

United Financial Freedom™

STATEMENT OF POLICIES AND PROCEDURES

Updated October 21, 2019

SECTION 1 - INTRODUCTION

1.1 - Policies and Compensation Plan Incorporated into United Financial Freedom (“UFinancial”) Independent Agent Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of UFinancial, LLC. Registered DBA United Financial Freedom (hereafter “UFinancial” or the “Company”), are incorporated into, and form an integral part of, the UFinancial Independent Agent Agreement (“UFinancial Agent Agreement”). Throughout these Policies, when the term “Agreement” is used, it collectively refers to the UFinancial Independent Agent Agreement, these Policies and Procedures, the UFinancial Career Plan, and the UFinancial Business Entity Application (if applicable). These documents are incorporated by reference into the UFinancial Independent Agent Agreement (all in their current form and as amended by UFinancial). It is the responsibility of each Independent Agent to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When sponsoring or enrolling a new Independent Agent, it is the responsibility of the sponsoring Independent Agent to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the UFinancial Career Plan prior to his or her execution of the UFinancial Independent Agent Agreement.

1.2 - Purpose of Policies

UFinancial is a direct sales company that markets its products through Independent Agents. It is important to understand that your success and the success of your fellow Independent Agents depend on the integrity of the men and women who market our products and services. To clearly define the relationship that exists between Independent Agents and UFinancial and to explicitly set a standard for acceptable business conduct, UFinancial has established the Agreement.

Independent Agents are required to comply with all of the Terms and Conditions set forth in the Agreement which UFinancial may amend at its sole discretion from time to time, as well as all federal, state, and local laws governing their UFinancial business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement. Please review the information in this manual carefully. It explains and governs the relationship between you as an independent contractor and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from UFinancial.

1.3 - Changes to the Agreement

Because federal, state, and local laws, as well as the business environment, periodically change, UFinancial reserves the right to amend the Agreement and its prices at its sole and absolute discretion. By signing the UFinancial Independent Agent Agreement, an Independent Agent agrees to abide by all amendments or modifications that UFinancial elects to make. Amendments

shall be effective upon notice to all distributors that the Agreement has been modified. Notification of amendments shall be published in official UFinancial materials. The Company shall provide or make available to all distributors a complete copy of the amended provisions through reasonable commercial methods, including but not limited to: (1) posting on the Company's official web site; (2) electronic mail (email); (3) inclusion in Company periodicals; (4) inclusion in product orders or bonus checks; or (5) special mailings. The continuation of an Independent Agent's UFinancial business or an Independent Agent's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

1.4 - Delays

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

1.5 - Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid or unenforceable provision never comprised a part of the Agreement.

1.6 - Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of UFinancial to exercise any right or power under the Agreement or to insist upon strict compliance by an Independent Agent with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of UFinancial's right to demand exact compliance with the Agreement. Waiver by UFinancial can be effectuated only in writing by an authorized officer of the Company. UFinancial's waiver of any particular breach by an Independent Agent shall not affect or impair UFinancial's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Independent Agent. Nor shall any delay or omission by UFinancial to exercise any right arising from a breach affect or impair UFinancial's rights as to that or any subsequent breach.

The existence of any claim or cause of action of an Independent Agent against UFinancial shall not constitute a defense to UFinancial's enforcement of any term or provision of the Agreement.

SECTION 2 - BECOMING AN AGENT

2.1 - Requirements to Become an Independent Agent

To become an Independent Agent, each applicant must:

- 2.1.1** - Be at least 18 years of age;
- 2.1.2** - Reside in the United States or U.S. territories;
- 2.1.3** - Have a valid Social Security or Federal Tax ID number in the U.S.;
- 2.1.4** - Never have been convicted of a felony offense or crime involving fraud or deceit;

2.2 - Purchase of the UFinancial Money Max Account

No person is required to purchase UFinancial products or services to become an Independent Agent.

INDEPENDENT AGENTS ARE NOT REQUIRED TO PURCHASE THE UFINANCIAL MONEY MAX ACCOUNT™ (“MMA”) SYSTEM, NOR ANY OTHER UFINANCIAL PRODUCT (COLLECTIVELY “PRODUCTS”) IN ORDER TO PARTICIPATE IN THE UFINANCIAL FINANCIAL SALES PROGRAM.

2.3 - Independent Agent Benefits

Once an Independent Agent Application and Agreement has been accepted by UFinancial, the benefits of the Career Plan and the UFinancial Independent Agent Agreement are available to the new Independent Agent. These benefits include the right to:

- 2.3.1** - Sell UFinancial products and services;
- 2.3.2** - Participate in the Career Plan (receive bonuses and commissions, if eligible);
- 2.3.3** - Sponsor other individuals as Independent Agents into the UFinancial business and thereby build a marketing organization and progress through the Career Plan;
- 2.3.4** - Receive periodic UFinancial correspondence and other UFinancial communications;
- 2.3.5** - Participate in UFinancial-sponsored support, service, training, motivational, and recognition functions upon payment of appropriate charges, if applicable; and
- 2.3.6** - Participate in promotional and incentive contests and programs sponsored by UFinancial for its Independent Agents.

2.4 - Term of Agent Contract & Annual Renewal Fee

In order to enroll as an Independent Agent, a UFinancial Independent Agent Agreement must be filled out and sent to UFinancial along with the agent enrollment start-up fee of \$149. This \$149, equivalent to approximately \$12.41 per month for the first year of enrollment and paid in full at the time of enrollment, pays for the Independent Agent’s two online replicated sites (MoneyMaxAccount.com/[agent ID] and UFFOpportunity.com.com/[agent ID]), as well as their online Back Office, which includes video link tracking, team communication, team reports, sales and commissions tracking, prospect progress tracking, opportunity link recruiting communication, savings analysis system, UFinancial news and announcements, recorded webinars and training videos, registration for live events and live webinars, the Career Plan, Private Label information, and promotional materials ordering.

The term of the UFinancial Independent Agent Agreement is one year from an Agent’s enrollment date, and shall terminate unless renewed by payment of the annual renewal fee of \$50.00 subject to the Company’s right to cancel as provided in the UFinancial Independent Agent Agreement and these Policies and Procedures. This \$50 annual renewal fee includes all of the above-mentioned resources but at a lower cost equivalent to approximately \$4.16 per month.

