales Consultant to the Company in accordance with the TOH Policies and Compensation Plan.

4. **INDEPENDENT CONTRACTOR RELATIONSHIP.** YOU ARE AN INDEPENDENT CONTRACTOR AND NOT AN EMPLOYEE, SERVANT, PARTNER OR JOINT VENTURER OF OR WITH RESPECT TO THE COMPANY. THE COMPANY MAY DIRECT THE SERVICES TO BE PROVIDED BY YOU AS A DIRECT SALES CONSULTANT, BUT YOU SHALL DETERMINE THE MEANS, METHOD AND MANNER BY WHICH YOU ACCOMPLISH THE SERVICES IN ACCORDANCE WITH THIS AGREEMENT. THE COMPANY IS NOT RESPONSIBLE FOR WITHHOLDING, AND SHALL NOT WITHHOLD OR DEDUCT FROM THE COMPENSATION PAYABLE TO YOU HEREUNDER, FICA OR TAXES OF ANY KIND, UNLESS SUCH WITHHOLDING BECOMES LEGALLY REQUIRED. AS AN INDEPENDENT CONTRACTOR OF THE COMPANY, YOU ARE NOT ENTITLED TO RECEIVE THE BENEFITS THAT EMPLOYEES OF THE COMPANY ARE ENTITLED TO RECEIVE, AND SHALL NOT BE ENTITLED TO WORKERS COMPENSATION, UNEMPLOYMENT COMPENSATION, MEDICAL INSURANCE, LIFE INSURANCE, PAID VACATIONS, PAID HOLIDAYS, PENSION, PROFIT SHARING, OR SOCIAL SECURITY CONTRIBUTIONS ON ACCOUNT OF YOUR SERVICES TO THE COMPANY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE USE OF THE WORD "COMPENSATION" IN THIS AGREEMENT OR IN ANY OTHER COMPANY DOCUMENT IS NOT TO BE INTERPRETED IN ANY WAY AS BEING INDICATIVE OF EMPLOYEE STATUS.

5. **Duties.** As an independent contractor to the Company, You are authorized to perform the following activities:

- You will have the right to offer Company products for sale in accordance with the TOH Policies and Compensation Plan.
- You will have the right to enroll other persons ("New Consultants") to serve as Direct Sales Consultants to the Company in accordance with the TOH Policies and Compensation Plan.
- You will train and motivate the Consultants in your success-line organization
- You will have the right to participate in the Company's Direct Sales Consultants Compensation plan as outlined in the TOH Policies and Compensation Plan.

I understand that Trades of Hope is a member of the Direct Selling Association and provides certain assurances under the Direct Selling Association Code of Ethics (www.dsa.org/code), including provisions dealing with the return of inventory.

Trades of Hope is proud to be a member of the DSA! We follow the DSA's code of ethics and are committed to practicing fair business in all we do!

As a consumer, you should expect salespeople to:

- Tell you who they are, why they're approaching you and what products they are selling.
- Promptly end a demonstration or presentation at your request.
- Provide a receipt with a clearly stated cooling off period permitting the consumer to withdraw from a purchase order within a minimum of three days from the date of the purchase transaction and receive a full refund of the purchase price.
- Explain how to return a product or cancel an order.
- Provide you with promotional materials that contain the address and telephone number of the direct selling company.
- Provide a written receipt that identifies the company and salesperson, including contact information for either.
- Respect your privacy by calling at a time that is convenient for you.
- Safeguard your private information.
- Provide accurate and truthful information regarding the price, quality, quantity, performance, and availability of their product or service.
- Offer a written receipt in language you can understand.
- Offer a complete description of any warranty or guarantee.

As a salesperson, you should expect a DSA member company to:

- Provide you with accurate information about the company's compensation plan, products, and sales methods.
- Describe the relationship between you and the company in writing.
- Be accurate in any comparisons about products, services or opportunities
- Refrain from any unlawful or unethical recruiting practice and exorbitant entrance or training fees.
- Ensure that you are not just buying products solely to qualify for downline commissions.
- Ensure that any materials marketed to you by others in the salesforce are consistent with the company's policies, are reasonably priced and have the same return policy as the company's.
- Require you to abide by the requirements of the Code of Ethics.
- Safeguard your private information.
- Provide adequate training to help you operate ethically.
- Base all actual and potential sales and earnings claims on documented facts.

- Encourage you to purchase only the inventory you can sell in a reasonable amount of time.
- Repurchase marketable inventory and sales aids you have purchased within the past 12 months at 90 percent or more of your original cost if you decide to leave the business.
- Explain the repurchase option in writing.
- Have reasonable start-up fees and costs.

6. Contacting & Visiting Artisan Groups

Trades of Hope loves when our CEs meet our artisans through vision trips and Trades of Hope sponsored events. However, for the safety and privacy of our artisans all correspondence must go through Trades of Hope. As Trades of Hope has grown, we have seen our artisans get asked many questions by CEs. This creates confusion for them on who is representing Trades of Hope's home office. Because of this, any communication (email, phone, social media contact) to an artisan is not allowed and must go through the home team.

This is also due to the very dangerous situations some of our artisans are in. Though we love that social media can provide such a wonderful global community, it can also present a danger to our artisans that they don't even realize. With this, private information and locations can become harder to keep confidential, as they do not always realize the information they can share and should not share. Their global network has widened considerably and with that, the danger has widened as well.

We ask you to help shoulder this responsibility with us in keeping our artisan's information safe.

In almost all cases, individual trips by our CEs to an artisan group are prohibited in order for us to maintain the artisan's safety and privacy. Any trips or event with an artisan group member present that is outside of a vision trip must be approved by the home office and have a Trades of Hope representative in attendance.

7. Intellectual Property. You agree to not use the Company's intellectual property, including without limitation, the Company's trademarks, copyrights, trade names, trade dress, designs, images or symbols, without the prior written consent of the Company except as set forth in the TOH Policies and Compensation Plan in regards of use of logos or symbols for use on individual social media such as Facebook etc. (See TOH Policies and Compensation Plan).

8. Amendments to Company Documents. By assenting to this Agreement, you agree and understand that Company may, from time to time, amend this Agreement and the TOH Policies and Compensation Plan, and any such amendment will be made in Company's sole discretion. Amended documents shall be published in official Company materials and / or will be provided to Direct Sales Consultants via email (or other reasonable delivery method) within 30 days of the amendment being made. Amendments will become effective upon publication or specifically stated effective date. Continuation activities as direct sales consultant for Company or my acceptance of bonuses or commissions shall constitute my acceptance of any and all amendments.

9. INDEMNIFICATION. YOU AGREE THAT YOU WILL INDEMNIFY AND HOLD HARMLESS THE COMPANY FROM AND AGAINST ANY AND ALL LOSS OR DAMAGES RESULTING FROM ANY AND ALL ACTS (INCLUDING WITHOUT LIMITATION ALL INTENTIONAL AND NEGLIGENT ACTS) OR OMISSIONS OF YOU (AND/OR ANY OF YOUR SUBCONTRACTORS) RESULTING IN LOSS OR DAMAGE TO THE COMPANY, ITS PROPERTY OR ASSETS, OR TO ANY OTHER PERSON OR PROPERTY. THE PROVISIONS OF THIS SECTION 8 SHALL EXTEND TO THE OFFICERS, DIRECTORS, EMPLOYEES AND AFFILIATES OF THE COMPANY.

10. Compliance with Laws. You shall comply with: (i) all federal, state and local laws; and (ii) all other standards imposed by Company on the conduct of Direct Sales Consultant.

11. Promotional and Advertising Release. You agree that the Company may use your personal information, including without limitation, your name, likeness, photograph or personal story in the Company's promotional or advertising materials without compensation or remuneration.

12. Force Majeure. Any delay in or failure of performance by Company or You shall not constitute default hereunder if and to the extent such delay or failure of performance is caused by occurrences beyond the control of Company or You, as the case may be, including but not limited to: Acts of God or the public enemy; compliance with any order or request of any governmental authority; act of war; rebellion or sabotage or damage resulting there from; fires; floods; release of hazardous or toxic substances; explosions; accidents; riots or strikes or other concerted acts of workmen, whether direct or indirect; or any other causes, whether or not of the same class or kind as those specifically above named, which are not within the reasonable control of Company or You, as the case may be.

