



STATEMENT OF POLICIES AND PROCEDURES

Effective January 1, 2024 (last updated 1/1/24)

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BIZNET MARKETING STATEMENT OF POLICIES AND PROCEDURES Effective January 1, 2021

SECTION 1 – INTRODUCTION

1.1 - Code of Ethics

BIZNET.College (hereafter “BIZNET” or “the Company”) is a values-based company that prides itself on the quality and character of its Members (hereinafter “Member”). The following guidelines help ensure a uniform standard of excellence throughout our organization. Every BIZNET Member is expected to practice the following ethical behavior when acting in the name of the company:

A. I will be respectful of every person I meet while doing BIZNET related business.

B. At all times I will conduct myself and my business in an ethical, moral, legal, and financially sound manner.

C. I will not engage in activities that would bring disrepute to BIZNET, any BIZNET corporate officer or employee, myself, or other Members.

D. I will not make discouraging or disparaging claims toward other BIZNET Members. I will ensure that in all BIZNET business dealings I will refrain from engaging in negative language. I will refrain from making any type of slanderous statements.

E. I will provide support and encouragement to my Customers to ensure that their experience with BIZNET is a successful one. I understand that it is important to provide follow-up service and support to my downline.

F. I will correctly represent all the bonus/compensation plans available through BIZNET and the income potential represented therein. I understand I may not use my own income as an indication of others’ potential success, or use compensation checks as marketing materials. I further understand that I may only disclose my BIZNET income to recruit a potential Member(s) after I have given a copy of the Income Disclosure Statement to the potential Member(s).

G. I will abide by all of BIZNET’s Policies & Procedures now and as they may be amended in the future.

1.2 - Policies Incorporated Into Member Agreement

These Policies and Procedures (“Policies”), in their present form and as amended at the sole discretion of BIZNET, are incorporated into, and form an integral part of, the BIZNET Member Agreement (hereafter “Member Agreement”). Throughout these Policies, when the term “Agreement” is used, it collectively refers to the BIZNET Member Agreement, these Policies, and the BIZNET Compensation Plan. These documents are incorporated by reference into the Member Agreement (all in their current form and as amended by BIZNET). It is the responsibility of each Member to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies. When sponsoring a new Member, it is the responsibility of the sponsoring Member to provide the most current version of these Policies and Procedures prior to his or her execution of the Member Agreement.

1.3 - Changes to the Member Agreement, Policies and Procedures, or Compensation Plan

Because federal, state, and local laws, as well as the business environment, periodically change, BIZNET reserves the right to amend the Agreement and the prices in its BIZNET Product Price List in its sole and absolute discretion. Notification of amendments shall appear in Official BIZNET Materials. Amendments shall be effective upon publication in Official BIZNET Materials, including but not limited to, posting on BIZNET's website, e-mail distribution, publication in BIZNET's newsletter, product inserts, or any other commercially reasonable method. The continuation of a Member's BIZNET business or a Member's acceptance of bonuses or commissions constitutes acceptance of any and all amendments. The ability to modify the agreement does not extend to the dispute resolution section in these Policies (Section 9), as those provisions can only be modified by way of mutual consent.

1.4 - Delays

BIZNET shall not be responsible for delays and 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, flood, 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 BIZNET to exercise any right or power under the Agreement or to insist upon strict compliance by a Member 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 BIZNET's right to demand exact compliance with the Agreement. Waiver by BIZNET can be effectuated only in writing by an authorized officer of the Company.

SECTION 2 – BECOMING A MEMBER

2.1 - Requirements to Become a Member

To become a BIZNET Member, each applicant must:

- A. Be of the age of majority in his or her state of residence;
- B. Reside in the United States or other countries, which have been officially opened by BIZNET;
- C. Have a valid Social Security Number or Federal Tax Identification Number;
- D. Submit a properly completed and signed Member Agreement to BIZNET via electronically or fax.

2.2 - New Member Registration by the Internet and Facsimile

A prospective Member may self-enroll on the sponsor's web site. In such event, instead of a physically signed Member agreement, BIZNET will accept the agreement by accepting the "electronic signature" stating the new

Member has accepted the terms and conditions of the Member Agreement. Please note that such electronic signature constitutes a legally binding agreement between the Member and BIZNET. Faxed agreements must include both the front and back of the Member Agreement.