If the renewal fee of \$50 is not received in full by the Independent Agent’s renewal date, any commissions or overrides due to the agent when they are suspended will be held back. If the Independent Agent pays the \$50 renewal fee within the 30 days following their renewal date, they will be reactivated with no loss of rank, hierarchy, or volume, and the held-back commissions and overrides will be released. If the \$50 renewal fee is not received within 30 days of their renewal date, then the Independent Agent will be deactivated and will permanently lose any held-back commissions and overrides. At that point, they may renew for \$149 without any loss of rank, hierarchy, or volume but will not receive the held-back commissions and overrides.

2.5 - Cashing Compensation Checks

Independent Agents must cash or deposit their compensation checks within 6 months of the date that the check was printed. Any checks that have not been cashed or deposited within that time period will become null and void and the funds will be permanently surrendered to UFinancial.

SECTION 3 - OPERATING A UFINANCIAL BUSINESS

3.1 - Adherence to the Career Plan

Independent Agents must adhere to the terms of the Career Plan as set forth in official UFinancial literature. Independent Agents shall not offer the UFinancial opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official UFinancial literature. Independent Agents shall not require or encourage other current or prospective Independent Agents to participate in UFinancial in any manner that varies from the program as set forth in official UFinancial literature. Independent Agents shall not require or encourage other current or prospective Independent Agents to execute any agreement or contract other than official UFinancial agreements and contracts in order to become an Independent Agent. Similarly, Independent Agents shall not require or encourage other current or prospective Independent Agents to make any purchase from, or payment to, any individual or other entity to participate in the Career Plan other than those purchases or payments identified as recommended or required in official UFinancial literature.

3.2 - Advertising

3.2.1 - General

All Independent Agents shall safeguard and promote the good reputation of UFinancial and its products. The marketing and promotion of UFinancial, the UFinancial opportunity, the Marketing and Compensation Plan, and UFinancial products shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and services, and the tremendous opportunity UFinancial offers, Independent Agents may only use the sales aids and support materials produced by UFinancial. If an Independent Agent creates an advertising piece that he believes would be effective, he or she must submit it to the Company for approval. The Company may elect to publish the material and make it available to all Independent Agents. Independent Agents waive any claim to royalties or payments of any nature for material they submit to the Company.

3.2.2 - Domain Names and Email Addresses

Independent Agents may not use or attempt to register any of UFinancial's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name, social networking user name, or email address.

3.2.3 - Trademarks and Copyrights

UFinancial will not allow the use of its trade names, trademarks, designs, or symbols by any person, including Independent Agents, without its prior, written permission. Independent Agents may not produce for sale or distribution any recorded Company events and speeches without written permission from UFinancial nor may Independent Agents reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

3.2.4 - Media and Media Inquiries

Independent Agents must not attempt to contact media or respond to media inquiries regarding UFinancial, its products or services, or their independent UFinancial business for any reason. All requests to contact media or inquiries made by any type of media must be immediately referred to UFinancial's Compliance Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image. Any Independent Agent that violates this policy is subject to immediate termination of their UFinancial Independent Agent Agreement and or applicable legal action.

3.2.5 - Unsolicited Email

UFinancial does not permit Independent Agents to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act (U.S.). Any email sent by an Independent Agent that promotes UFinancial, the UFinancial opportunity, or UFinancial products and services must comply with the following:

- i. There must be a functioning return email address to the sender.
- ii. There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
- iii. The email must include the Independent Agent's physical mailing address.
- iv. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- v. The use of deceptive subject lines and/or false header information is prohibited.
- vi. All opt-out requests, whether received by email or regular mail, must be honored. If an Independent Agent receives an opt-out request from a recipient of an email, the Independent Agent must forward the opt-out request to the Company.
- vii. UFinancial may periodically send commercial emails on behalf of Independent Agents. By entering into the UFinancial Independent Agent Agreement, Independent Agent agrees that the Company may send such emails and that the Independent Agent's physical and email addresses will be included in such emails as outlined above. Independent Agents shall honor opt-out requests generated as a result of such emails sent by the Company.

3.2.6 - Unsolicited Faxes

Except as provided in this section, Independent Agents may not use nor transmit unsolicited faxes nor use an automatic telephone dialing system relative to the operation of their UFinancial businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers. The terms "unsolicited faxes" means the transmission via telephone facsimile or electronic mail of any material or information advertising or promoting UFinancial, its products, its compensation plan or any other aspect of the Company which is transmitted to any person, except that these terms do not include a fax or email: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the Independent Agent has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between an Independent Agent and a person on the basis of: (a) an

inquiry, application, purchase, or transaction by the person regarding products offered by such Independent Agent; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

3.3 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. “Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Agent Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an Independent Agent or Client; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Independent Agents or Clients (“phantoms”); (d) Purchasing UFinancial products or services on behalf of another Independent Agent or Client, or under another Independent Agent’s or Client’s I.D. number, to qualify for commissions or bonuses; or (e) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end user consumers.

3.4 - Business Entities

A corporation, limited liability company, partnership, or trust (collectively referred to in this section as a “Business Entity”) may apply to be an Independent Agent by submitting its Certificate of Incorporation, Partnership Agreement or trust documents (these documents are collectively referred to as the “Entity Documents”) to UFinancial, along with a properly completed Business Entity application. The Business Entity application must be signed by all of the shareholders, members, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to UFinancial.

DISTRIBUTORS WAIVE ANY AND ALL CLAIMS AGAINST UFINANCIAL THAT RELATE TO OR ARISE FROM UFINANCIAL’S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

3.4.1 - Cancellation & Re-application

Any agent that has *voluntarily* terminated their UFinancial Independent Agent Agreement may rejoin UFinancial under their previous sponsor or a new sponsor after a period of 12 months following their date of voluntary termination or Agent inactivity, upon completion of a new UFinancial Independent Agent Agreement and payment of a new enrollment fee of \$149.00. Any reactivating Independent Agent shall have no right, title, claim, or interest to the marketing organization which he or she previously operated or any commission or bonus from the sales generated by that organization.

An active agent that wishes to transfer from one sponsoring agent to another will be required to submit a Hierarchy Change Request Form (available from UFinancial upon request), which requires the signatures of all agents in their upline approving the agent’s transfer. The agent will not be required to obtain the signature of any agent in their hierarchy that is inactive. If an agent that is signed up directly below UFinancial wishes to transfer to another sponsoring agent, UFinancial itself must approve the transfer. If an agent has been totally inactive for 12 months, the agent must still submit a Hierarchy Change Request Form, however only a corporate executive signature is required with this transfer.

3.5 - Unauthorized Claims and Actions

3.5.1 - Indemnification

An Independent Agent is fully responsible for all of his or her verbal and written statements made regarding UFinancial products, services, and the Career Plan which are not expressly contained in official UFinancial materials. Independent Agents agree to indemnify UFinancial and UFinancial's directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by UFinancial as a result of the Independent Agent's unauthorized representations or actions. This provision shall survive the termination of the UFinancial Independent Agent Agreement.