13. Termination. The Company or You may, with or without cause, terminate this Agreement at any time upon written notice to the other party. If the Company or You elect not to renew agreement or if it is cancelled or terminated for any reason, I understand that I will permanently lose all rights as Consultant. I shall not be eligible to sell Trades of Hope products nor shall I be eligible to receive commissions, bonuses, or other income resulting from the activities of my former success-line organization. In the event of cancellation, termination or nonrenewal, I waive all rights I have, including but not limited to property rights to my former success-line organization and to any bonuses, commissions or other remuneration derived through the sales and other activities of my former successline organization. The Company reserves the right to terminate all Consultant agreements upon fifteen (15) days notice if the company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via direct selling channels.

14. Miscellaneous. If any provision of the Agreement is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable, and the balance of the Agreement will remain in full force and effect. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument. The provisions of this agreement, including all documents incorporated herein by reference, embody the whole agreement between you and the Company and supersedes any prior agreements, understanding and obligations between you and the Company concerning the subject matter of your contract with the Company.

15. Jurisdiction, Governing Law and Dispute Resolution. The formation, construction, interpretation and enforceability of this Agreement shall be governed by and interpreted in all respects under the laws of the state of Florida without regards of principles or conflict of law provisions. All disputes and claims relating to the Company, the Consultant, The Agreement, the TOH Policies and Compensation Plan or its products and services, the rights and obligations of an Independent Consultant and the Company, or any other claims or causes of actions relating to the performance of either the Consultant or the Company under the Agreement or the TOH Policies and Compensation Plan shall be settled totally and finally by arbitration in Flagler County, Florida or other such location as the Company prescribes, in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association, except that all parties shall be entitled to discovery rights allowed under the Federal Rules of Civil Procedure. All issues related to arbitration shall be governed by the Federal Arbitration Act. The decision of the arbitrator shall be final and binding on the parties and may, if necessary be reduced to a judgement in any court of competent jurisdiction. The prevailing party shall be entitled to receive from the losing party costs and expenses of arbitration, including legal and filing fees. This agreement to arbitrate shall survive any termination or expiration of the Agreement. Nothing in the Agreement shall prevent the Company from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect Company interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding. The parties consent to jurisdiction and venue before any federal or state court in Flagler County, State of Florida for purposes of enforcing an award by an arbitrator or any other matter not subject to arbitration.

16. Time Limitation. If a Consultant wishes to bring an action against the Company or any act or omission relating to or arising from the Agreement, such action must be brought forward with six (6) months from the date of the alleged conduct giving rise to the cause of action. Failure to bring such action within such time shall bar all claims against the Company for such act or omission. Consultant waives all claims that any other statutes of limitations apply.

17. Entire Agreement. Both parties participated in the drafting of this Agreement and this Agreement constitutes the sole agreement between the parties with respect to the subject matter hereof, and supersedes any and all other agreements, oral or written, between the parties. I understand that if I am in breach, default or violation of the Agreement at termination, I shall not be entitled to receive any further bonuses or commissions, whether or not the sales for such bonuses or commissions have been completed.

18. Waiver. Any waiver or breach of any of the terms of this Agreement shall not operate as a waiver of any other breach of such terms or conditions, nor shall any failure to enforce any provisions hereof operate as a waiver of such provision or any other provision hereof.

19. Assignment. This Agreement is a personal independent contractor agreement and the rights and interests of You hereunder may not be sold, transferred, assigned or pledged. The Company may assign its rights under this Agreement to (i) any entity into or which the Company is merged or consolidated or to which the Company transfers all or substantially all of its assets or (ii) any entity, which at the time of such assignment, controls, is under common control with, or is controlled by the Company.

20. Successors. This Agreement shall be binding upon You and your heirs, executors, administrators and legal representatives. This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns.

21. Section Headings. The section headings in this Agreement have been inserted for convenience and shall not be used for interpretive purposes or to otherwise construe this Agreement.

22. Online Agreement. This agreement is an online agreement that is being executed in keeping with applicable federal and state laws.

I UNDERSTAND THAT I MAY CANCEL THIS AGREEMENT AT ANY TIME BY PROVIDING WRITTEN NOTICE OF CANCELLATION TO THE COMPANY.

TRADES *of* HOPE

POLICIES AND COMPENSATION PLAN

The goal of having a Policies and Compensation Plan is to ensure that Trades of Hope (“The Company” or “TOH”) treats all Compassionate Entrepreneurs (CE) fairly and enables CE’s to conduct business effectively with the Company, other CE’s, customers and the community. Please forgive the necessity of the “legalese” in this section to explain relatively simple concepts. Give this document a thorough read, and simply refer back to it when you have questions. If you have any questions about any of the policies in the CE Handbook, ask your Sponsor, or any Upline Rank or Director, or Customer Service for additional guidance.

The policies listed within the TOH Policies and Compensation Plan are incorporated into, and form an integral part of, the Independent Consultant Agreement between Compassionate Entrepreneurs and the Company. Throughout this document, where the term “Agreement” is used, it collectively refers to the Trades of Hope Independent Consultant Agreement, the TOH Policies and Compensation Plan. It is your responsibility to read, understand and comply with the Agreement. “We,” “us” and “our” refer to the Company; “you” and “yours,” “Distributor” or “Consultant” refer to the CE. “Bonus,” “Commissions,” “Branch,” “Team”, “Group”, “Generation”, “branch, group or team commissions,” “commission on personal, branch, group or team sales”, may be used interchangeably.

PRACTICING THE VALUES OF TRADES OF HOPE

At all times, CEs must:

- Operate with the highest level of integrity, ethics and professionalism. This includes maintaining professionalism and courtesy at all times with customers, other CEs, Customer Service, at all events and all other members of the Trades of Hope Office team.
- Not discriminate against any individual because of age, race, creed, color or legally protected status. Discrimination will not be tolerated.
- Act in good faith at all times.
- Provide helpful customer service in the spirit of developing long-term customer relationships.
- Refrain from making disparaging comments or gossiping about others.
- Abide by all the guidelines provided by the Trades of Hope office to ensure it remains a positive and supportive environment.

The Company will terminate the CE relationship with any CE who does not comply with these policies and operate within the spirit of Trades of Hope.

CE STATUS AND QUALIFICATIONS

Basic Qualifications

You become a Trades of Hope CE when your completed Agreement has been received and accepted by the Company at its Home Office.

To become a Trades of Hope CE, you must be 18 years or older, be a United States citizen or permanent resident, possess a valid Social Security Number or Green Card, and be sponsored by a current CE or the Trades of Hope Home office. You must also have a US bank account set up to receive commissions on your sales. If you do not have a Sponsor, you will be assigned one by the Home Office. In order to sign up with Trades of Hope, you must visit our website and submit the online form, which includes the electronic acceptance of the Independent CE Agreement. As soon as the Home Office approves the Independent CE Agreement, you are ready to begin!

CE Rank Level

Your CE Rank Level is determined by your sales activity, which determines your Paid as Rank and is used for coaching information by the Home Office and your upline leaders. Your current status is listed on your Activity Report in your back office.

Your initial and Base Rank will be CE. You will at any point and on all sales at any point be compensated in accordance with the Compensation Plan for this rank level, until you are qualified for a higher Rank.

Upon reaching \$1000 in Personal Retail Volume during your Lifetime as CE, your Rank will become Qualified CE and will allow for you to progress to subsequent higher Ranks.

Continued Permanent Residence

As of today, Trades of Hope operates in the US 50 States only. (This includes Hawaii and Alaska.) In order to retain your Independent CE Agreement with Trades of Hope, you must remain a permanent resident in the US. The Independent CE Agreement does not transfer to any country in which Trades of Hope does not presently operate. CEs may not solicit international or cross-border business.