2.3 - Member Benefits

Once a Member Agreement has been accepted by BIZNET, the benefits of the Compensation Plan and the Member Agreement are available to the new Member. These benefits include the right to:

- A. Sell BIZNET services;
- B. Participate in the BIZNET Compensation Plan (receive bonuses and commissions, if eligible);
- C. Sponsor other individuals as customers or Members into the BIZNET business and thereby build an organization and progress through the BIZNET Compensation Plan;
- D. Receive periodic BIZNET literature and other BIZNET communications;
- E. Participate in BIZNET-sponsored support service training, motivational and recognition functions; and
- F. Participate in promotional and incentive contests and programs sponsored by BIZNET for its Members.

2.4-Terms and Renewal of a BIZNET Business

A Member is indefinitely enrolled as a BIZNET Member with no purchasing requirement. The Member account may be cancelled by the Member at any time or may be terminated by the company according to the terms of these Policies and procedures.

Any Member terminated by BIZNET may not reapply to do business for 12 months from their termination date.

The downline of the cancelled or terminated Member will roll up to the immediate, active upline sponsor.

SECTION 3 – INCOME DISCLOSURE POLICY

In an effort to conduct best business practices, BIZNET has developed the Income Disclosure Statement (“IDS”). The BIZNET IDS is designed to convey truthful, timely, and comprehensive information regarding the income that BIZNET Members earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective Members.

A copy of the IDS must be presented to a prospective Member (someone who is not a party to a current BIZNET Member Agreement) anytime the Compensation Plan is presented or discussed, or any type of income claim or earnings representation is made.

The terms “income claim” and/or “earnings representation” (collectively “income claim”) include: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non-average earnings” include, “Our number one Member earned over a million dollars last year” or “Our average ranking Member makes five thousand per month.” An example of a “statement of earnings ranges” is “The monthly income for our higher ranking Members is ten thousand dollars on the low end to thirty thousand dollars a month on the high end.”

In any meeting that is open to the public in which the Compensation Plan is discussed or any type of income claim is made, you must provide every prospective Member with a copy of the IDS. Copies of the IDS may be printed or downloaded without charge from the company website at www.BizNet.College/IDS.

SECTION 4 – ADVERTISING

4.1 - Adherence to the BIZNET Compensation Plan

Members must adhere to the terms of the BIZNET Compensation Plan as set forth in Official BIZNET Materials. Members shall not offer the BIZNET opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically stated in Official BIZNET Materials. Members shall not require or encourage other current or prospective customers or Members to participate in BIZNET in any manner that varies from the program as set forth in Official BIZNET Materials. Members shall not require or encourage other current or prospective customers or Members to execute any agreement or contract other than official BIZNET agreements and contracts in order to become a BIZNET Member. Similarly, Members shall not require or encourage other current or prospective customers or Members to make any purchase from, or payment to, any individual or other entity to participate in the BIZNET Compensation Plan other than those purchases or payments identified as recommended or required in Official BIZNET Materials.

4.2 - Use of Sales Aids

To promote both the services and the opportunity BIZNET offers, Members must use the sales aids and support materials produced by BIZNET. If BIZNET Members develop their own sales aids and promotional materials (which includes Internet advertising), notwithstanding Members' good intentions, they may unintentionally violate any number of statutes or regulations affecting a BIZNET business. These violations, although they may be relatively few in number, could jeopardize the BIZNET opportunity for all Members. Accordingly, Members must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for Company's approval prior to use. Unless the Member receives specific written approval to use the material, the request shall be deemed denied. All Members shall safeguard and promote the good reputation of BIZNET and its products and services. The marketing and promotion of BIZNET, the BIZNET opportunity, the Compensation Plan, and BIZNET services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

4.3 -Intellectual Property

BIZNET will not allow the use of its trade names, trademarks, designs, or symbols outside of corporate produced and approved sales aids by any person, including BIZNET Members, without prior written authorization from BIZNET. Furthermore, no Member may use, publish, reproduce, advertise, sell, or display in any manner the name, picture or likeness, or voice of another Member without prior written consent from the named Member. This consent must be on file with BIZNET's Compliance department prior to any use.

4.4 –Web Policy

If a Member desires to utilize an Internet web page to promote his or her business, he or she may do so through Company authorized services only.

A. General

It is your obligation to ensure your online marketing activities are truthful, are not deceptive and do not mislead customers or potential Members in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, will not be allowed. This may include representation in any manner that you are an authorized representative for BIZNET, spam linking (or blog spam), unethical search engine optimization (SEO) tactics, misleading click-through ads (i.e., having the display URL of a PPC campaign appear to resolve to an official BIZNET Corporate Site when it goes elsewhere), unapproved banner ads, and unauthorized press releases. BIZNET will be the sole determinant of truthfulness as to whether specific activities are misleading or deceptive.