3.5.2 - Income Claims

In their enthusiasm to enroll prospective Independent Agents, some Independent Agents are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Independent Agents may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At UFinancial, we firmly believe that the UFinancial income potential is great enough to be highly attractive without reporting the earnings of others. Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Independent Agents may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact UFinancial as well as the Independent Agent making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Independent Agents do not have the data necessary to comply with the legal requirements for making income claims, an Independent Agent, when presenting or discussing the UFinancial opportunity or Career Plan to a prospective Independent Agent, must use only UFinancial-produced materials and may not make any other income projections, income claims, or disclose his or her UFinancial income (including the showing of checks, copies of checks, bank statements, or tax records).

3.6 - Commercial Outlets

UFinancial strongly encourages the retailing and selling of products and services through person-to-person contact. In an effort to reinforce this method of marketing and to help provide a standard of fairness for its Independent Agent base, Independent Agents may not display or sell UFinancial products or literature in any retail or service establishment.

3.7 - Trade Shows, Expositions and Other Sales Forums

Independent Agents may display and/or sell UFinancial products at trade shows and professional expositions. Registration for trade shows shall be as "UFinancial Independent Agent" so as to allow the trade show organizer to regulate the number of UFinancial booths at its show. Concerns over the number or priority of UFinancial booths at a trade show must be resolved with the trade show organizer. Independent Agents shall not display and/or sell UFinancial products at swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image UFinancial wishes to portray.

3.8 - Conflicts of Interest

3.8.1 - Replication of UFinancial Software

The UFinancial software is a proprietary trade secret belonging exclusively to UFinancial. Independent Agents shall not engage in any activity or effort to replicate, copy, or reverse-engineer the UFinancial software. Use of the UFinancial software is subject to the software license agreement, and any Independent Agent who violates the software license agreement will have his or her UFinancial business terminated.

3.8.2 - Non-Solicitation

During the term of this Agreement, with the exception of their personally sponsored Independent Agents who are also on their front line, Independent Agents may not recruit other Independent Agents for any other network marketing program, business venture, or other business opportunity. Independent Agents and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Independent Agents and UFinancial agree that this non-solicitation provision shall apply to all markets in which UFinancial conducts business.

Independent Agents may not display UFinancial promotional material with any other promotional material, products, or services in a fashion that might in any way confuse or mislead a prospective Client or Independent Agent into believing there is a relationship between the UFinancial and non-UFinancial products or services. Independent Agents may not offer the UFinancial opportunity, products, or services to prospective or existing Clients or Independent Agents in conjunction with any non-UFinancial program, opportunity, product, or service. Independent Agents may not offer any non-UFinancial opportunity, products, or services at any UFinancial-related meeting, seminar, or convention, or immediately following such event.

3.8.3 - Confidential Matters; Covenant Not To Disclose

Independent Agent acknowledges and agrees that, at all times during the term of the UFinancial Independent Agent Agreement, as well as at the time Independent Agent's independent contractor relationship with UFinancial terminates, Independent Agent will be familiar with many matters relating to UFinancial and the business of UFinancial including, but not limited to, the technical data, written material, or information referred to herein or therein, the program generally, the software, information about costs, profits, markets, suppliers, vendors, sales, trade secrets, business ideas related to UFinancial or its business, plans, processes, lists of actual and potential Clients and Agents, documents, information, and other matters (each and all of the foregoing are sometimes hereinafter referred to collectively as "Confidential Matters"). Independent Agent expressly acknowledges that, while some of the component parts utilized in connection with the Program, such as credit cards, lines of credit, principal mortgages, and other component parts are not themselves Confidential Matters, the processes, procedures, combinations, methodologies, and applications in which such component parts are utilized are Confidential Matters. Independent Agent expressly agrees that, as between UFinancial and Independent Agent, all of the Confidential Matters will be deemed to be confidential, and to materially affect the effective and successful conduct of UFinancial's business and the goodwill of UFinancial. Independent Agent hereby expressly covenants and agrees that, from and after the date hereof, Independent Agent will at all times keep secret all Confidential Matters and not directly or indirectly disclose them (the "Covenant Not to Disclose") to anyone outside of UFinancial or otherwise use any Confidential Matters or use Independent Agent's knowledge of any Confidential Matters, for Independent Agent's own benefit or for the benefit of others, except as is reasonably required in connection

with performing the Services, or except with the prior written consent of the board of directors of UFinancial, which consent may be withheld for any or no reason.

3.8.4 - Non-Competition

As a consequence of the significant damages which would be incurred by the UFinancial: (i) in the event that Independent Agent were to compete with the Program or utilize Confidential Matters for purposes other than those expressly authorized in or contemplated by this Agreement, or (ii) in the event that Independent Agent causes or facilitates others to compete with the Program or to utilize Confidential Matters for purposes other than those expressly authorized in or contemplated by this Agreement, Independent Agent hereby expressly covenants and agrees (the “Covenant Not To Compete”) that, for a period commencing upon the date hereof and concluding upon the date that is twenty-four (24) months after the date this Agreement terminates, for any reason, Independent Agent shall not, directly or indirectly, whether individually, as an officer, director, shareholder, member, other owner, principal, manager, general or limited partner, joint venturer, employee, independent contractor, agent, representative, or otherwise, participate in, or become or be interested in, associated with, employed by, or perform services for, any other person, corporation, firm, partnership, limited liability company, or other entity whatsoever which is engaged, within the “Protected Area” (as such term is hereinafter defined), in any business, industry, or program that in any manner competes with the Program. As used herein, the term “Protected Area” means the United States of America, with the exception of the states of Alaska and Hawaii.

3.8.5 - Team Reports

Team Reports are available through the Independent Agent’s Back Office on UFinancial’s website. **All Team Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to UFinancial.** Team Reports are provided to Independent Agents in strictest confidence and are made available to Independent Agents for the sole purpose of assisting Independent Agents in working with their respective downline organizations in the development of their UFinancial business. Independent Agents should use their Team Reports to assist, motivate, and train their downline Independent Agents. The Independent Agent and UFinancial agree that, but for this agreement of confidentiality and nondisclosure, UFinancial would not provide Team Reports to the Independent Agent. An Independent Agent shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation, or other entity:

- i. Directly or indirectly disclose any information contained in any Team Reports to any third party;
- ii. Directly or indirectly disclose the password or other access code to his or her Back Office and/or Team Reports;
- iii. Use the information to compete with UFinancial or for any purpose other than promoting his or her UFinancial business;
- iv. Recruit or solicit any Independent Agent or Client of UFinancial listed on any report, or in any manner attempt to influence or induce any Independent Agent or Client of UFinancial, to alter their business relationship with UFinancial; or
- v. Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Team Reports.

