

# PINK ZEBRA AT HOME

# **INDEPENDENT CONTRACTOR AGREEMENT ("Agreement")**

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

# **Engagement of Services**

Subject to the terms and conditions of this Agreement, the Company hereby agrees that You will be aDirect Sales Consultant to the Company

### Scope

During the term of this Agreement, You agree to serve as a Direct Sales Consultant for the Company's products and will perform the duties and functions detailed in this Agreement, in accordance with the PZ Policies and Career Plan (defined below). You are not required to exclusively perform services to the Company, but may engage in work elsewhere during the term of this Agreement so long as You arefulfilling your duties under this Agreement. However, You agree that until this Agreement is terminated pursuant to Section 12, You will refrain from selling any products that are the same or substantially similar to candles and home fragrancing products sold by the Company, but this in no way restricts yourright to work for or provide services to other companies having different product lines. You further agreeto provide your own vehicle, insurance, communications and tools necessary to perform the duties listedbelow.

#### **Policies and Career Plan**

As consideration for entering into this Agreement, as well as the services to be performed hereunder, the Company will pay to You compensation as set for forth in the Pink Zebra Policies and Career Plan (referred to herein as the "PZ Policies and Career Plan"). The terms of the PZ Policies and Career Plan are incorporated into this Agreement. To receive such payments, you must be in "Good Standing" as defined in the PZ Policies and Career Plan and You must not otherwise be in violation of this Agreement. You are not entitled to receive any benefits other than those described herein and in the PZ Policies and Career



Plan. In addition, You agree that you shall perform your duties and all activities as a Direct Sales Consultant to the Company in accordance with the PZ Policies and Career Plan.

### INDEPENDENT CONTRACTOR RELATIONSHIP

YOU ARE AN INDEPENDENT CONTRACTOR AND NOT AN EMPLOYEE, SERVANT, PARTNER OR JOINT VENTURER OF OR WITH RESPECT TO THE COMPANY. THE COMPANY MAY DIRECT THE SERVICES TO BE PROVIDED BY YOU AS A DIRECT SALES CONSULTANT, BUT YOU SHALL DETERMINE THE MEANS, METHOD AND MANNER BY WHICH YOU ACCOMPLISH THE SERVICES IN ACCORDANCE WITH THIS AGREEMENT. YOU WILL BE OPERATING YOUR OWN INDEPENDENT BUSINESS, BUYING AND SELLING PRODUCTS AND SERVICES AVAILABLE THROUGH AND BY THE COMPANY ON YOUR OWN ACCORD. YOU HAVE COMPLETE FREEDOM IN DETERMINING THE NUMBER OF HOURS YOU WILL DEVOTE TO YOUR BUSINESS, AND YOU HAVE THE SOLE DISCRETION OF SCHEDULING SUCH HOURS. THE COMPANY WILL NOT PROVIDE YOU WITH A PLACE OF BUSINESS, AND IF YOU DESIRE A PLACE OF BUSINESS OTHER THAN YOUR OWN RESIDENCE, YOU WILL BE RESPONSIBLE FOR PROCURING, FURNISHING, EQUIPPING, AND PAYING FOR SUCH PLACE OF BUSINESS.

YOU UNDERSTAND AND AGREE THAT YOU ARE RESPONSIBLE FOR AND WILL (i) PAY ALL APPLICABLE FEDERAL AND PROVINCIAL WITHHOLDING TAXES, SOURCE DEDUCTIONS, PST, GST, HST, INCOME TAX, OTHER TAXES, EMPLOYMENT INSURANCE PREMIUMS, CANADA PENSION PLAN CONTRIBUTIONS, WORKER'S COMPENSATION CONTRIBUTIONS OR PROVINCIAL EMPLOYEE HEALTH TAX CONTRIBUTIONS AND OTHER LEVIES, PREMIUMS, LICENCE REQUIREMENTS AND FEES RELATED TO YOUR COMPENSATION AND ACTIVITIES AS A DIRECT SALES CONSULTANT AND (ii) AT YOUR OWN EXPENSE, COMPLETE ALL FILINGS, AND OBTAIN SUCH LICENSES AS ARE REQUIRED BY APPLICABLE FEDERAL, PROVINCIAL ANDLOCAL LAWS, RULES AND REGULATIONS, WITH RESPECT TO YOUR ACTIVITIES AS A DIRECT SALES CONSULTANT. AS A SELF-EMPLOYED INDEPENDENT CONTRACTOR, YOU ARE ALSO RESPONSIBLE FOR COMPLYING WITH ANY APPLICABLE FEDERAL, PROVINCIAL, OR LOCAL BUSINESS LICENSING REQUIREMENTS.