B. Domain Names, email Addresses and Online Aliases

You cannot use or register domain names, email addresses, and/or online aliases that could cause confusion, or be misleading or deceptive, in that they cause individuals to believe or assume the communication is from, or is the property of BIZNET by showing up as the sender of an email.

Examples of the improper use include but are not limited to:

BIZNET.com; www. BIZNETDirect.com; www.facebook.com/BIZNET or derivatives as described herein.

Examples of permitted URLs, email addresses, and online aliases might appear as follows:

Facebook.com/iloveBIZNET; jimsmith@BIZNETMember.net.

Determinations as to what could cause confusion, mislead or be considered deceptive is at the sole discretion of BIZNET. If you have a question whether your chosen name is acceptable, you may submit it to compliance@BizNet.College for review before use.

C. Approved Member Websites

The term *Member Website* refers to the Member website offered by BIZNET or an approved vendor to Members. The term *Social Media website* refers to any site that is not specifically prohibited within the terms and conditions of this Agreement, such as Facebook.com, MySpace.com, Twitter.com, YouTube.com, personal blogs or other personal websites.

D. Online Classifieds

You may not use online classifieds (including Craigslist) to list, sell or promote specific BIZNET services. You may use online classifieds (including Craigslist) for prospecting, recruiting, sponsoring, and informing the public about the BIZNET opportunity provided you follow the other requirements of this agreement such as identifying yourself as an independent representative of BIZNET, only using approved images and versions of any trademarked logos and without using fraudulent or misleading product or income claims. If a link or URL is provided, it must link to your Member Website or your Social Media website.

E. Online Retailing

Approved Member websites are intended to provide the Members with the tools and means for generating leads, prospecting business, communicating with others, selling products and services, and otherwise advancing your

BIZNET business. You may not sell BIZNET services on any other online retail store or ecommerce site, nor may you enlist or knowingly allow a third party (customer) to sell BIZNET products on any online retail store or ecommerce site.

Social Media sites such as Facebook may also be used to promote your BIZNET business. You must provide approved BIZNET links to your Member replicated website for sales and order processing. All online sales of BIZNET products must take place and be produced through the Member Replicated website (or corporate site).

F. Banner Advertising

You may place banner advertisements on a website provided you use BIZNET-approved templates and images. All banner advertisements must link to your Member Website. You may not use *blind* ads or web pages that make non-compliant product or income claims that are ultimately associated with BIZNET products or the BIZNET business opportunity.

G. Spam Linking

Spam linking is defined as multiple consecutive submissions of the same or similar content into blogs, wikis, guest books, websites or other publicly accessible online discussion boards or forums and is not allowed. This includes blog spamming, blog comment spamming and/or spamdexing. Any comments you make on blogs, forums, guest books etc. must be unique, informative and relevant.

H. Social Networking Sites

You may use social networking websites (Facebook, MySpace, LinkedIn, blogs, forums and other social shared interest sites) to share information about the BIZNET product, mission and business opportunity and for prospecting and sponsoring. However, these sites may not be used to sell or offer to sell specific BIZNET services.

Profiles you generate in any social community where you mention or discuss BIZNET must clearly identify you as a BIZNET Independent Member and must appear as described herein. When you participate in those communities you must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at BIZNET's sole discretion, and offending Members will be subject to disciplinary action and/or termination.

You agree that you will immediately take down a non-compliant site at the request of BIZNET. Appeals regarding compliance may be submitted after the site has been taken down. Appeals should be directed to the email address set forth in the policy addressing dispute resolutions.

I. Sponsored Links / Pay-Per-Click (PPC) Ads

Sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must be to your Member Website. The display URL must also be to your Member Website and must not portray any URL that could lead the user to assume they are being led to a BIZNET Corporate site, or be inappropriate or misleading in any way.

J. External Websites

You are allowed external websites to promote your BIZNET business and the BIZNET opportunity. If you wish to use an external website you must do the following:

- a.) Identify yourself as an Independent Member for BIZNET.
- b.) Use only the approved images and wording authorized by BIZNET.
- c.) Adhere to the branding, trademark, and image usage policies described in this document.
- d.) Agree to modify your website to comply with current or future BIZNET policies.