Upon demand by UFinancial, any current or former Independent Agent will return the original and all copies of Team Reports to UFinancial.

3.8.6 - Service and/or Product Changes

No Independent Agent may charge and/or offer any service and/or product to any Client, potential Client, or Independent Agent outside the published UFinancial product pricing schedule without the express written authorization from the UFinancial home office executive team.

3.9 - Targeting Other Direct Sellers

UFinancial does not condone Independent Agents specifically or consciously targeting the sales force of another direct sales company to sell UFinancial products or to become Independent Agents of UFinancial, nor does UFinancial condone Independent Agents solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should Independent Agents engage in such activity, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration or mediation is brought against an Independent Agent alleging that he or she engaged in inappropriate recruiting activity of its sales force or Clients, UFinancial will not pay any of Independent Agent's defense costs or legal fees, nor will UFinancial indemnify the Independent Agent for any judgment, award, or settlement.

3.10 - Cross-sponsoring

Actual or attempted cross-sponsoring is strictly prohibited. "Cross-sponsoring" is defined as the enrollment of an individual who or entity that already has a current Client or UFinancial Independent Agent Agreement on file with UFinancial, or who has had such an agreement within the preceding 12 calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy is prohibited.

If cross-sponsoring is discovered, it must be brought to UFinancial's attention immediately. UFinancial may take disciplinary action against the Independent Agent that changed organizations and/or those Independent Agents who encouraged or participated in the cross-sponsoring. UFinancial may also move all or part of the offending Independent Agent's downline to his or her original downline organization if the Company deems it equitable and feasible to do so. However, UFinancial is under no obligation to move the cross-sponsored Independent Agent's downline organization, and the ultimate disposition of the organization remains within the sole discretion of UFinancial. **Independent Agents waive all claims and causes of action against UFinancial arising from or relating to the disposition of the cross-sponsored Independent Agent's downline organization.**

3.11 - Errors or Questions

If an Independent Agent has questions about or believes any errors have been made regarding commissions, bonuses, Team Reports, or charges, the Independent Agent must notify UFinancial in writing within 60 days of the date of the purported error or incident in question. UFinancial will not be responsible for any errors, omissions, or problems not reported to the Company within 60 days.

3.12 - Governmental Approval or Endorsement

Neither federal nor state regulatory agencies or officials approve or endorse any direct selling

or network marketing companies or programs in the United States. Therefore, Independent Agents shall not represent or imply that UFinancial or its Career Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

3.13 - Identification

All Independent Agents are required to provide their Social Security Number or a Federal Employer Identification Number to UFinancial on the Independent Agent Application and Agreement. Upon enrollment, the Company will provide a unique Independent Agent Identification Number to the Independent Agent by which he or she will be identified. This number will be used to place orders and track commissions and bonuses.

3.14 - Income Taxes

Each Independent Agent is responsible for paying local, state, and federal taxes on any income generated as an Independent Agent. If a UFinancial business is tax-exempt, the Federal tax identification number must be provided to UFinancial. Every year, UFinancial will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who had earnings of over \$600 in the previous calendar year.

3.15 - Independent Contractor Status

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

The name of UFinancial and other names as may be adopted by UFinancial are proprietary trade names, trademarks and service marks of UFinancial. As such, these marks are of great value to UFinancial and are supplied to Independent Agents for their use only in an expressly authorized manner. Use of the UFinancial name on any item not produced by the Company is prohibited except as follows:

Independent Agent's Name
UFinancial Independent Agent ID# _____

All Independent Agents may list themselves as a "UFinancial Independent Agent" in the white or yellow pages of the telephone directory under their own name. No Independent Agent may place telephone directory display ads using UFinancial's name or logo. Independent Agents may not answer the telephone by saying "UFinancial", "UFinancial", or in any other manner that would lead the caller to believe that he or she has reached the home office of UFinancial.

3.16 - Conduct of Business in Approved Countries Only

Because of critical legal and tax considerations, the UFinancial business may only be offered to persons or entities located within the United States and U.S. territories and those other countries

that the Company has announced are officially opened for business.

3.17 - Adherence to Laws and Ordinances

3.17.1 - Local Ordinances

Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Independent Agents because of the nature of their business. However, Independent Agents must obey those laws that do apply to them. If a city or county official tells an Independent Agent that an ordinance applies to him or her, the Independent Agent shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of UFinancial. In most cases there are exceptions to the ordinance that may apply to Independent Agents.

3.17.2 - Compliance With Federal, State/Province, Local Laws

Independent Agents shall comply with all federal, state/province, and local laws and regulations in the conduct of their businesses.

3.17.3 - Compliance with Federal, State/Province, Local Licensing Requirements

Independent Agents may not make any financing, tax, insurance, financial planning, investment, or other financial representations to prospective Clients that relate to information requiring a professional license unless the Agent holds a license in the specific field and in the specific jurisdiction in which he or she is conducting business. Prohibited representations include, but are not limited to:

- Residential or commercial mortgage financing strategies, including but not limited to selecting loan programs, purchase, down payment, loan, finance or refinance strategies, interest rate selection, terms, fees, or commissions.
- Consumer lending laws, rules, practices, or strategies including but not limited to those relating to secure or non-secure loans, lines of credit, credit repair, or any other credit or debt obligations.
- Financial planning information, including but not limited to retirement planning, transfer of funds, investments, investment opportunities, prospective interest rates, rates of return, consolidations, forecasting, retirement planning, or investment strategies.
- Insurance information including but not limited to sales of insurance products, insurance requirements, insurance strategies, and insurance loans.
- Tax advice including, but not limited to, deductibility of certain expenses, whether expenses are or are not business-related, or any other representation for the purposes of avoiding penalties that may be imposed under the Internal Revenue Code.

Below is a list of specific examples regarding what the prohibited financial representations may include:

- You may not assist in a loan acquisition process whatsoever.
- You may not answer questions or offer opinions related to an applicant's ability to qualify or likelihood of approval.
- You may not provide advice or opinions with respect to mortgage lending or specific mortgage applications.