THE COMPANY IS NOT RESPONSIBLE FOR WITHHOLDING, AND SHALL NOT WITHHOLD OR DEDUCT FROM THE COMPENSATION PAYABLE TO YOU HEREUNDER, TAXES OF ANY KIND, UNLESS SUCH WITHHOLDING BECOMES LEGALLY REQUIRED. YOU HAVE NO AUTHORITY TOBIND THE COMPANY TO ANY OBLIGATION. AS AN INDEPENDENT CONTRACTOR OF THE COMPANY, YOU ARE NOT ENTITLED TO RECEIVE THE BENEFITS THAT EMPLOYEES OF THE COMPANY ARE ENTITLED TO RECEIVE, AND SHALL NOT BE ENTITLED TO WORKERS COMPENSATION, UNEMPLOYMENT COMPENSATION, MEDICAL INSURANCE, LIFE INSURANCE, PAID VACATIONS, PAID HOLIDAYS, PENSION, PROFIT SHARING ON ACCOUNT OF YOUR SERVICES TO THE COMPANY. NOTWITHSTANDING ANY OTHER PROVISION OF THISAGREEMENT, THE USE OF THE WORDS "CAREER", "TITLE" AND "PROMOTION" IN THIS AGREEMENT OR IN THE PZ POLICIES AND CAREER PLAN OR IN ANY OTHER COMPANY DOCUMENT IS NOT TO BE INTERPRETED IN ANY WAY AS BEING INDICATIVE OF EMPLOYEE STATUS.



### **Duties**

As an independent contractor to the Company, you are authorized to perform the following activities:

- You will have the right to offer Company products for sale in accordance with the PZ Policiesand Career Plan.
- You will have the right to enroll other persons ("New Consultants") to serve as Direct Sales Consultants to the Company in accordance with the PZ Policies and Career Plan.
- You will have the right to participate in the Company's Direct Sales Consultants career plan as outlined in the PZ Policies and Career Plan.

### **Intellectual Property**

You agree to not use the Company's intellectual property, including without limitation, the Company's trademarks, copyrights, trade names, trade dress, designs, images or symbols, without the prior written consent of the Company except as set forth in the PZ Policies and Career Plan.

# **Amendments to Company Documents**

By assenting to this Agreement, you agree and understand that Company may, from time to time, amend this Agreement and the PZ Policies and Career Plan, and any such amendment will be made in Company's sole discretion.

#### **INDEMNIFICATION**

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

# **Compliance with Laws**

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



# **Promotional and Advertising Release**

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

### Force Majeure

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

### **Termination**

The Company or You may, with or without cause, terminate this Agreement at any time upon written notice to the other party. Thereupon, You shall be paid for all services properly performed in accordance with the PZ Policies and Career Plan up to the date of termination, but no further.

### Governing Law, Arbitration, Injunctive Relief

This Agreement shall be governed by and construed in accordance with the internal laws of the State of Texas. Any controversy or claim arising out of or relating to the Agreement or the breach thereof, orany controversy or claim relating to the business relationships arising between you and the Company shall be resolved by mandatory, final, binding, non-appealable arbitration in Harris County, Texas, United States of America (subsequently referred to as the "Texas Arbitration").

The parties hereto irrevocably agree that pending resolution of the Texas Arbitration, the Company is authorized to seek an injunction or temporary restraining order against you in connection with or arising out of the Agreement, including but not limited to (i) restraining any unauthorized disclosure or use of confidential information, (ii) restraining any unauthorized solicitation of any Direct Sales Consultant, Company employee or Company customer, or (iii) any anticipated breach of the Agreement or any other applicable terms and policies of the Company by you (each of these shall be referred to herein as an "Injunction"). You agree that such Injunction may be heard and determined by the courts of the province or territory in Canada of Company's choosing. You irrevocably and unconditionally submit to the personal jurisdiction of the courts of the Province or Territory in Canada of Company's choosing for Injunctions, and each of the parties hereto irrevocably and unconditionally agrees that all Injunctions may be heard and determined in such court.



### Severability

In the event any provision hereof shall be modified or held ineffective by any court, such adjudicationshall not invalidate or render ineffective the balance of the provisions hereof.