You are solely responsible and liable for your own website content, messaging, claims, and information and must ensure your website appropriately represents and enhances the BIZNET brand and adheres to all BIZNET guidelines and policies. Additionally, your website must not contain disingenuous popup ads or promotions or malicious code. Decisions and corrective actions in this area are at BIZNET's sole discretion. You are encouraged to use the approved BIZNET images that are available through the business suite.

K. BIZNET Member Image Mandate

When using a Social Media or external website it must contain:

- a.) A BIZNET Member Logo from the approved templates.
- b.) Your Name and Title (example: Joan Arc, Independent Member, BIZNET).
- c.) A link to your Member Replicated website.

Although BIZNET brand themes and images are desirable for consistency, anyone landing on your page needs to clearly understand that they are at an Independent Member site, and not a BIZNET Corporate page.

4.6 - Advertised Price

You may not advertise any of BIZNET's services at a price LESS than the highest company published price of the equivalent service. No special enticement advertising is allowed. This includes but is not limited to offers of free membership or other such offers that grant advantages beyond those available through the Company.

4.7 - Generic Business Advertisements

If you advertise via newspaper or other advertising venues, the following rules apply:

- A. No advertisement may imply that a job, position, salary, or any type of employment is allowed.
- B. No advertisement may promote, represent, or imply salaried positions, management positions, hourly wages, full or part-time employment, or guaranteed incomes. The BIZNET opportunity is not a job, and may not be presented as such. Terms such as "manager trainee," "management positions available," "travel provided," "call for interview," "positions available," "now hiring," and other misleading statements are not allowed.
- C. No specific income can be promised or implied, and any references to compensation must use the word "commissions" to indicate the independent contractor status of Members.
- D. Advertisements may not contain references to BIZNET or its products and services and may not use any of BIZNET's trademarks or trade-names.

Any requests for variances from the above rules must be submitted to BIZNET and approved in writing prior to publication. Please direct any inquiries to compliance@BIZNET.College.

4.8 -Media and Media Inquiries

Members must not initiate any interaction with the media or attempt to respond to media inquiries regarding BIZNET, its products and services, or their independent BIZNET business. All inquiries by any type of media must be immediately referred to BIZNET's Compliance department. This policy is designed to ensure that accurate and consistent information is provided to the public, as well as a proper public image.

4.9 - Unsolicited Email and Fax Communication

BIZNET does not permit Members to send unsolicited emails unless such emails strictly comply with applicable laws and regulations, including, without limitation, the federal CAN SPAM Act. Any email sent by a Member that promotes BIZNET, the BIZNET opportunity, or BIZNET services, must comply with the following:

- A. There must be a functioning return email address to the sender.
- B. There must be a notice in the email that advises the recipient that they 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).
- C. The email must include the Member's physical mailing address.
- D. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- E. The use of deceptive subject lines and/or false header information is prohibited.
- F. All opt-out requests, whether received by email or regular mail, must be honored. If a Member receives an opt-out request from a recipient of an email, the Member must forward the opt-out request to the Company. BIZNET may periodically send commercial emails on behalf of Members. By entering into the Member Agreement, Member agrees that the Company may send such emails and that the Member's physical and email addresses will be included in such emails as outlined above. Members shall honor opt-out requests generated as a result of such emails sent by the Company. Except as provided in this section, Members may not use or transmit unsolicited faxes or use an automatic telephone dialling system relative to the operation of their BIZNET businesses.

SECTION 5 – OPERATING A BIZNET BUSINESS.

5.1 - Business Entities

A corporation, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be a BIZNET Member by submitting a BIZNET Member Application and Agreement along with its Certificate of Incorporation, Articles of Organization, Partnership Agreement or trust documents (these documents are collectively referred to as the "Entity Documents") to BIZNET. A BIZNET business may change its status under

the same Sponsor from an individual to a partnership, corporation or trust, or from one type of entity to another. To do so, the Member(s) must provide the Entity Documents to BIZNET. The Member Application must be signed by all of the shareholders, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to BIZNET.

5.1.1 - Changes to a Business Entity

Each Member must immediately notify BIZNET of any changes to the type of business entity they utilize in operating their BIZNET business, and the addition or removal of business associates. A BIZNET business may change its status under the same sponsor from an individual to a partnership, corporation or trust, or from one type of entity to another. The Member Agreement form must be signed by all of the shareholders, partners, or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to BIZNET.

5.1.2 - Change Of Sponsor

To protect the integrity of all marketing organizations and safeguard the hard work of all Members, BIZNET rarely allows changes in sponsorship, with the rare exception of direct line changes (meaning placement is not affected). A direct line change request must be made by submitting a completed Sponsor Change Request Form within a seven (7) day period from the date of enrollment, and must come from the current listed sponsor.