Online Agreement

CEs must read the Independent CE Agreement in full. The purchase of your Entrepreneur Kit requires the reading and acceptance of the online Consultant Agreement.

Consultant ID

All CEs must provide TOH with a taxpayer identification number or social security number. The Company will use this number for government reporting purposes. You will be automatically assigned a non-changeable unique Consultant ID which may be used for all routine communications with TOH.

Independent Contractor Status

You understand that you are not an employee of Trades of Hope and shall not be entitled to receive any benefits from Trades of Hope whatsoever. Trades of Hope shall not be required to withhold or make contributions for employment insurance, Workers' Compensation and other similar levies in respect of payments to be made to you. You shall be fully responsible for paying all applicable federal and state/provincial withholding taxes, source deductions, taxes, employment insurance premiums, Workers' Compensation contributions other levies, premiums, license requirements and fees related to your earnings and activities as a CE. You agree that as a CE you are an independent contractor, and not an employee, agent, partner, legal representative or franchisee of Trades of Hope. You shall be solely responsible for paying all expenses incurred by yourself, including but not limited to travel, food,

lodging, secretarial, office, long-distance telephone and other expenses. You will have and maintain control of the manner and means of your performance. You will have no power or authority to incur any debt, obligation or liability on Trades of Hope's behalf.

Partnerships

Trades of Hope will recognize only one name per Independent CE Agreement. A CE may utilize a support person in her business. However, the individual who actually conducts the hostess parties and has regular customer contact must be the individual whose name is on the Independent CE Agreement.

The Company will not accept Agreements from partnerships, teams or corporations. Independent CE Agreements are valid only between the Company and an individual.

Sparks

A minor child between the ages of eleven (11) and seventeen (17) years of age may be added to the Compassionate Entrepreneur's Agreement as an "Spark" for recognition purposes only. "Recognition Purposes" shall be defined to mean that Sparks: (i) will be listed in a special field under the primary CE's account; and (ii) shall be entitled to receive special awards and recognition at the annual Inspire event and other Company-sponsored events. Sparks will not, however, be entitled to receive PRV, commissions, or other monies owed to the primary Compassionate Entrepreneurs who are an account holder. A Compassionate Entrepreneur may enroll a Spark in their Back Office with parent/guardian consent.

No Exclusive Territories / Solicitation of Overseas Business

No franchise is granted and there are no exclusive territories for sales or sponsoring purposes. You must only sell and sponsor within your own country of residence. You may not solicit business from other countries and/or neighboring territories (e.g. Puerto Rico, Guam).

Exclusivity

You are an independent contractor, and Trades of Hope imposes no restrictions on any CE's participation or sales activity in other businesses. However, promotion of other competitive business ventures is prohibited at Compassionate Entrepreneur Home Parties or in communication with Trades of Hope customers. As a CE you agree to not promote other fair trade products under the Trades of Hope name. We also exclude purchasing from Trades of Hope partnering vendors. Additionally, should you promote to the Director Career Rank Level or above, participation in any other direct-selling ventures is no longer permitted. Please review the Compensation Plan for a complete list of Career Rank Levels.

Ethical Conduct

As a CE, you agree to conduct your business with the highest standards of honesty and integrity. You agree to refrain from making negative, disparaging, untrue or misleading comments about the Company, its owners, directors, officers, associates, other CEs or any other direct-selling company or such company's products. You also agree not to engage in any activities that may cause harm to the Company or any other CE.

Legal Compliance

All CEs shall comply with all federal, state and local statutes and regulations concerning the operations of their businesses. You are responsible for your own managerial decisions and expenditures, including estimating income taxes and self-employment taxes.

Licenses

Some local governments might have ordinances that restrict the way you conduct your Trades of Hope business. Call your local Small Business Administration (SBA) 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.

Confidentiality Agreement

All lists of customers, your personal team, or other CEs are confidential property of the Company and constitute a business trade secret. Trades of Hope may make these lists or portions of these lists available to you for the express purpose of supporting you and your personal team to further develop your Trades of Hope business. You may use these lists only in connection with your Trades of Hope business and for no other purpose. You must keep the lists confidential and must not make the lists available to third parties. You agree that any wrongful disclosure of the lists or the information on the lists will cause immediate and irreparable damage to the Company and that the Company may pursue all legal remedies available against you if you violate this provision. This provision will survive the termination of your Independent CE Agreement.

Non-Solicitation

As an inducement to Trades of Hope to enter into this Agreement and in consideration of the mutual covenants contained herein, during the term of this Agreement and for a period of one year thereafter you shall not directly or indirectly, on your own behalf or on the behalf of any other person or entity, solicit, induce or hire or attempt to solicit, induce or hire any CE to terminate or alter her business relationship with Trades of Hope. Additionally, for a period of one year after the termination of this Agreement, you will not own or operate a multilevel direct-sales business if you are a Director or above.

Transferability

Neither this Agreement nor your Trades of Hope business may be transferred or assigned by you or operated in partnership with any other person. Trades of Hope may assign this Agreement at any time.

Sponsorship Obligations

As a Trades of Hope CE, you may sponsor other Trades of Hope CEs. Should you choose to sponsor CEs, you must provide adequate training and consistent communication to them, just as you would want provided to you. Sponsorship, team mentoring and leadership are critical to the success of every Trades of Hope CE. As such, CEs are also required to train and motivate CEs in their first line and success-line teams, in accordance with the training and tools provided by Trades of Hope. This training includes, but is not limited to, product knowledge, selling, sponsoring, customer service, ethical behavior, the Compensation Plan and compliance with the Trades of Hope CE Agreement and Policies and Procedures.

Income Claims

The Federal Trade Commission and the laws of several states regulate claims regarding the amount of income that can or may be earned under programs such as the Trades of Hope program. These regulations require that appropriate disclosures also be provided. Because you do not have the data necessary to comply with legal requirements for making income claims, you may not make income projections or disclose your own compensation when presenting the Trades of Hope program. Hypothetical income examples that are used to explain the operation of the Compensation Plan and that are based solely on mathematical projections may be made to prospective CEs, as long as it is made clear that the examples are hypothetical and not based on actual experience.

Remote Sponsors

When sponsoring long-distance, Sponsors must still provide training support and recognition to their CEs. Notes, handouts and/or audio/videotapes from their meetings can be sent to the remote CE in place of live local meeting attendance. The Sponsor must also: Provide all training and support via phone and e-mail communications. The upline may arrange with a CE in her remote area to have the remote CE attend a local training session, if available.

Cross Sponsoring

Cross sponsoring is strictly prohibited. Cross sponsoring is defined as the enrollment of an active CE or a terminated CE who has been active within the preceding six months within a different line of sponsorship. This includes the use of a spouse or relative's name or assumed names to circumvent or avoid detection under this policy. You may not demean, discredit or defame other CEs in an attempt to entice a CE to become part of your sponsored group.

Sponsor Reassignment

Trades of Hope will not honor requests from CEs to have other CEs' success-line transferred to them. Nor will we make transfers if there is any concern that proactive solicitation of another CE's success-line has occurred. The Trades of Hope Office reserves the right to reject transfers in order to maintain a NO POACHING culture and environment. In order to protect the rights of all CEs who work hard to sponsor and mentor others in the business, Trades of Hope prohibits the transfer of a CE from one Sponsor to another, except under the following conditions:

Inadequate Support

If a CE is dissatisfied with the minimum level of support received, she may file a request for Sponsor reassignment by contacting Trades of Hope Customer Service. Trades of Hope will then contact the Sponsor via phone or e-mail and give the Sponsor 30 days to release the success-line or make amends with the success-line so that the request is withdrawn by the success-line via e-mail. If the request is not withdrawn, Trades of Hope will then independently assign success-lines to another up-line who meets the CE Referral Program Requirements. No special requests will be honored.

Deceptive Sponsorship

In cases where a CE is assigned to a Sponsor in a deceptive manner or such a manner that it was not clear to the sponsored CE who her Sponsor would be, the sponsored CE may request to be transferred to a different Sponsor, with her team intact. The new Sponsor will be assigned by Trades of Hope. The request must be made by the sponsored CE directly to Trades of Hope Customer Service by contacting them within 30 days of her start date. Trades of Hope will investigate each request on a case-by-case basis, and reserves the right to reject or grant the transfer of sponsorship.