- You may not answer any questions from the public concerning mortgage rates, terms, conditions, and fees.
- You may not discuss or explain any mortgage contract or agreement and/or any other real estate or mortgage documents with the public.
- You may not represent yourself at any time as an industry member.
- You may not negotiate any mortgage contracts.
- You may not quote anything pertaining to the terms of any loans.
- You may only discuss Client information with authorized company personnel who assist in the product activation and support process.
- You may not assist in or give financial advice in any form. This also includes recommendations pertaining to transferring funds from one account to another.
- You may not assist in or give investment advice or recommendations.
- You may not assist in or give real estate advice.
- You may not assist in or give securities advice.
- You may not assist in or give credit repair advice.
- You may not represent that you are licensed to act in any licensed capacity if you are not legally licensed.
- You may not assist in or give tax advice or advice on deductibility of certain expenses.

The above points represent some but not all of the strictly prohibited items which legally require a license. It is your responsibility to become aware of any and all actions which do and do not require a license.

Any person found violating any license requirements or regulations in any way will automatically and unequivocally have their agent contract terminated and potentially face appropriate legal action. Please govern yourself accordingly.

3.18 - UFinancial Businesses in the Same Household

An Independent Agent may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one UFinancial business. No individual may have, operate, or receive compensation from more than one UFinancial business unless approved in writing by UFinancial's owners.

In order to maintain the integrity of the UFinancial Career Plan, individuals residing in the same household must join in one of the following manners:

- Work together in one agent position as a household partnership.
- Be sponsored by the same person or entity as a separate and distinct UFinancial business with full opportunity for promotion according to the structure of the Career Plan.

Requests for exceptions to this policy must be submitted in writing to the Agent Support Department.

3.19 - Actions of Household Members or Affiliated Individuals

If any member of an Independent Agent's immediate household engages in any activity which,

if performed by the Independent Agent, would violate any provision of the Agreement, such activity will be deemed a violation by the Independent Agent and UFinancial may take disciplinary action pursuant to the Statement of Policies against the Independent Agent. Similarly, if any individual associated in any way with a corporation, partnership, trust, or other entity (collectively “affiliated individual”) violates the Agreement, such action(s) will be deemed a violation by the entity, and UFinancial may take disciplinary action against the entity.

3.20 - Sale, Transfer, or Assignment of UFinancial Business

Anyone seeking to sell or transfer all or part of a UFinancial Business must seek prior written approval from UFinancial to prevent UFinancial from terminating the UFinancial Independent Agent Agreement for that UFinancial Business upon sale or transfer. UFinancial may approve or deny the sale or transfer of a UFinancial Business for any reason whatsoever at its sole discretion.

3.21 - Changes to Hierarchy

Changes to an Independent Agent’s hierarchy (“upline”) are highly discouraged and rarely granted. No request for changes will be considered within the first 6 months of being an Independent Agent/ After 6 months, a change may be requested. The agent must fill out the Hierarchy Change Request Form. It is the responsibility of the requesting agent to obtain all signatures required. All active agents whose income may be affected by the move must agree to and sign the Hierarchy Change Request Form. Once all signatures have been acquired, the form must be submitted to corporate offices. Completion of this form does not guarantee that the requested hierarchy move(s) will be granted. This request will be presented before a quorum of the Company principals, and the principals will decide whether to grant or deny the request. The Independent Agent will be informed as to the decision. If granted, the move will be permanent and the Independent Agent will not be able to request to have the move(s) reversed. Hierarchy requests can take up to 30 days to be completed.

If agent is inactive* for 12 consecutive months, they become a free agent and can transfer anywhere. Agent must still submit a Hierarchy Change Request Form. Only an executive signature is required with this transfer request. *Inactive means no recruits, no sales and no training events for the prior 12 months.

If an agent is inactive for 12 months and/or terminated

- The agent has no authority to use intelligent properties or any United Financial Freedom proprietary sales, materials, videos, presentations, power points and webinars (including training)
- United Financial Freedom has every right to take recourse if use is presented with the aforementioned.

3.22 - Separation of a UFinancial Business

Independent Agents sometimes operate their UFinancial businesses as spouses or a household, regular partnerships, corporations, limited liability companies, or trusts. At such time as a marriage may end in divorce or a corporation, LLC, partnership, or trust (the latter three entities are collectively referred to herein as “entities”) may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Independent Agents and the Company,

UFinancial will involuntarily terminate the UFinancial Independent Agent Agreement.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- 3.22.1** - One of the parties may, with consent of the other(s), operate the UFinancial business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize UFinancial to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee.
- 3.22.2** - The parties may continue to operate the UFinancial business jointly on a “business-as-usual” basis, whereupon all compensation paid by UFinancial will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will UFinancial split commission and bonus checks between divorcing spouses or members of dissolving entities. UFinancial will recognize only one downline organization and will issue only one commission check per UFinancial business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business, the UFinancial Independent Agent Agreement shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in their original UFinancial business, he or she is thereafter free to enroll under any sponsor of their choosing. In such case, however, the former spouse or partner shall have no rights to any Independent Agents in their former organization or to any former retail Client. They must develop the new business in the same manner as would any other new Independent Agent. In the case of the dissolution of a business entity, the individual(s) who did not receive the business must comply with the six calendar month waiting requirement in Section 3.4.1 before enrolling again as an Independent Agent.

3.23 - Succession

Upon the death or incapacitation of an Independent Agent, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, an Independent Agent should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a UFinancial business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Independent Agent’s marketing organization provided the following qualifications are met. The successor(s) must:

- Execute a UFinancial Independent Agent Agreement;
- Comply with terms and provisions of the Agreement;
- Meet production requirements;
- Bonus and commission checks of a UFinancial business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide UFinancial with an “address of record” to which all bonus and commission checks will be sent;

- If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer identification number. UFinancial will issue all bonus and commission checks and one 1099 to the business entity.

3.23.1 - Transfer Upon Death of an Independent Agent

To effect a testamentary transfer of a UFinancial business, the successor must provide the following to UFinancial: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor’s right to the UFinancial business; and (3) a completed and executed UFinancial Independent Agent Agreement.

3.23.2 - Transfer Upon Incapacitation of an Independent Agent

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

3.23.3 - Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have “do not call” regulations as part of their telemarketing laws. Although UFinancial does not consider Independent Agents to be “telemarketers” in the traditional sense of the word, these government regulations broadly define the term “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the federal “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation).

Therefore, UFinancial Agents must comply with the procedures for telemarketing as published and amended from time to time in UFinancial’s Independent Agent Marketing Guidelines.