5.1.3 - Change Of Placement

A request for change of placement must be submitted within seven (7) days of the date of enrollment and must be requested by the current listed sponsor. A Member can only be moved inside of the same sponsor's organization. If approved, a Member is placed in the first available open bottom position on the date that the change is made. Members who have earned commissions or achieved rank are not eligible for placement changes. Please note that decisions made for any change request (sponsor or placement) are at the sole discretion of BIZNET.

5.2 - Unauthorized Claims and Action

5.2.1 - Indemnification

A Member is fully responsible for all of his or her verbal and/or written statements made regarding BIZNET services and the Compensation Plan, which are not expressly contained in Official BIZNET Materials. Members agree to indemnify BIZNET and hold it harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by BIZNET as a result of the Member's unauthorized representations or actions. This provision shall survive the cancellation of the Member Agreement.

5.2.2 –Endorsements of BIZNET Services

No claims as to any services offered by BIZNET may be made except those contained in Official BIZNET Materials.

5.3 - Conflicts

5.3.1 – Non- solicitations

BIZNET Members are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively “Network Marketing”). However, during the term of this Agreement, Members may not directly or indirectly recruit other BIZNET Members or Customers other than those they have personally sponsored for any other Network Marketing business. Following the cancellation of a Member Agreement, and for a period of one (1) calendar year thereafter, with the exception of a Member who is personally sponsored by the former Member, a former Member may not recruit any BIZNET Member or Customer for another Network Marketing business.

5.3.2 - Sale of Competing Goods or Services

During this agreement and for six months thereafter, Members must not sell, or attempt to sell, any competing non-BIZNET programs or services to BIZNET Customers or Members. Any program, product, service, or direct selling opportunity in the same generic categories as the BIZNET services are deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.

5.3.3 - Targeting Other Direct Sellers

Should Members engage in solicitation and/or enticement of members of another direct sales company to sell or distribute BIZNET services, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Member alleging that they engaged in inappropriate recruiting activity of its sales force or Customers, BIZNET will not pay any of Member’s defense costs or legal fees, nor will BIZNET indemnify the Member for any judgment, award, or settlement.

5.3.4 - Privacy and Confidentiality

All Members are required to abide by the Company’s Privacy Policy with regard to Member and customer information.

5.3.5- The Data Management Rule

The Data Management Rule is intended to protect the Line of Sponsorship (LOS) for the benefit of all Members, as well as BIZNET. LOS information is information compiled by BIZNET that discloses or relates to all or part of the specific arrangement of sponsorship within the BIZNET business, including, without limitation, Member lists, sponsorship trees, and all Member information generated therefrom, in its present and future forms. The BIZNET LOS, constitutes a commercially advantageous, unique, and proprietary trade secret (Proprietary Information), which it keeps proprietary and confidential and treats as a trade secret. BIZNET is the exclusive owner of all Proprietary Information, which is derived, compiled, configured, and maintained through the expenditure of considerable time, effort, and resources by BIZNET and its Members. Through this Rule, Members are granted a personal, non-exclusive, non-transferable and revocable right by BIZNET to use Proprietary Information only as necessary to facilitate their business as contemplated under these Policies and Procedures. The Company reserves the right to deny or revoke this right, upon reasonable notice to the Member stating the reason(s) for such denial or revocation, whenever, in the reasonable opinion of BIZNET, such is necessary to protect the confidentiality or value of Proprietary Information. All Members shall maintain Proprietary Information in strictest confidence, and shall take all reasonable steps and appropriate measures to safeguard Proprietary Information and maintain the confidentiality thereof.

5.4 -Cross Sponsoring

Actual or attempted cross-group sponsoring is strictly prohibited. “Cross-group sponsoring” is defined as the enrollment, indirect or otherwise, of an individual or entity that already has a current customer number or Member Agreement on file with BIZNET, or who has had such an agreement within the preceding six (6) calendar months, within a different line of sponsorship. The use of a spouse’s or relative’s name, trade names, DBAs, assumed names, corporations, partnerships, trusts, Federal Tax Identification Numbers or fictitious identification numbers to circumvent this policy is prohibited. This policy shall not prohibit the transfer of a BIZNET business in accordance with the “Sale, Transfer or Assignment of BIZNET Business” section of these Policies and Procedures.