## **Entire Agreement**

Both parties participated in the drafting of this Agreement and this Agreement constitutes the sole agreement between the parties with respect to the subject matter hereof, and supersedes any and all other agreements, oral or written, between the parties. This Agreement may not be modified oramended except by a writing signed by the Company and You.

#### Waiver

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

### **Assignment**

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

# **Successors**

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

# **Section Headings**

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

## **Online Agreement**

This agreement is an online agreement that is being executed in keeping with applicable federal and provincial laws.



# CANADA CAREER PLAN

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# **GENERAL GUIDELINES**

# **COMMISSION PERIOD**

A commission period is defined by calendar months. The final cut-off date for monthly commissions is the last day of the month at 11:59 PM EST (refer to Time Zone). The commission period for the prior month closes no later than the 10th day of the following month at which time all promotions, titles and ranks are changed and commission and bonuses are paid accordingly.

### **DIRECT DEPOSIT**

Consult Direct Sales Consultants are paid any commission and bonus via direct deposit once the commission period has closed for the prior month if your ZebraNET profile is set up with direct deposit information. Pink Zebra does not issue cheques and if you have not set your profile up as Direct Deposit, then your funds will be placed in a carryover status and paid going forward once Direct Deposit is set up.

Commission and bonus will be paid no later than the 10th day of the following month. Should you enter incorrect deposit account information into your ZebraNET profile and your direct deposit is returned undeliverable, we will not process a second direct deposit for you – however, we will deposit your funds into your E-Wallet account.

# **COMMISSIONS PAID THROUGH E-WALLET**

E-Wallet is not Available in Canada. Pink Zebra does not issue cheques for commission or bonus and any monies not included in the direct deposit are placed into carryover and will be paid going forward once the direct deposit account is set up.

### COMMISSION MINIMUM

There is no minimum amount required to be earned to receive a commission.

### SHIPPING & PROCESSING TIME

Pink Zebra will choose the method of shipping depending on the overall cost, weight and zip code of the order's ship-to address. Most product orders will be shipped via a parcel carrier.

Direct Sales Consultants must always provide Pink Zebra with a street address for shipping purposes. Pink Zebra will not ship to post office boxes.

Every Monday, Wednesday and Friday (except holidays or office closures) will be the days which order ship to Canada. All orders will ship bulk across the border and will leave the Sugar Land warehouse each Wednesday (unless otherwise noted due to holiday, etc). All orders must be posted within the given processing time in order to make the Wednesday ship date or will be shipped the following Wednesday. Pink Zebra will attempt to process most orders within one to two business days, but during peak times, it may be necessary to extend shipping times up to five (5) business days. Any order placed via Canada Economy 3-4 Business Day are processed the day



after they are placed and then shipped using 3-4 Business Day. Carriers do not count a weekend or holiday as a day.

Due to the extreme heat in the summer months, there may be limitations to what days of the week orders ship. This is to prevent orders from sitting in the shipper's warehouse and docks over weekends. Any updates will be posted on ZebraNET.

# **Shipping Rates**

Effective July 2023 - Shipping rates for party, customer, Consultant, and shopping cart are as follows:

	Consultant Order	Party Order	Host Awards	Customer/Website Order	ScentFlirt	Enrollment Order
Canada	\$15 or 10% of Retail whichever is greater	\$15 or 10% of Retail whichever is greater	Up to \$59.99 = \$10. Over \$60.00 = FREE	\$15 or 10% of Retail whichever is greater	\$8.00	Both Kits - \$28
Canada Economy 3-4 Day	Up to \$200 = \$40 \$201 - \$399 = 20% \$400 & above = 10%	Up to \$200 = \$40 \$201 - \$399 = 20% \$400 & above = 10%	NA	Up to \$200 = \$40 \$201 - \$399 = 20% \$400 & above = 10%	NA	NA
Continental US	NA	NA	NA	NA	NA	Both Kits - \$22
AK, HI, PR, US Virgin Islands	NA	NA	NA	NA	NA	Both Kits - \$32

If you want to use Canada Economy (3-4 Bus. Day) service, you must choose that option from the drop down.

# Sales Tax on Items

All items (including Host items) are charged sales tax based on the full retail of the product even though there may be a discount allowed. This is in compliance with state tax rules applicable to our direct sales industry.