3.23.4 - Use of Automatic Dialing Systems

In addition, Independent Agents shall not use automatic telephone dialing systems relative to the operation of their UFinancial businesses. The term “automatic telephone dialing system” means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

SECTION 4 - RESPONSIBILITIES OF INDEPENDENT AGENTS

4.1 - Continuing Development Obligations

4.1.1 - Ongoing Training

Any Independent Agent who sponsors another Independent Agent into UFinancial must perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her UFinancial business.

4.1.2 - Ongoing Sales Responsibilities

Regardless of their level of achievement, Independent Agents have an ongoing obligation to continue to personally promote sales through the generation of new Clients and through servicing

their existing Clients and meet their Personal Volume requirement for their level of achievement as set forth and amended from time to time in the Career Plan.

4.2 - Non-Disparagement

UFinancial wants to provide its Independent Agents with the best products, compensation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the Agent Support Department. While UFinancial welcomes constructive input, negative comments and remarks made in the field by Independent Agents about the Company, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other Independent Agents. For this reason, and to set the proper example for their downline, Independent Agents must not disparage, demean, or make negative remarks about UFinancial, other Independent Agents, UFinancial's products, the Career Plan, or UFinancial's directors, officers, or employees.

4.3 - Reporting Policy Violations

Independent Agents observing a policy violation by another Independent Agent should submit a written report of the violation directly to the attention of the UFinancial Compliance Department. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

SECTION 5 - SALES REQUIREMENTS

5.1 - Product Sales

The UFinancial Career Plan is based on the sale of UFinancial products and services to end consumers. Independent Agents must fulfill personal and team (downline organization) retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions, and advancement to higher levels of achievement.

5.2 - No Territory Restrictions

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

5.3 - Rescission Period on Sales

All Independent Agents must instruct their U.S. Clients and new Independent Agents who purchase products of the availability of the Notice of Right to Cancel, which can be found in the Client's User Agreement, at the time of the sale. This form sets forth the purchaser's right to cancel the transaction within three (3) business days from the date of signing (five days for Alaska). In addition, Independent Agents must orally inform the buyer of his or her cancellation rights.

5.4 - Sales Taxes

UFinancial may be required to charge and remit local sales, use, or other taxes on purchases made by Independent Agents and Clients. Accordingly, in those areas that tax UFinancial's products, the Company will collect and remit such taxes on behalf of Independent Agents, based on the retail value of the taxable sale, according to applicable tax rates in the area in which the shipment is destined.

5.5 - Personal Product Sales

Any Independent Agent that chooses to purchase a UFinancial product for their own use must purchase the UFinancial product from their sponsoring agent and cannot purchase the product from

themselves or another agent. In the event that their sponsoring agent is inactive, the next active agent in their upline will be designated as the referring agent.

To clarify the ability to purchase from a spouse or partner the following guidelines are to be followed. No agent can purchase the Money Max Account from a spouse, significant other or partner living in the same household. Not even someone that would fall under the guidelines of partnership or corporation. This is a strict violation of United Financial Freedom's guidelines and anyone violating them will receive a reversal of commissions and the commissions will be paid to the correct recruiter and if included, a trainer. No one is allowed to purchase the product from themselves.

5.6 - Change Requests for Assigned Commissions

Any request for changes to assigned commissions, as reflected during the product activation process and already received by the Home Office, will not be executed without the signed, written consent of the Independent Agent or Agents indicated during said product activation process. Under no condition will a change request be executed after a commission has been paid to the Independent Agent or Agents indicated.

SECTION 6 - BONUSES & COMMISSIONS

6.1 - Restrictions on Commissions

It is not permissible for an Independent Agent to be an agent unto himself or herself for any product. There will be no commissions paid to an Independent Agent for a product that is for the Independent Agent's use whether in whole or in part. If any agent is found attempting to place himself or herself as the payable party for a product that reaps a self-benefit, the Independent Agent contract may be immediately terminated and any commissions paid deducted from any commissions or bonuses of the Independent Agent.

6.2 - Commissions Not Earned Until All Requirements Met

Upon the sale of a product by an Independent Agent, the commissions for the Independent Agent are not deemed to have been earned until all requirements for payment of commissions have been met including, but not limited to, submission of all forms for sales of the UFinancial Money Max Account or other training that may be required prior to becoming commission-qualified for a product. Failure to meet these requirements within twelve (12) months following the date of the sale shall result in forfeiture of the right to any commissions and bonuses.

6.3 - Adjustment to Bonuses and Commissions

Independent Agents receive bonuses and commissions based on the actual sales of products and services to end consumers. When a product is returned to UFinancial for a refund, is repurchased by the Company, or when a Client charges back the purchase of a product, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered, from the Independent Agents who received bonuses and commissions on the sales of the refunded products. The Company shall also deduct Profit Pool points from Independent Agent's future pool participation.

6.3.1 – Addendum to Adjustment to Bonuses and Commissions

Commission Debit Balance Roll up. Definition: when an agent completes an application for a Money Max Account (MMA) and the sale is processed and completed a commission based on the type of MMA that was written will be paid out. The payout could be from an Associate who may have written the MMA as well as ALL upline agents that would be receiving an over-ride from that sale.

(i.e) Agent A writes the MMA and receives a commission --% and the commission is \$900. At this point commission over-rides are paid upline based on the percentage set forth in these policies & procedures. If within the first 30 (thirty) days the customer requests their money back and it is determined that a refund will be honored a notice is given that the customer wants their money back, the agent is notified and should try to contact said customer to save the sale from being charged back. If that is not possible once the refund is given back to the customer a chargeback will be activated and commissions clawed back. There will be a debit balance on the agents account and the debit will be recovered from future commissions of personal sales or over-rides. If no future sales are made within (30) thirty days, to recover the commissions owed it will be necessary for the agent to pay back the commission(s) charged back by check to United Financial Freedom. If this is not done the debit balance will be rolled up to the next level that receives an over-ride commission. This roll up will continue until recovered completely (100%) to the entire upline hierarchy.

If the agent writes a Money Max Account, 100% of the funds will be clawed back before agent receives any commissions. Any and all over-rides paid will also be used to pay back the chargeback to all agents that covered the chargeback and made whole. After a period of (90) ninety days if no business has been written by agent or no attempt has been made to pay back the debit balance, the writing agent's agreement may be terminated.

6.4 - Reports

All information provided by UFinancial in online or telephonic Team Reports, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by UFinancial or any persons creating or transmitting the information.

ALL PERSONAL AND GROUP SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, UFINANCIAL AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY DISTRIBUTOR OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR

LOSS OF THE USE OF THE INFORMATION), EVEN IF UFINANCIAL OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, UFINANCIAL OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of UFinancial's online and telephone reporting services and your reliance upon such information is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to UFinancial's online and telephone reporting services and your reliance upon the information.