5.5 -Governmental Approval or Endorsement

Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Members shall not represent or imply that BIZNET or its Compensation Plan have been “approved,” “endorsed,” or otherwise sanctioned by any government agency.

5.6 -Identification

All Members are required to provide their Social Security Number, Federal Employer Identification Number, or their Government Issued ID Number to BIZNET either on the Member Agreement or at the company’s request. Upon enrollment, the Company will provide a unique Member Identification Number to the Member by which they will be identified. This number will be used to place orders and track commissions and bonuses.

5.7 - Income Taxes

Every year, BIZNET will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident as required by the Internal Revenue Service. Each Member is responsible for paying local, state and federal taxes on any income generated as a Member. If a BIZNET business is tax exempt, the Federal Tax Identification Number must be provided to BIZNET. Any Member that does not provide a valid social security number is subject to the federal backup withholding laws and 28% of their commissions and bonus will be withheld and submitted to the IRS.

5.8 - Independent Contractor Status

You are an independent contractor. You are not a Member, employee, partner, or joint venture with the Company. You may not represent yourself as anything other than an Independent Member. You have no authority to bind BIZNET to any obligation. You are responsible for paying your own self-employment taxes, federal income taxes and other taxes required by law. You must obey any federal, state, and local laws, as well as Company rules and regulations pertaining to your independent BIZNET Business or the acquisition, receipt, holding, selling, distributing or advertising of BIZNET’s services or opportunity.

Members may not answer the telephone by saying “BIZNET,” “BIZNET Incorporated,” or by any other manner that would lead the caller to believe that they have reached BIZNET’s corporate offices. A Member may only represent that he/she is a BIZNET Member. Therefore, all correspondence and business cards relating to or in connection with a Member’s BIZNET business shall contain the Member’s name followed by the term “Member.”

5.9–Bonus Buying

Paying the membership fees solely for the purpose of collecting bonuses or achieving rank is prohibited.

5.10 – Stacking

Stacking is the unauthorized manipulation of the BIZNET compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline Member in an unearned manner. One example of stacking occurs when a sponsor places participants under an inactive downline participant (who may not know or have any relationship with the clients) in order to trigger unearned qualification for commissioning. Another example of stacking is the manipulative placement of Members within a downline organization in order to trigger a promotion. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of the Member's positions of all individuals found to be directly involved.

5.11 - One BIZNET Business Per Member

A Member may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one BIZNET business. No individual may have, operate or receive compensation from more than one BIZNET business. Individuals of the same family unit may each enter into or have an interest in their own separate BIZNET businesses, only if each subsequent family position is placed frontline to the first family member enrolled. A "family unit" is defined as spouses and dependent children living at or doing business at the same address.

5.12 - Succession

Upon the death or incapacitation of a Member, their business may be passed to a designated heir(s). Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Whenever a BIZNET business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Member's marketing organization provided the following qualifications are met. The successor(s) must:

- Execute a Member Agreement;
- Comply with terms and provisions of the Agreement;
- Meet all of the qualifications for the deceased Member's rank/status;
- Provide BIZNET with an "address of record" to which all bonus and commission checks will be sent. Bonus and commission checks of a BIZNET business transferred pursuant to this section will be paid in a single check jointly to the successor(s).
- Form a business entity and acquire a federal Taxpayer Identification Number, if the business is bequeathed to joint successors. BIZNET will issue all bonus and commission checks and one 1099 to the business entity.

5.13 - Sale, Transfer, or Assignment of a BIZNET Business

Although a BIZNET business is a privately owned, independently operated business, the sale, transfer or assignment of a BIZNET business is subject to certain limitations. If a Member wishes to sell their BIZNET business, the following criteria must be met:

- A. Protection of the existing line of sponsorship must always be maintained so that the BIZNET business continues to be operated in that line of sponsorship;

- B. The buyer or transferee must become a qualified BIZNET Member. If the buyer is an active BIZNET Member, they must first terminate their BIZNET business and wait six calendar months before acquiring any interest in the new BIZNET business;
- C. Before the sale, transfer, or assignment can be finalized and approved by BIZNET, any debt obligations the selling Member has with BIZNET must be satisfied; and
- D. The selling Member must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer, or assign a BIZNET business.

Prior to selling a BIZNET business, the selling Member must notify BIZNET's Compliance department of their intent to sell the BIZNET business. No changes in line of sponsorship can result from the sale or transfer of a BIZNET business. A Member may not sell, transfer, or assign portions of their business—the position must be sold in its entirety.