States tax direct sales transactions differently than normal retail sales. Our agreements with states (including California) to collect sales tax at the full retail value is what grants Direct Sales Consultants an exemption on having to individually register for sales tax to re-sell Pink Zebra products. The states assume that all product sold to our Direct Sales Consultants will be resold to an end consumer at retail value. By our collecting the full retail sales tax up front, we are voluntarily acting as a sales tax agent for the Direct Sales Consultants, relieving them of the burden of collecting and remitting sales tax for their orders placed through Pink Zebra.

### Guarantee

Pink Zebra guarantees all products. Defective products can be returned within 45 days of product shipment from Pink Zebra for exchange of other products of equal or greater value. If the item being exchanged is a limited edition or seasonal item, and the product is no longer available, it may be exchanged for another item of equal or greater value. At the discretion of Pink Zebra, any defective product may be required to be returned to the home office so that Pink Zebra can verify that the item does not meet product specifications. All returned items must be accompanied with a receipt and order number.

When a defective item is returned, Pink Zebra will pay the shipping fees. The Company will provide a Call Tag or Returns Material Authorization (RMA) to cover the shipping charges for a defective item return.

### **EXCHANGE POLICY**

If a customer is not completely satisfied with a Pink Zebra product for any reason, he or she may exchange it within 45 days of the original order's ship date. Order errors resulting from an incorrectly written or entered part number will be handled as exchanges. The exchanged product must be accompanied by the receipt, trouble ticket number and order number. The item must be exchanged for products of equal or greater value and any price difference would be the responsibility of the customer/ Direct Sales Consultant. The item being exchanged must be featured in the current catalog. The customer or Direct Sales Consultant must pay the cost to ship the product back to Pink Zebra and Pink Zebra will ship the replacement product for free. If the item being exchanged is a limited edition or seasonal item and the product is no longer available, it may be exchanged for another item of equal or greater value.

# REFUNDS/CANCELLATION

Pink Zebra does offer refunds on cancelled orders within 45 days, as long as the receipt is provided. A refund will be for the price of the product and does not include shipping. A refund may take up to 5 business days to be reflected back to the credit card based on the individual's financial institution.

Direct Sales Consultants will comply with applicable consumer protection laws and regulations including any consumer rights to receive specific notices and any rights to return any Pink Zebra



product under applicable provincial consumer protection legislation. When making a sale to a consumer, Direct Sales Consultant must provide him/her with an official Pink Zebra retail receipt at or prior to the time of the initial sale and every sale thereafter. Direct Sales Consultants will need to customize the template with his/her personal information. These sales receipts set forth (i) the consumer protection rights afforded by applicable provincial and territorial law for direct sales, including the right to cancel (without any reason) the sale contract up to 10 days after the consumer receives a copy of the contract, and (ii) Pink Zebra's 45-day exchange policy. Direct Sales Consultants must duplicate the form and provide one to the consumer and retain a copy for their records. There are two sets of receipts: one for Quebec, and another for the remaining twelve provinces and territories. Direct Sales Consultants should maintain copies of all such sales receipts for a period of six (6) years and furnish them to Pink Zebra upon request.

### **CREDIT CARD PAYMENT**

Customer Service will no longer accept credit card information from Consultants and Customers without first having them agree to our verbal statement/terms as follows:

"Please confirm that you are hereby authorizing Pink Zebra to charge your credit card \$\_\_\_\_ on your order"

Customer Service will only receive that information verbally with approval and will not write down or keep any credit card information.

#### **INVENTORY RETURNS**

Upon cancellation or termination of a Direct Sales Consultant's Agreement, the Direct Sales Consultant may return for a refund inventory and sales aids that he/she personally purchased from the Company if he or she is unable to sell or use the merchandise. A Direct Sales Consultant may only return products and sales aids purchased by him or her that are in resalable condition. Upon receipt of the products and sales aids, the Direct Sales Consultant will be reimbursed 90% of the net cost of the original purchase price(s), less shipping charges. The Company shall deduct from the reimbursement paid to the Direct Sales Consultant any commissions, bonuses, rebates or other incentives received by the Direct Sales Consultant which were associated with the merchandise that is returned.

Direct Sales Consultants may return inventory or business aids which they have purchased at any time from the Company within the previous 30-day period (without triggering automatic termination of the Agreement). The products and business aids must be in current reusable and resalable condition and will be repurchased at 90% of the Direct Sales Consultant's original purchase price, less appropriate setoffs, legal claims and commissions and bonuses already paid to the Direct Sales Consultants in connection with the sale of the returned product.