6.5 - Field Equity Points (FEP's)

On the March 31st, 2020 "*BIGGEST ANNOUNCEMENT IN COMPANY HISTORY*" Call, it was announced that over the next 3 – 5 years, all UFinancial Team Members will work together to help reach a \$2Billion+ company valuation goal. Once it is determined that the Company has reached a confirmed strategic value, the Company will entertain and/or actively pursue outside investment money, and/or partial or full acquisition offers. Then each time investment and/or acquisition funds are secured (in part or in full), a 50% net amount of those funds will be paid out to all qualified Field Agents.

6.5.1 - How the FEP Program Works

In the event of any change of ownership (in whole or in part) of UFF, 50% of the net proceeds from the sale or acquisition will be added to a special pool to be distributed to qualifying Agents.

Funds will be distributed pro-rata based on the number of points that the Agent has accrued. No Single Agent will receive more than 50% of the Field Equity Points (FEP) distribution.

6.5.2 - How to Qualify for Field Equity Points

To qualify to participate in the FEP funds distribution, an Agent must meet the following requirements:

- An Agent must earn \$100,000 in commissions at least once during any rolling 12-month calendar period, beginning on or after April 1, 2020. When an Agent earns \$100,000 in income in any rolling 12-month period they then qualify to start accumulating Field Equity Points (or FEP's).
- Commissions earned prior to April 1, 2020 will not be counted. Qualifying commissions will be counted in the month they are earned. Bonus Pools will be calculated and credited by the 15th of the following month they are earned.
- Once you qualify for the FEP plan, your points will begin to Accrue. Once points are awarded, they will never be lost. However, you must maintain your active override status as an Agent and pay your annual renewal fee, along with meeting ongoing quarterly rank maintenance requirements as an ED to continue to accrue new points. Once you qualify for the FEP plan, your points will begin to accrue. Once points are awarded, they will never

be lost so long as you pay your annual renewal fee. However, you must maintain your active override status as an Agent, along with meeting ongoing quarterly rank maintenance requirements as an ED to continue to accrue new points.

6.5.3 - How FEP Points are Awarded

Points will be awarded only after qualifying with \$100,000 in earned income in any rolling 12-month period. However, points will be awarded for the entire month that the Agent first qualifies. For example, if an Agent earns \$10,000 in income per month for 10-months, no FEP points will be earned for the first 9-months. However, FEP points will be awarded for the 10th month, and each subsequent month thereafter.

6.5.4 - FEP Fast Start Promotion

The FEP Fast Start Promotion rewards Agents who choose to hit the ground running. For this Promotion, the Fast Start period is defined as the first full 12 calendar months as a new Agent, or the 12-month period from April 1, 2020, through March 31, 2021, for those who became Agents before April 1st, 2020. There are two levels to FEP Fast Start Promotion.

- **FEP Fast Start Level 1:**
 - If an Agent earns \$50k in income within their first 12-Months, they then Qualify to START Accumulating FEP points from that point forward. To have their Points Awarded, the Agent then must hit the \$100k in income within a rolling 12-month period, but no later than their first 24 months, or they will forfeit all previously Accumulated FEP Points from their \$50k income point forward.

- **FEP Fast Start Level 2:**
 - If an Agent earns \$100,000 in commissions during their first 12-months*, they will be awarded FEP Points retroactive to their first day of their 12 month* start date, AND their FEP Points will be DOUBLED.

*Your 12 months start from the later of April 1, 2020, or your personal start date.

6.5.5 - How Points are Calculated

All FEP’s are earned and calculated based on each and every dollar of income you earn.

- **Income:** Every \$1 in personal income is equal to 5 FEP’s.

Example:

MMA Sale Amount:		\$3,500
Executive Director Income earned \$1,550 <i>times</i> 5 Points, equals:		7,750 FEP’s
Total	:	7,750 FEP’s

- Once you reach the 3 highest ranks in the company (*Senior ED, Managing ED, and Partner*), a multiplying factor of 10%, 20% and 30% will be calculated and added to your total earned FEP’s.

FEP Multiplier Example (10%, 20%, 30%):

FEP Points Earned: **7,750 FEP's**

Senior ED	7,750 FEP's x 10% = 775 additional FEP's:	(Total 8,525 FEP's)
Managing ED	7,750 FEP's x 20% = 1,550 additional FEP's:	(Total 9,300 FEP's)
Partner	7,750 FEP's x 30% = 2,325 additional FEP's:	(Total 10,075 FEP's)

6.5.6 – View Accumulated and Awarded Field Equity Points

You can view your accumulated and awarded Field Equity Points on the upper right-hand side of the Home Page of your Agent Back Office. You can also view additional information, such as the dates and remaining production required to hit your personal FEP Qualification.

6.5.7 - Who to Talk to Regarding Questions About the Field Equity Field Points

For further questions about the FEP Program, please reach out to the UFF Agent who recruited you or you can call or email Agent Support.

- Support Phone: 877-576-5563, M-F, 8-5
- Email: Support@UFinancialFreedom.com

6.5.8 - Minimum Production Required

The United Financial Freedom Field force must be producing a minimum of 500 new MMA sales on average per month or 6,000 annually within the 12-month period proceeding any company equity sale in order for the FEP offering to be valid.

6.5.9 - Field Equity Points Disclaimer

The Field Equity Points Program is not a stock option or an offer of any type of stock offering or ownership of United Financial Freedom (UFF). This is not a guarantee of any dollar amount awarded in the event of a partial or full sale of UFF. UFF does not guarantee that a sale or transfer of ownership will occur. The decision to sell or transfer ownership of UFF is at the sole discretion of current UFF ownership. Reference company Policies and Procedures for any further details. Subject to change without prior notice. Some restrictions may apply.

SECTION 7 - RETURNS

7.1 - Product Returns

Clients have until MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION OR RECEIPT OF THE PRODUCT, WHICHEVER IS LATER (5 days for Alaska) to cancel the order (“rescission period”) and receive a full refund consistent with the cancellation notice provided in their sales package. When an Independent Agent makes a sale or takes an order from a retail Client who cancels or requests a refund within rescission period, the refund will be promptly executed and the commission will be cancelled.