Disruptive Relationships

In cases where a CE-Sponsor relationship is strained to the point where it is disrupting the business of those individuals and other CEs, the sponsored CE may request to be transferred to a different Sponsor, with her team intact. The new Sponsor will be assigned by Trades of Hope and special requests will not be accommodated. The request must be made by the sponsored CE directly to Trades of Hope Customer Service. Trades of Hope will investigate each request on a case-by-case basis, and reserves the right to reject or grant the transfer of sponsorship. In the case where Trades of Hope corporate provides a lead or places a new CE on a sponsor's team and after sign up the new CE feels that she is not compatible or comfortable with the assigned Sponsor, the new CE may request reassignment. The Trades of Hope Office looks differently at the cases of assigned relationships versus organic recruiting. The CE requesting a sponsor change may not select a new upline. The Trades of Hope Office will again assign a new leader based on those qualified to receive leads.

Minimum Leadership Support

A Trades of Hope Sponsor must provide a minimum level of support to CEs in order to maintain Sponsor status. Minimum Support Level: The Sponsor must actively practice the Core Values of Trades of Hope as described in this policy guide and Trades of Hope publications. The Sponsor must exemplify the cornerstone of Trades of Hope leadership by maintaining an active and consistent Entrepreneurs Home Party schedule. A sponsor must meet \$300 in Personal Retail Sales Volume in a month to get the commission earned on their success-line. If the PRV monthly requirement is not met for 6 consecutive months, the Sponsor will lose her success-line all together.

The Sponsor must actively engage in goal setting and mentoring with the New CE including, but not limited to:

- New CE Training must be offered to the New CE by phone or in person within 1 week of the new CE signing up to be a Trades of Hope CE. The sponsor must offer several reasonable time slots and be prepared for the training.
- Return phone calls or e-mails within three business days unless a CE has pre-notified her success-line of vacation during which she will be unavailable.
- Proactive monthly communication from the Sponsor to the success-line by e-mail, phone or in-person meetings to check in with the success-line on business goals and progress.
- Timely dissemination of information from the Traded of Hope Office.

The Trades of Hope Office reserves the right to transfer a Sponsor's success-line if these qualifications are not met.

When a CE earns Director Rank, they make themselves available to their groups for help and training.

Personal Website Annual/Quarterly Renewal

A CE will be offered the option of enrolling in a Personal Website and marketing portal when she first signs up as a CE. The first 30 days of enrollment are free. If you do not cancel the enrollment on the 31st day, the credit card on file will be charged for either the monthly fee (\$13.95). This fee will be charged without notice on the first of the month.

TERMINATION OF CE AGREEMENT

The following terms are used to describe a termination of the Independent CE Agreement:

Resignation

You may voluntarily terminate the Trades of Hope Independent CE Agreement at any time and for any reason by submitting a written notice of Self Termination to the Company.

If your Independent CE Agreement was terminated as a result of Resignation, you must wait six months before you can reapply to become a CE again. This six-month period will begin on the date your account was deactivated. The Company may accept or reject your application for any reason at its sole discretion. If your application is accepted, you must start at the beginning CE Status Level and beginning Career Rank level of CE.

Deactivation

Deactivation means a loss of CE status and all CE benefits including product discounts, Company mailings, eligibility for CE contests, events and incentives, as well as the loss of all success-line CEs and related coaching commissions. All deactivated CEs' success-lines and related commissions will be reassigned by the company.

The Independent CE Agreement may be deactivated:

- 1) As a result of the CE's resignation.
- 2) At the Company's discretion with reasonable notice upon conclusion of the initial term or any renewal term.
- 3) At the death or retirement of the individual CE.
- 4) Immediately upon relocation and change of the CE's permanent residence to one outside of the country where CE signed the agreement.
- 5) For any reason, provided the CE is given 30 days' written notice. The Company will notify the CE by e-mail at the latest address listed with the Company for the CE.
- 6) If a CE has \$0 in personal retail sales volume for 12 consecutive months, they will be deactivated.

Reactivation

If your Independent CE Agreement was terminated as a result of deactivation, you may contact Customer Service to request reactivation. The Company may accept or reject your application for any reason at its sole discretion. If your request for reactivation is accepted, you will be reactivated at the beginning rank of CE.

The reactivation guidelines are as follows, but remain subject to Company acceptance:

0-30 Days from Deactivation Date

- A CE may request a one-time reactivation at no cost.
- CE is reactivated under her previous sponsor.
- Kit repurchase is not available.
- Smart Start Program does not apply.
- CE must place a PRV order within that same month period to avoid deactivation the following month.
- If deactivated again in the following month due to non-production, reactivation fee will apply.

31 Days - 6-Months from Deactivation Date

- A CE wishing to be reactivated must contact Customer Service with request.
- Reactivation is subject to a \$25 reactivation fee.
- Kit repurchase is not available if inactive less than 6-months.
- Not eligible for new enrollment programs such as the Smart Start Program.
- CE will be placed directly under their previous sponsor.
- CE will not be given any previous success-line if rolled up.
- Once reactivated, standard Terms and Agreement applies.

Over 6-Months from Deactivation

- A CE wishing to be reactivated must contact Customer Service with request.
- Reactivation is subject to either re-purchasing a kit, or paying the reactivation fee.
- Not eligible for new enrollment programs such as the Smart Start Program.
- CE will have the option of choosing their sponsor.
- CE will not be given any previous success-line if rolled up.
- Once reactivated, standard Terms and Agreement applies.

Home Office Termination

The Company may terminate the Independent CE Agreement with any CE at any time and for any reason by notifying you in writing of our election to terminate. Trades of Hope may immediately terminate this Agreement without notice in the event of your death, insolvency, assignment for the benefit of creditors, or misrepresentation in or breach of any provision of the Agreement, violations of policies as herein defined.

The Trades of Hope Office may also terminate the Independent CE Agreement if there has been a breach of any term of these policies, the plan or the CE Agreement, by the CE. For purposes of this Agreement, a “breach” shall include, but not be limited to, any actions by the CE which, in the Company’s sole discretion, the Company believes:

- 1) The CEs discredits the Company’s name, goodwill or products,
- 2) Violates in any material way any provision contained in the Agreement, Trades of Hope publications or any of the Company’s Policies and Procedures;
- 3) In any way misrepresents Company’s products or business opportunity. The Company shall notify the CE by e-mail of the Trades of Hope Office Termination at the latest email address listed with the Company for the CE. If your Independent CE Agreement was terminated by the Trades of Hope Office, you may not reapply.

Effect of Termination

Terminations of the Independent CE Agreement are effective the first day of the month following the date of Resignation, Deactivation or Termination. Upon termination of the Independent CE Agreement for any reason, your success-line will roll up as per our policy on Roll-Ups. In addition, you will lose any gift certificates or other credits that you have earned. You will receive legitimately earned commission only for the last full payment period you were active prior to termination.

EVENTS UPON TERMINATION OF THIS AGREEMENT:

You will:

- 1) Within five days of termination pay all amounts due and owed to Trades of Hope;
- 2) Cease representing yourself as a Trades of Hope CE immediately; and
- 3) Be ineligible to receive any un-accrued compensation or benefits as a CE.

You will cease all use of Trades of Hope Intellectual Property and Confidential Information and will cease holding Entrepreneur Home Parties, trade shows, presentations or otherwise displaying, offering for sale or selling Trades of Hope products.

You will immediately cease using, and upon request by Trades of Hope, return all Confidential Information to Trades of Hope.

Roll-Ups

The Roll-Up policy is to ensure that all CEs have an active and engaged Sponsor who is leading by consistent example.

Roll-Ups occur when a CE who has sponsored a team:

- 1) Terminates her Independent CE Agreement as a result of Resignation, Deactivation or Home Office Termination,
- 2) Fails to meet the minimum leadership qualifications for their rank.