5.14 - Separation of a BIZNET Business

BIZNET Members sometimes operate their BIZNET businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership, or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to 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 Members and the Company in a timely fashion, BIZNET will involuntarily terminate the Member Agreement.

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

- A. One of the parties may, with consent of the other(s), operate the BIZNET business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners, or trustees authorize BIZNET to deal directly and solely with the other spouse or non-relinquishing shareholder, partner, or trustee.
- B. The parties may continue to operate the BIZNET business jointly on a "business-as-usual" basis, whereupon all compensation paid by BIZNET 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. The Company will never remove a party to a position from a Member account without that party's written permission and signature. Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Under no circumstances will BIZNET split commission and bonus checks between divorcing spouses or members of dissolving entities. BIZNET will recognize only one downline organization and will issue only one commission check per BIZNET 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 in a timely fashion as determined by the Company, the Member Agreement shall be involuntarily cancelled. If a former spouse has completely relinquished all rights in the original BIZNET business pursuant to a divorce, they are thereafter free to enroll under any sponsor of their choosing without waiting six (6) calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity Member who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a Member. In either case, however, the former spouse

or business Member shall have no rights to any Members in their former organization or to any former customer. They must develop the new business in the same manner as would any other new Member.

5.15- Sponsoring

All Active Members in good standing have the right to sponsor and enroll others into BIZNET. Each prospective customer or Member has the ultimate right to choose his or her own Sponsor. If two Members claim to be the Sponsor of the same new Member or customer, the Company shall regard the first application received by the Company as controlling.

SECTION 6 – RESPONSIBILITIES OF MEMBERS

6.1 - Change of Address, Telephone, Email-Address

To ensure timely communications, delivery of support materials and commission checks, it is critically important that the BIZNET's files are current. Members planning to move or change their email address must submit an amended Member Agreement complete with the new information.

6.2 – Sponsoring Member Responsibilities

6.2.1 – Initial Training

Any Member who sponsors another Member into BIZNET must perform a bona fide assistance and training function to ensure that their downline is properly operating their BIZNET business. Members must provide the most current version of the Policies and Procedures, the Income Disclosure Statement, and Compensation Plan to individuals whom they are sponsoring to become Members before the applicant signs a Member Agreement.

6.2.2 – Ongoing Training Responsibilities

Members must monitor the Members in their downline organizations to ensure that downline Members do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Member should be able to provide documented evidence to BIZNET of their ongoing fulfilment of the responsibilities of a Sponsor.

6.3 – Non disparagement

Members must not disparage, demean, or make negative remarks about BIZNET, other BIZNET Members, BIZNET's services, the Compensation plan, or BIZNET's owners, board members, directors, officers, or employees.

6.4 - Reporting Policy Violations

Members observing a Policy violation by another Member should submit a written report of the violation directly to the attention of the BIZNET Compliance department, complete with all supporting evidence and pertinent information. It is important to understand that information that is submitted will be kept confidential.

SECTION 7 – AUTOMATIC BILLING

7.1 - Billing

The membership program has an automatic billing requirement. All orders are auto-billed according to the agreed upon Member terms at the time of enrollment.

SECTION 8 – COMMISSIONS AND REFUND POLICY

8.1 - Bonus and Commission Qualifications

In order to qualify to receive commissions and bonuses, a Member must be in good standing and comply with the terms of the Agreement and these Policies and Procedures. A Member will qualify to receive commissions and bonuses so long as he/she produces one personal membership sale each month or maintains a personal membership in good standing for himself/herself. A Member is not required to maintain a personal membership but may do so if desired for purposes of this section.

8.2 - Errors or Questions

If a Member has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the Member must notify BIZNET in writing within 30 days of the date of the purported error or incident in question. BIZNET will not be responsible for any errors, omissions, or problems not reported to the Company within 30 days.

8.3 - 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 a Member Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Member or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Members or Customers (“phantoms”); (d) purchasing BIZNET services on behalf of another Member or Customer, or under another Member’s or Customer’s ID number, to qualify for commissions or bonuses; and/or (f) 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.

8.4 - Reports

All information provided by BIZNET, including but not limited to personal sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including but not limited to the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments, a Member whose Member Agreement is cancelled shall receive commissions and bonuses only for the last full pay period he or she worked prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

A BIZNET participant 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, or via email to BIZNET.