7.2 - Return of Sales Aids by Independent Agents Upon Cancellation

Upon cancellation of an Independent Agent’s UFinancial Independent Agent Agreement, the Independent Agent may return sales aids held in his or her inventory for a refund. An Independent Agent may only return sales aids that he or she personally purchased and which are in resalable condition. Upon receipt of the products and sales aids, the Independent Agent will be reimbursed 90% of the net cost of the original purchase price(s), less shipping charges. If the purchases were

made through a credit card, the refund will be credited back to the same account. If an Independent Agent was paid a commission based on product(s) purchase, and such product(s) is subsequently returned for a refund, the commission that was paid to the Independent Agent will be deducted from the amount of the refund.

7.3 - Montana Residents

A Montana resident may cancel his or her UFinancial Independent Agent Agreement within 15 days from the date of enrollment.

SECTION 8 - DISPUTE RESOLUTION & DISCIPLINARY PROCEEDINGS

8.1 - Disciplinary Sanctions

Violation of the UFinancial Independent Agent Agreement, these Policies and Procedures, violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive, or unethical business conduct, or any act or omission by an Independent Agent that in the sole discretion of the Company may damage its reputation or goodwill, may result, at UFinancial's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Independent Agent to take immediate corrective measures;
- Loss of rights to one or more bonus and commission checks;
- Withholding from an Independent Agent all or part of the Independent Agent's bonuses and commissions during the period that UFinancial is investigating any conduct allegedly in violation of the Agreement. If an Independent Agent's business is canceled for disciplinary reasons, the Independent Agent will not be entitled to recover any commissions withheld during the investigation period;
- Suspension of the individual's UFinancial Independent Agent Agreement for one or more pay periods;
- Involuntary termination of the offender's UFinancial Independent Agent Agreement;
- Any other measure expressly allowed within any provision of the Agreement or which UFinancial deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Independent Agent's policy violation or contractual breach;
- In situations deemed appropriate by UFinancial, the Company may institute legal proceedings for monetary and/or equitable relief.

8.2 - Grievances and Complaints

When an Independent Agent has a grievance or complaint with another Independent Agent regarding any practice or conduct in relationship to their respective UFinancial businesses, the complaining Independent Agent should first report the problem to his or her upline sponsoring agent who should review the matter and try to resolve it with the other party's upline sponsoring agent. All disputes involving policy interpretation must be directed to the Company. If the matter cannot be resolved with the assistance of upline sponsoring agents, it must be reported in writing to the Agent Support Department of the Company. The Agent Support Department will review the facts and resolve it.

8.3 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Salt Lake County, State of Utah. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Utah shall govern all other matters relating to or arising from the Agreement. Notwithstanding the foregoing, residents of the State of Louisiana shall be entitled to bring an action against UFinancial in their home forum and pursuant to Louisiana law.

SECTION 9 - CANCELLATION

9.1 - Effect of Cancellation

So long as an Independent Agent remains active and complies with the terms of the UFinancial Independent Agent Agreement and these Policies and Procedures, UFinancial shall pay commissions to such Independent Agent in accordance with the Career Plan. An Independent Agent's bonuses and commissions constitute the entire consideration for the Independent Agent's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following an Independent Agent's non-renewal of his or her UFinancial Independent Agent Agreement, or voluntary or involuntary cancellation of his or her UFinancial Independent Agent Agreement (all of these methods are collectively referred to as "cancellation"), the former Independent Agent shall have no right, title, claim, or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. **An Independent Agent whose business is cancelled will lose all rights as an Independent Agent. This includes the right to sell UFinancial products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Independent Agent's former downline sales organization. In the event of cancellation, Independent Agents agree to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization.**

Following an Independent Agent's cancellation of his or her UFinancial Independent Agent Agreement, the former Independent Agent shall not hold himself or herself out as an Independent Agent and shall not have the right to sell UFinancial products or services. An Independent Agent whose UFinancial Independent Agent Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

9.2 - Involuntary Cancellation

An Independent Agent's violation of any of the terms of the Agreement, including any amendments that may be made by UFinancial in its sole discretion, may result in any of the sanctions listed in Section 8.1, including the involuntary cancellation of his or her UFinancial Independent Agent Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed, or delivered to an express courier, to the Independent Agent's last known address (or fax number), or to his or her attorney, or when the Independent Agent receives actual notice of cancellation, whichever occurs first.

UFinancial reserves the right to terminate all UFinancial Independent Agent Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2)

dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

9.3 - Voluntary Cancellation

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address. The written notice must include the Independent Agent's signature, printed name, address, Independent Agent ID number, and the following statement: "I am hereby relinquishing any claims to compensation of any kind from UFinancial as of the date of this cancellation notice."

9.4 - Survival of Non-Competition Provisions

Notwithstanding the cancellation or termination of UFinancial Independent Agent Agreements as set forth in Section 9, all non-competition, non-disclosure, and confidentiality UFinancial Independent Agent Agreements shall survive termination or cancellation as set forth in these Policies and Procedures.

SECTION 10 - DEFINITIONS

Agreement — The contract between the Company and each Independent Agent includes the Independent Agent Application and Agreement, the UFinancial Policies and Procedures, the UFinancial Career Plan, and the Business Entity application (where appropriate), all in their current form and as amended by UFinancial at its sole discretion. These documents are collectively referred to as the "Agreement."

Cancel — The termination of an Independent Agent's business. Cancellation may be either voluntary, involuntary, or due to inactivity.

Downline -- This term refers to the Independent Agents below a particular Independent Agent and over whom the particular Independent Agent is able to receive override commissions on the sales generated in the hierarchy.

Team Reports — A report generated by UFinancial that provides critical data relating to the identities of Independent Agents, sales information, and enrollment activity of each Independent Agent's marketing organization. This report contains confidential and trade secret information which is proprietary to UFinancial.

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

Level — The layers of downline Independent Agents in a particular Independent Agent's marketing organization. This term also refers to the relationship of an Independent Agent relative to a particular upline Independent Agent, determined by the number of Independent Agents between them who are related by sponsorship.

Rank — The title that an Independent Agent has achieved pursuant to the UFinancial Career Plan.

Recruit — For purposes of UFinancial's Conflicts of Interest Policy (Section 3.8), the term

“recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly or indirectly, another Independent Agent or Client to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity. This conduct constitutes recruiting even if the Independent Agent’s actions are in response to an inquiry made by another Independent Agent or Client.

Retail Client — An individual who purchases UFinancial products from an Independent Agent and may or may not also be a participant in the UFinancial Career Plan.

Sponsor — An Independent Agent who enrolls another Independent Agent into the Company and is listed as the sponsor on the UFinancial Independent Agent Agreement. The act of enrolling others and training them to become Independent Agents is called “sponsoring.”

Upline — This term refers to the Independent Agent or Independent Agents above a particular Independent Agent in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Independent Agent to the Company.