At the time of a CE’s Roll-Up, every CE below her will immediately be rolled up to the next CE. Roll-ups can occur immediately and without prior notification at the discretion of Trades of Hope. They are effective in the month executed and will not be retroactive to the date of the original request.

If a CE is not Qualified (i.e. does not have accumulated \$1000 in Personal Retail Volume during her lifetime.) the CE will not earn success-line commissions. If a CE does not produce a minimum of \$300 PRV for at least one month in a six-consecutive month period, her success-line will roll-up as per our policy on roll-ups. The CE’s personal account is not affected by roll-ups.

DIRECTOR LEVEL RESPONSIBILITIES

CEs who achieve the Director Rank will be asked to sign an Addendum to the Independent CE Agreement. CEs must submit the signed form to the Home Office within 15 days after the month of promotion.

COMMISSIONS POLICY AND PAYOUT TIMELINES

Commissions will be paid monthly and deposited onto a CE's Trades of Hope eWallet.

From the eWallet, the funds can be used on additional Trades of Hope purchases or requested to be transferred to your personal banking account by direct deposit. Any commissions or funds transferred to the CE will be done exclusively by direct deposit into the account you specified in your CE portal.

- Commissions are paid on the commissionable Trades of Hope core product sales, sold to end customers.
- Commissionable products do not include, CE-only items (e.g. Compassionate Entrepreneur Kit, internal coupon orders and promotional gift certificates Business Supplies, Kit Builders etc.)
- If you have any issues or discrepancies with your commission report, they must be reported prior to the end of the calendar month following the month for which the commission was issued. For example, if you have a concern about November's commission, which you would have received by December 5th, you must report that issue to the Trades of Hope Office Customer Service by the end of December of that same year. Issues reported after that timeline will not be researched or adjusted. Send your requests via email through Customer Service.
- Commissions are issued to CEs in their name only and cannot be paid to businesses, trust funds, etc.
- If overpayments are made, amounts will be deducted from future payouts.
- Each January, Trades of Hope issues Tax Form 1099 for the previous year. A 1099 will be issued for each non-employee who has earned commission checks, incentives, prizes, etc., of \$600 or more, or has purchased more than \$5,000 worth of product intended for resale. Commission and other earnings must be claimed as income in your tax filings each year.

Account Holds

Trades of Hope may, at its option, place a CE's account on hold for money owed to Trades of Hope or for violation of other Policies and Procedures. If an account is placed on hold, the CE may be prohibited from placing orders, receiving all or a portion of commissions, registering for Conventions or other corporate events or obtaining other CE benefits until the account is current and/or all Policy and Procedure violations are corrected.

LEAVES OF ABSENCE:

Personal Leave

We offer a three-month personal leave, which allows our CE to avoid the roll-up of her team, as per the Roll-Up Policy. Personal Leave will only be granted to CEs who have sold Trades of Hope product. Career and pay rank still require that all qualifications of the Compensation Plan are met while on leave. This leave will not extend the time you have to qualify for coaching commissions without meeting your personal sales requirements. Please contact Customer Service for a Personal Leave Request form.

How To Request An Exemption Period

- In case of an extenuating circumstances such as illness you can put in for an exemption to termination. Please contact Customer Service for an Exemption form.

CORPORATE MARKETING, LEADS AND ASSIGNMENTS

Trades of Hope makes a considerable investment in building our general brand and driving awareness that will fuel all of our CEs' businesses. Our corporate marketing and public relations efforts are intended to attract new potential customers and CEs, which ultimately benefits every Trades of Hope CE.

Our Philosophy

- 1) For building a great business, there is no substitute for leveraging YOUR social network. Trades of Hope Office leads should not be expected and are not a way to build a personal business. We do general marketing like press and events because we know that you can then show this media coverage to your network of people and build excitement.
- 2) The Trades of Hope Office will allocate Leads and Assignments with the utmost integrity to CEs who we deem to be exemplary members of the Trades of Hope team and who we believe will provide the best support and leadership to our customers and new CEs.
 - a) Leads refer to requests made by our customers for more information about Trades of Hope, interest in hosting a Compassionate Entrepreneur Home Party or learning more about the opportunity to become a CE.
 - b) Assignments refer to new CEs who have signed the Independent CE Agreement and have not indicated a Sponsor.
- 3) We do not make exceptions to this program and we are under no obligation to provide history or explanations for our Lead and Assignment allocations.

The corporate marketing and public relations efforts will primarily direct potential customers/CEs to our official corporate website, www.tradesofhope.com. While on the official corporate website, the potential customer or CE may learn more about products and CE opportunities. In general, most, but not all, leads and assignments will be given to a CE who:

- Embodies the core values of Trades of Hope and is an exemplary member of the Trades of Hope community.
- Has a Trades of Hope Personal Website.
- Has earned the pay rank of Director or above.

Trades of Hope has the right to transfer any CE who was a Corporate Lead to another team if the Trades of Hope Office determines the CE is receiving inadequate coaching as per the Minimum Leadership Support requirements.

The company encourages a CE to advertise her personal website in online blogs, social media sites, and other commercial websites as much as possible to drive online sales. However, please note that we have specific rules around online advertising that include:

- Compliance with our advertising and online policies. When you market your business, always refer to yourself as a name, Trades of Hope Independent CE to eliminate confusion between your personal website and the official Trades of Hope website. You may never sell your products on any site other than Trades of Hope (this includes eBay, Etsy, or other auction site).
- You may not create search engine marketing campaigns (this includes Google AdWords) as it directly competes with Trades of Hope's official website and any advertising placements Company is running.

TAXES

Income Tax U.S.

As a self-employed professional, it is up to you to maintain complete records regarding your income and expenses. This will greatly assist you when calculating your taxes every year. There are a myriad of tax benefits that can be available to self-employed individuals, and **each CE should consult their own tax advisors** concerning how the benefits may apply to each individual case. Visit the IRS website (www.irs.gov) for more information.

The first month of each calendar year, Trades of Hope issues Tax Form 1099 for the previous year. A 1099 will be issued for each non-employee who has earned commission checks, incentives, prizes, etc., of \$600 or more. Commission and other earnings must be claimed as income with your tax filings each year.

As a Trades of Hope CE, you are an independent contractor to Trades of Hope, not an employee. Because of this distinction, you are self-employed for income tax purposes. You will report your commission income on Schedule C of your income tax return. As a self-employed Schedule C tax filer, you may have significant advantages in deducting business expenses. Examples include home office deductions, business use of your auto, home computer usage and travel and entertainment expenses.

Throughout the year, **keep all of your receipts for income and expenses in one place**. Designate a folder for paperwork and don't forget to write down mileage that you've traveled in order to conduct your Trades of Hope business. This will make it much easier for you to calculate your tax return at the end of the year.

You may call the IRS at (800) 829-1040 and request several helpful pamphlets at no cost.

- Direct Sellers, No. 911
- Travel, Entertainment, Gift, and Car Expenses, No. 463
- Self-Employment Tax, No. 533
- Business Expenses, No. 535
- Business Use of Your Home, No. 587
- Business Use of a Car, No. 917.
- Form 4562 is used if you buy equipment (like a computer or a printer) that costs more than \$150
- Sole Proprietorship – Small Business Tax Kit (also free). This kit includes copies of, and instructions for, all of the federal tax forms you need. Call to request this at the end of the year.

Don't forget, if your state has income tax, you will also need to file state tax forms.

Frequently Asked Questions About U.S. Income Tax

If I don't receive a Form 1099 from Trades of Hope, do I still need to file a tax return?

Yes, you need to report income you earned from sales of Trades of Hope products on Schedule C.

What other information do I have to provide to the IRS?

Please contact your accountant for more information about inventory accounting.

If I didn't make \$600 in my Trades of Hope business, do I still have to file?

Yes, if you are in business, you still need to file. If you had more expenses than income, you may have incurred a loss in your business that can be used to offset other income and reduce your taxes. You should discuss this with your accountant.

Sales Tax U.S.