8.5 – Refund Policy

BIZNET offers a 30-day satisfaction guarantee on all initial fees paid to the company. All subsequent fees are nonrefundable. When a refund is requested by a Member the bonuses and commissions attributable to the refunded service will be deducted from the Member who received bonuses or commissions on such sales.

Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the commission is recovered.

SECTION 9 – DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1 - Disciplinary Sanctions

Violation of the 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 a Member that, in the sole discretion of the Company, may damage its reputation or goodwill (such damaging act or omission need not be related to the Member's BIZNET business), may result, at BIZNET's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Member to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;
- Withholding from a Member all or part of the Member's bonuses and commissions during the period that BIZNET is investigating any conduct allegedly contrary to the Agreement. If a Member's business is cancelled for disciplinary reasons, the Member will not be entitled to recover any commissions withheld during the investigation period;
- Suspension of the individual's Member Agreement for one or more pay periods;
- Involuntary termination of the offender's Member Agreement;
- Any other measure expressly allowed within any provision of the Agreement or which BIZNET deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Member's policy violation or contractual breach;
- Instituting legal proceedings for monetary and/or equitable relief. Each violation is reviewed on a case-by-case basis, and all disciplinary actions are at the sole discretion of BIZNET.

9.2 - Mediation

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

9.3 - Arbitration

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by confidential arbitration administered by the American Arbitration

Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Members waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in Dallas, Texas. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.

Nothing in these Policies and Procedures shall prevent BIZNET 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 BIZNET's interest prior to, during, or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

9.4 - Governing Law, Jurisdiction, and Venue

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

SECTION 10 – EFFECT OF CANCELLATION

10.1- Effect of Cancellation and Termination

So long as a Member remains active and complies with the terms of the Member Agreement and these Policies, BIZNET shall pay commissions to such Member in accordance with the Compensation Plan. A Member's bonuses and commissions constitute the entire consideration for the Member's efforts in generating sales and all activities related to generating sales (including, but not limited to, building a downline organization). Following a Member's non-continuation of his or her Member Agreement, cancellation for inactivity, or voluntary or involuntary cancellation (termination) of his or her Member Agreement (all of these methods are collectively referred to as "Cancellation"), the former Member shall have no right, title, claim or interest to the downline organization which he or she operated, or any commission or bonus from the sales generated by the organization. Members waive any and all rights, including, but not limited to, property rights, in the downline which they may have had. Following a Member's cancellation of his or her Member Agreement, the former Member shall not hold him or herself out as a BIZNET Member and shall not have the right to sell BIZNET products or services. A Member whose Member Agreement is cancelled shall receive commissions and bonuses only for the last full pay period he or she worked prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

A BIZNET participant 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, or via email to BIZNET. The written notice must include the Member's signature, printed name, address, and Member ID Number.

10.2- Non-Renewal

A Member may also voluntarily cancel their Member Agreement by failing to pay the renewal fee. Members have a 60 day grace period to get back into compliance for failure to pay the administrative fee.

SECTION 11 – DEFINITIONS

AGREEMENT: The contract between the Company and each Member; includes the Member Agreement, the BIZNET Policies and Procedures, and the BIZNET Compensation Plan, all in their current form and as amended by BIZNET in its sole discretion. These documents are collectively referred to as the "Agreement."

CANCEL: The termination of a Member's business. Cancellation may be either voluntary, involuntary, or through non-renewal.

COMPENSATION PLAN: The guidelines and referenced literature for describing how Members can generate commissions and bonuses.

CUSTOMER: A Customer who purchases BIZNET services and does not engage in building a business or selling the service.

MEMBER: An individual who purchases product, generates sales and business building commissions.

LINE OF SPONSORSHIP (LOS): A report generated by BIZNET that provides critical data relating to the identities of Members, sales information, and enrollment activity of each Member's organization. This report contains confidential and trade secret information which is proprietary to BIZNET.

ORGANIZATION: The Customers and Members placed below a particular Member.

OFFICIAL BIZNET MATERIAL: Literature, audio or video tapes, and other materials developed, printed, published, and distributed by BIZNET to Members.

PLACEMENT: Your position inside your Sponsor's organization.

RECRUIT: For purposes of BIZNET's Conflict of Interest Policy, the term "Recruit" means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another BIZNET Member or Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

SPONSOR: A Member who enrolls a Customer or another Member into the Company, and is listed as the Sponsor on the Member Agreement. The act of enrolling others and training them to become Members is called "sponsoring."

UPLINE: This term refers to the Member or Members above a particular Member in a sponsorship line up to the Company. It is the line of sponsors that links any particular Member to the Company.