When you become a CE, you authorize the Company to collect and remit to the proper governmental agencies the applicable sales/use tax generated as a result of your sales of your products as outlined below. When orders are placed with the Company, sales tax is prepaid based upon the suggested retail price or actual selling price if known. You must agree to be bound by all sales tax collection agreements between the Company and all appropriate taxing jurisdictions, and all related rules and procedures.

Sales tax is calculated on the retail price of the items purchased, not on the cost to the CE. The tax collected from the CE is then remitted to the appropriate state agency.

Here's how sales tax works for your Trades of Hope Business:

- 1) **When your customers purchase products from Trades of Hope**, the Company collects sales tax and submits it to the appropriate state agency based on the retail amount of the order and the location of the ship-to address.
- 2) **When you purchase products from Trades of Hope**, the Company collects sales tax from you and submits it to the appropriate state agency based on the retail amount of the order (not the cost to you) and the location of the ship-to address.
- 3) **Hostess Rewards FREE PRODUCT** is subject to Sales Tax on the full retail amount of the rewards.

ADVERTISING, PRESS, TRADEMARK AND PUBLIC IMAGE PROTECTION

Repackaging or Relabeling

Because repackaging could violate laws or result in civil liability, all products must be sold in their original packaging only.

Training Materials

CEs may not produce, distribute or sell DVDs, videotapes, audiotapes and other training materials bearing the Company brand and name. If you have suggestions for training material, please submit your ideas to Customer Service.

Liability

- 1) Trades of Hope cannot guarantee, regenerate or in any way be responsible for Trades of Hope products purchased from sources other than Trades of Hope.
- 2) Trades of Hope cannot guarantee, regenerate or in any way be responsible for products that are not officially part of the Trades of Hope product line.
- 3) Trades of Hope cannot guarantee, regenerate or in any way be responsible for products that have been imprinted with the Trades of Hope trademark by sources other than Trades of Hope.

Trademarks

- 1) CEs' duplication of Trades of Hope trademarks or service marks is prohibited without express written permission from the Company in advance.
- 2) When reproducing the Trades of Hope logo, it must not be altered in any manner or form. Trades of Hope CEs may not duplicate the Trades of Hope trademark for private use or for the intention of selling non-Trades of Hope products to others.

Marketing Policy

Registered trademarks of Trades of Hope, LLC include the Trades of Hope logo are protected under trademark law.

For our compassionate entrepreneurs (CEs), a special compassionate entrepreneur Trades of Hope logo is provided for their use when creating documents. CEs may not use the Trades of Hope corporate logo for any purposes, but may use the specially designed CE logo that represents the document as CE created and not corporately created.

CEs may not edit or alter graphics or photos that are released by Trades of Hope. It is encouraged that they share Trades of Hope graphics just as the company created them.

Trades of Hope appreciates the input of our CEs, however, CEs creating their own graphics is strongly discouraged. Trades of Hope provides graphics for every promotion, as well as multiple photographs for incentives. Statistically, customers interact more with photos of CEs enjoying their lifestyle, posting photos of their own jewelry, and photo images rather than graphics that are made at home. Trades of Hope works hard to provide graphics that fit customer needs so each CE can focus on spending time growing their businesses. Any suggestions for needed graphics may be placed in the suggestion box. Any information, product suggestions, or general comments provided through to Trades of Hope through our site(s) or suggestion box shall become the property of Trades of Hope, LLC.

Advertising and Press

You may advertise in local publications and online, but must make sure your ad is accurate, professional and not misleading in any way. CEs are prohibited from making ANY claims regarding TOH Products or the TOH Program and Compensation Plan other than those claims made in current official TOH literature or on the Company website. You must always list your Trades of Hope personal website address and use only official Trades of Hope logos. If you list contact information, you must identify yourself as an Independent CE so that there will be no confusion that you represent the Trades of Hope Office. You may advertise sponsoring opportunity sessions, your Compassionate Entrepreneur Home Parties or any other Trades of Hope events you choose.

PRESS CONTACTS AND LEADS

The Home Office is the primary contact with all major network press and media. All members of the CE force wishing to contact any members of the media for any reason should contact the Trades of Hope Office Marketing Department first. Press includes any media with a wide audience including network television, newspapers with over 100,000 circulation and all Internet media such as blogs, syndicated columns, broadcast shows and wire services. Please direct any questions and media inquiries to the Trades of Hope office info@tradesofhope.com

Media Promotions

The Trades of Hope Office initiates all television, cable TV, radio, Internet, newspaper, newsletter and magazine interviews, features and paid advertisements. Trades of Hope CEs may not initiate, authorize or implement national or regional media publicity. CEs, may participate in local media interviews. All interviews with the major media must be handled through the Company Communications Manager. Whether the media outlet pursues you or vice versa, **you must inform the Company before the interview is conducted (no exceptions)**. Contact the Trades of Hope Office and refer the reporter/writer to our public website for contact information. If you are approached by a member of the **national** media about contributing to a story, you must refer her or him to the Company immediately.

As with advertising, you may only personally approach **local** media when submitting a press release or story pitch.

We require CEs to list the Trades of Hope web address in addition to any personal contact information. The Company must approve proposals for regional or national media promotions in advance. Look online in the CE Training website for high-resolution logos and advertising guidelines.

Checking/ Charge Accounts

Trades of Hope CEs may not use the trademark or trade name Trades of Hope 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 on your checking account, credit application or other form, use your name and "Trades of Hope Independent CE." The intent of this is to avoid any implication that a CE business is the Corporate Office.

ONLINE COMPLIANCE

Trades of Hope builds our brand for the general benefit of all CEs. Thus, our trademarked brand name cannot be used to drive traffic away from our corporate site. Infractions may result in the immediate termination of a CE account.

You may not represent yourself in any way online that detracts from the Trades of Hope brand. You may only have a Personal Website through Trades of Hope. In compliance with laws and Direct Selling Association policy, all Independent CE marketing, both in print and online, must clearly appear as though it is coming from an independent representative of the company and not lead the consumer to think they may be interacting with the corporate office. Furthermore, any ad in which the trademarked Trades of Hope name or logo is used must be approved by the corporate office. Corporate-approved advertisements will be made available in the CE Training Website.

What you should know about social media, Facebook and your Trades of Hope business?

Your business succeeds when you develop a network of loyal customers, hostesses and Compassionate Entrepreneurs on your team who are excited to share the beautiful products and inspiring artisan stories with others. Trades of Hope recognizes that the ability to use social media platforms like Facebook pages to help you communicate is part of the fabric of building your business.

Facebook establishes its own rules for the use of the platform and directly regulates how an individual can and cannot conduct interactions within their page. Without notice, the rules established by Facebook can change, and therefore, our guidelines may be amended at any time. We can only react to the rules established and provide the guidelines that represent acceptable behavior associated with a Trades of Hope Terms & Agreement

Restricted Use of Trades of Hope Trademarked Name

The trademarked Trades of Hope name cannot be used in any Google AdWords or other search engine marketing campaigns of sponsored links. This includes the use of your Personal Website, since this contains mytradesofhope.com. All web advertisements must clearly contain the descriptor of Independent Sales Consultant in both the title and description field.

Marketing and Naming of Personal Websites

Using a generic extension like shop, jewelry, cities or major regions, etc., is not allowed as it appears to the end user that this is a corporate site URL. Your extension must relate to your name. You cannot use any name like www.mytradesofhope.com/jewelry, www.mytradesofhope.com/shop, or www.mytradesofhope.com/sanfrancisco.

Use of Trades of Hope in URLs

You may not use tradesofhope or any derivative in a registered URL with any extension. This is in violation of our trademarked name and can result in the termination of a CE account. For example, you cannot register or use any URL like www.mytradesofhopebiz.com or www.tradesofhope.tv, etc.

Naming Social Network Pages on Facebook and More

When using social media, CEs may not use any name that could be confused with the corporate office. Usernames may, however, include the name "Trades of Hope," if they also include "Independent Compassionate Entrepreneur" or a similar identifier first that distinguishes it from a Trades of Hope corporate account. We encourage creativity, as long as it represents the Trades of Hope brand appropriately, keeps with our company values, and in no way implies geographical ownership or corporate endorsement.

What can I do on my Personal Facebook Page related to my Trades of Hope Business?

Your personal Facebook page is not a page that you should use to sell products. Facebook can be very particular about selling and spamming friends, so keep your posts focused on your lifestyle. This is a place to share what you love and your experiences. Because Trades of Hope is part of your life, you could talk about these experiences, the products you love, the artisan stories, referencing Trades of Hope, but not using it to “sell.”

Solicitation of Business on Facebook or CE Space

CEs may not use the Trades of Hope Official Facebook Fan Page to solicit business, drive people to your Personal Website, or sign up team members.

Can I sell through my Facebook business page?

You may promote on your Facebook business page, but you should always ask the question “Am I being to sale-sy?” And, remember that the Facebook guidelines often change, so keep up to date with Facebook on the appropriate way to run your business page. Also, if you are hosting a Trades of Hope Party on Facebook or a Live Event, you should think of it as a real party. Because of this, many CEs set up their party as a private Event on their personal Facebook page. This allows them to access friends that are linked to their page.

On your Facebook business page, you can post graphics of products provided in your graphic library with the retail value and direct customers to purchase through your replicated website, but, please keep in mind, you are not permitted to sell products directly on your personal Facebook page.

Online business is best developed by directing your customers to order through your replicated website by simply providing your replicated website or party URL. On your replicated page, your customer will be able to shop, process her payment and be properly notified of the purchase when completed.

Sales of Excess Inventory

You cannot use Facebook or any other online sites such as ebay, craigslist, etsy, etc., to sell excess inventory to customers or other Compassionate Entrepreneurs if products are currently available through Trades of Hope. This includes the Trades of Hope CE Facebook page. All product purchases must go through your replicated website or party portal. Facebook may be used for online parties and marketing your Trades of Hope business.

Sales Through Auction Sites or Other Internet Sites

Trades of Hope CEs may not sell Trades of Hope on any website other than their personal Trades of Hope website. You may **NOT** sell Company products (including Business Supplies) through any online auction service or any other website. Nor may you advertise your business or the business opportunity through online auction services.

A CE may not sell her products online anywhere but her replicated website or party links, unless it is an out of stock item. She may advertise her products online, but the point of sale should happen within the Trades of Hope system. She may process orders if she carries out of stock inventory via PayPal, but her current Trades of Hope products may not be listed and have a point of sale that happens outside of the replicated website (including not selling on ecommerce sites such as EBay and Etsy).

Facebook Live or parties held on Facebook, Skype, Zoom or other such media is like having a virtual party, and are closed or private events. CEs have the option of sending attendees to the party URL to purchase, or if she is offering products from her out of stock inventory, it is acceptable to complete the transaction through an outside payment processor that provides a confirmation receipt to the customer, such as Pay Pal. In all situations when a transaction is outside of the back office system, such as cash and carry, the CE is responsible for ensuring the customer receives a receipt, the customer has received her contact details including address and phone number and the customer understands the terms of the return policy.

CEs are not permitted to sell through any 3rd party site like Etsy or Ebay. All current merchandise must be offered at the regular retail price, or current sale price if Trades of Hope corporate is offering a sale on that item.

*As these platforms evolve, the guidelines will adjust to ensure that our Compassionate Entrepreneurs remain a relevant and exciting choice for our customers. When in doubt, verify with our customer service team.

Sale of Inventory to Other CEs

Products that are no longer available to be purchased through the company can be purchased from another Compassionate Entrepreneur. If one CE is interested in purchasing from another, we suggest that a private message be used to pursue the transaction, but this may not be done within the CE Facebook page. This helps ensure the integrity of the Trades of Hope brand to new CEs who may be joining this Facebook page.

Can a CE Sell Products at a Price Different than the Retail Price?

No. Trades of Hope works hard to establish a fair price that will ensure a fair wage for our artisans and still maintain the interest of our customers. If a product has been discontinued and the CE has it in inventory, it is recommended that the CE use the most recent retail sale price of the last time it was offered on sale but not deeply discount any Trades of Hope product. This helps to ensure the integrity of the brand value for our customers.

Sales Presentations

At sales presentations, you shall truthfully represent the Company, yourself and the products. CEs are prohibited from making ANY claims regarding TOH Products or the TOH Program and Compensation Plan other than those claims made in current official TOH literature or on the Company website. You may not use any misleading, deceptive or unfair sales practices. Explanation and demonstration of products offered shall be accurate and complete, including but not limited to, price, terms of payment, refund rights, guarantees and after-sales service and delivery. Personal or telephone contact shall be made in a reasonable manner and during reasonable hours to avoid intrusiveness. Immediately discontinue a sales presentation upon request of the consumer. Also, refrain from using comparisons which are likely to mislead, and which are incompatible with the principles of fair competition. The following deceptive practices are absolutely prohibited and may result in immediate termination of a CEs account without notice:

- 1) The enrollment of individuals without their knowledge and/or execution of an Independent CE Agreement on behalf of others without their knowledge;
- 2) The fraudulent enrollment of a CE.

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 Cancellation Policy (found on the back of the Trades of Hope Order Forms). CEs shall use the Order Forms provided by Trades of Hope, which contain the required statutory notice of cancellation language. CEs shall honor all consumer cancellations in accordance with the statutory requirements thereunder.

Customer Refunds and Returns

You must comply with the Return Policy and procedures currently listed on the Trades of Hope website at www.tradesofhope.com.

Territory Restrictions

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

International Sales

Due to complex legal and tax considerations involving international sales, no sales or recruitment efforts may be made outside the 50 states of the USA.

Back Order Policy

The Company will quickly ship all products currently in stock. Any out-of-stock items (unless discontinued) may be placed on back order and will be distributed upon Company receipt of additional inventory. A CE will be charged and granted commissions on back-order items once the order is submitted. Back orders may be cancelled on a CE's request and a credit will be made to either the CE or customer card based on the original payment method. Commissions will be adjusted accordingly. If the back order cannot be filled, the Company will cancel the back order and adjust commissions accordingly. The company has the right to offset such amounts against future commission and other compensation paid or owed to the CE who received commissions for subsequently canceled orders.

Mail Order

Trades of Hope CEs may not advertise, promote, sell or sponsor through other company catalogs.

Sales of Discontinued Products

CEs may sell discontinued products from the CEs inventory at parties, events, and to other CEs at the regular purchase price. No adjustments of volume or commissions will be made by the Home Office.

Purchase of On Hand Product

As an independent Compassionate Entrepreneur, you may hold inventory on hand for cash and carry type selling at your party or at events. On hand merchandise can be purchased by opening a party through which you will place your order. It is recommended that a Compassionate Entrepreneur carry only what she may need. For example, you may want to limit to no more than 20% of your annual purchased products in inventory at any given time to ensure a positive income benefit from your activities. Trades of Hope allows inventory to be purchased when an intention to on-sell the merchandise is clearly defined and planned, however, Trades of Hope does not encourage inventory loading at any time.

When completing an on-hand transaction with the customer, it is acceptable to complete the transaction through an outside payment processor that provides a confirmation receipt to the customer, such as Pay Pal as long as the CE provides to the customer her contact details and the return policy.

Trade Shows / Expos / Booth Events, Etc.

Public events are great opportunities to receive exposure for your Trades of Hope business. You can find people interested in hosting a Home Party, purchasing the product or becoming a CE. The registration for the event must be as an Independent Trades of Hope CE. The first CE to register for the space with the event sponsor has the right to conduct that event. Only one CE representing Trades of Hope at an event.

International Distribution

Trades of Hope may not conduct business outside of the United States. Trades of Hope does not currently offer the CE opportunity in Puerto Rico and Guam, Trades of Hope CEs may not Sponsor, sell or promote Trades of Hope outside of their country.

GENERAL PROVISIONS

Site Downtime

Each party acknowledges that the Trades of Hope website may be subject to temporary shutdowns from time to time for maintenance and/or due to causes beyond the operating party's reasonable control, and that neither party shall have any liability to the other by reason of any such shutdowns.

Personal Retail Volume:

Personal Retail Volume (PRV) is expected to be associated with customer sales. To ensure all Compassionate Entrepreneur (CE) rank promotions are based upon a sustainable foundation, CE Personal Retail Volume in any given month must maintain a balance of 65% or more of total volume associated with customer orders.

As an example, for clarification: If a CE has orders in a month that total \$1000 in PRV, a minimum of \$650 must be from customer's orders.

It is against Trades of Hope policy for Compassionate Entrepreneurs to ask other CEs to make purchases through another CE's party or personal website to increase PRV for herself (or another team member).

CEs may not stack/place new CEs under new current branches to increase BRV.

While you are welcome to place personal purchases in reasonable quantities through your replicated website/party link or anyone on your team's replicated website/party link, these purchases should not be with the sole intent to make paid as rank, earn incentives, and must not be more than the listed amount above.

Volume should always be generated as organically as possible without ever pressuring or asking other CEs to buy under you or your branches.

Such behavior may result in the loss of rank or permanent termination at Trades of Hope.

*If a question falls outside of this agreement, always ask yourself:

- 1) does your action empower and sustain your business, your downline's business, and the artisans?
- 2) does your action honor everyone involved?

Disciplinary Actions

Any violation of Trades of Hope Policies and Procedures or the Independent Consultant Agreement, or any illegal, fraudulent, deceptive or unethical business conduct on your part may result, at our sole discretion, in one or more of the following disciplinary actions:

- Issuance of a written warning or admonition.
- Reassignment of all or part of your organization.
- Placing you on Account Hold, during which period you may not conduct Trades of Hope business or receive compensation.
- Suspension of your CE status, which may result in termination, or reinstatement with conditions or restrictions.
- Termination of CE status.

Buy Back Policy

If a CE chooses not to stay on with Trades of Hope as a CE, Trades of Hope will repurchase any marketable inventory and sales aids purchased within the past 12 months at 90 percent or more of the original cost. Marketable inventory is defined by Trades of Hope as product solely purchased within the CE store/catalog.

The CE is required to mail the products back to the company and to notify customer service with a written request. Products need to be in the current catalog and sellable condition. Replicated website and Hope Marketing Portal charges are not included in this policy and will not be refunded.

Reporting Policy Violations

If you observe a violation of Trades of Hope Policies and Procedures by another Trades of Hope CE, please submit a report (electronic or written) to Trades of Hope Customer Service describing the circumstances, evidence and any other pertinent information. Your report to the Company will be held in the strictest confidence.

Amendments

The company reserves the right to amend 1) the CE Agreement, 2) the Compensation Plan, 3) Policies and Procedures, 4) its prices, 5) product and service availability at any time without prior notice as it deems appropriate. Amendments will be communicated to CEs through official Company publications, websites, or voice or e-mail. Amendments are effective and binding on all CEs as of the date of issuance. Subsequent continuation of CE business activities or acceptance of commissions, bonuses or other compensation from TOH constitute CE's acceptance of the amendment. In the event of any conflict between the original documents and policies and any such amendment, the amendment will control.

Indemnification/Offset

As a CE, you indemnify and hold harmless Trades of Hope and its agents and assigns from and against any damages, claims or liabilities and expenses (including attorneys' fees) incident to your: (a) activities as a CE including, without limitation, any unauthorized representations made by you; (b) breach of the terms of this Agreement; or (c) violation of or failure to comply with any applicable federal, state or local laws or regulations. Trades of Hope shall have the right to offset any amounts owed by you to Trades of Hope (including, without limitation, the repayment of commissions as a result of product returns) against the amount of any commissions or bonuses owed to you.

Telephone Solicitation

The Federal Trade Commission (FTC) and the Federal Communications Commission (FCC) each have laws that restrict telemarketing practices. Both of these federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. While you may not consider yourself a "telemarketer" in the traditional sense of the word, these regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. These regulations must be taken seriously because they carry significant penalties for violation.

You may not engage in telemarketing relative to the marketing of Trades of Hope products. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Trades of Hope product or service or to recruit them for the opportunity of marketing Trades of Hope products. "Cold calls" made to prospective customers that promote either Trades of Hope products or the opportunity to market Trades of Hope products constitute telemarketing and are prohibited. However, your telephone call(s) placed to a prospective customer ("prospect") is permissible in the following situations:

- You may call family members, personal friends, guests who have attended a Trades of Hope Home Party that you have conducted, and acquaintances. An “acquaintance” is someone you have recently personally met.
- You may call people you have an established business relationship with. An “established business relationship” is a relationship between you and a prospect based on the prospect’s purchase, rental or lease of goods or services from you, or a financial transaction between you and the prospect, within the 18-month period immediately preceding the date of your telephone call to induce the prospect’s purchase of a product.
- The prospect’s personal inquiry or application regarding a product or service you offered them within the three-month period immediately preceding the date of such a call.
- If you receive written and signed permission from the prospect authorizing you to call. The authorization must specify the telephone number(s) that you are authorized to call.
- Collecting business cards and subsequently calling these contacts may be considered a form of telemarketing by the FTC and should be avoided.

Cumulative Remedies/Waiver

All rights, powers and remedies given to Trades of Hope are cumulative, not exclusive and in addition to any and all other rights and remedies provided by law. No failure or delay of Trades of Hope to exercise any power or right under this Agreement or to insist upon strict compliance by you with any obligation or provision shall constitute a waiver of Trades of Hope’s right to demand exact subsequent compliance therewith. Waiver by Trades of Hope can be effective only in writing by an authorized officer of Trades of Hope.

Injunctive Relief

Upon any breach of this Agreement by the CE, Trades of Hope will be immediately and irreparably harmed and cannot be made whole solely by monetary damages. Because the remedy at law for any breach of any provision of this Agreement shall be inadequate, in addition to any other remedies in law or in equity that it may have, Trades of Hope shall be entitled, without the necessity of proving actual damages, to temporary and permanent injunctive relief to prevent the breach of any provision of this Agreement and/or to compel specific performance of this Agreement. In addition, Trades of Hope shall be entitled to its costs and expenses, including reasonable attorneys’ fees, in enforcing its rights under this Agreement.

Waiver

We maintain our right to insist on compliance with these Policies and Procedures or with the applicable laws governing the conduct of a business. In the event that we permit a variance of the rules, that permission does not extend to future variances. This provision deals with the concept of “waiver,” and the parties agree that we do not waive any of our rights under any circumstances.

Jurisdiction

All disputes and claims relating to Trades of Hope, the CE Agreement, the Compensation Plan, the Company’s products, the rights and obligations of the CE, or any other claims or cause of action relating to the performance of either the CE or Trades of Hope under the agreement shall be adjudicated totally and finally in Florida or such other location as the Company prescribes. Unless the state in which you live requires the application of its laws and venue, this agreement is governed by the laws of the State of Florida, without regard to principles of conflicts of laws.

Partial Validity

Should any portion of these Policies and Procedures, the Independent CE Agreement or of any other instruments referred to herein or issued by Trades of Hope be declared invalid by a court of competent jurisdiction, the balance of such rules, applications or instruments shall remain in full force and effect.

Limitation of Damages

To the extent permitted by law, Trades of Hope and its affiliates, officers, directors, associates and other representatives shall not be liable for, and the CE hereby releases the foregoing from, and waives any claim of loss of profit, incidental special, consequential, or exemplary damages which may arise out of any claim whatsoever relating to the Company's performance, non-performance, act, or omission with respect to the business relationship or other matters between the CE and the Company whether sounding in contract, tort or strict liability. Furthermore, it is agreed that any damage to the CE shall not exceed, and is hereby expressly limited to the amount of unsold Trades of Hope products and services owned or held by the CE and commissions and bonuses.

Entire Agreement

The Policies and Procedures and the Compensation Plan, as amended from time to time are incorporated into the Trades of Hope Independent CE Agreement and, together with the TOH Independent CE Agreement constitute the entire Agreement of the parties regarding their business relationship.