Products and sales aids shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged;



3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) products are returned to Pink Zebra within one year from the date of purchase; 5) the product contains current Pink Zebra labeling. Any merchandise that is clearly identified at the time of sale as non-returnable discontinued, or as a seasonal item, shall not be resalable.

The Direct Sales Consultant returning the merchandise is responsible for all return shipping charges.

#### **EXCESSIVE PURCHASES OF INVENTORY PROHIBITED**

The Company strictly prohibits the purchase of products in unreasonable amounts solely for the purpose of qualifying for commissions, bonuses or advancement in the Pink Zebra Career Plan. Direct Sales Consultants may not purchase more than they can reasonably resell (or personally consume) nor encourage others to do so. Direct Sales Consultants are not required to carry inventory of products or sales aids. Each Direct Sales Consultant must make his or her own commercially reasonable decision with regard to the carrying of inventory.

### **SUBSTITUTIONS**

From time to time, Pink Zebra may need to make a substitution for a raw material or finished good. Pink Zebra reserves the right to substitute a component of similar value, purpose and quality for a product or component that has changed. These substitutions will not affect the fragrance or quality of any of our products. These substitutions may result in a difference between the specifications of the final product and those included in the catalog or other Pink Zebra publications.

### **ALTERING PINK ZEBRA PRODUCTS**

Any alteration of a Pink Zebra product by Direct Sales Consultants, such as re-melting and repackaging, for reselling is prohibited.

### INTERNATIONAL SALES

You may not sell Pink Zebra products or promote the Pink Zebra opportunity in countries or territories that have not been officially opened by Pink Zebra. You also may not sell or promote Pink Zebra products or literature designed for one jurisdiction, country, or territory in a different jurisdiction, country, or territory. Any violation of this provision could seriously jeopardize or compromise the ability of Pink Zebra to obtain governmental approval to conduct business in countries where approval is pending or planned. Accordingly, if You violate this or any other applicable policy or the laws of any country, territory, or jurisdiction, whether such violation is direct or indirect, intentional or unintentional, You are subject to corrective action, including without limitation, fines, prohibitions of conducting business in such jurisdictions, and/or the termination of your Direct Sales Consultant position, as deemed appropriate by Pink Zebra at its sole discretion.



Consultants may sponsor in the country of Canada and the United States but due to the business tax implications, Pink Zebra websites only allow Consultants to make sales in the country in which they reside.

### **APPLICABLE TERRITORIES**

Direct Sales Consultants may hold Home Parties, sponsor new Teams and sell Pink Zebra products in territories, countries or provinces that have been officially opened to Pink Zebra.

# MILITARY LOCATIONS

Direct Sales Consultants may sell to Canadian military base locations. Subject to applicable military regulations and licensing rules, someone stationed on a Canadian military base may become a Direct Sales Consultant. Sponsors and Direct Sales Consultants should be fully aware that products shipped to a military base cannot be resold. The military also requires anyone operating a business on a military base to obtain any applicable business license and pay all applicable fees.

### TIME ZONE

Pink Zebra's corporate office is in Houston, TX, and in the Central Time Zone. Office hours are operated based on the Central Time Zone. Ordering, month end or incentives are based on the ZebraNET, which operates on the Eastern Time Zone.

## ACCEPTING CREDIT CARD PAYMENTS FROM CUSTOMERS

Gather ALL the information on the order form, including the name, credit card number, expiration date, and the security code on the back of the card. Pink Zebra accepts American Express, Discover, Visa, and MasterCard. When someone places the order online, Pink Zebra's system will process the credit card. A Direct Sales Consultant may or may not choose to use his or her merchant account to process credit cards.

## **DECLINED CREDIT CARDS**

Declined credit cards are the responsibility of the user and not Pink Zebra. A credit card processer must align with your financial institution and if not, the credit card processer may decline the charge and or add additional fees. Common declines are:

Transaction Status: Declined. Authorization with the card issuer was successful but the transaction was declined due to an address or postal code mismatch with the address on file.

Transaction Status: Declined. Card declined by issuer - Contact card issuer to determine reason.

Where the Company must deal with the processor it may take up to 7 business days for any adjustment or refund.



### CHEQUES OR MONEY ORDERS

Pink Zebra does NOT accept cheques from customers or Direct Sales Consultants. When a Direct Sales Consultant takes a personal cheque from a customer, he or she needs to be sure the cheque has a phone number and to deposit the cheque immediately. The Direct Sales Consultant should make sure the cheque clears the bank before delivering the products. Direct Sales Consultants bear all risk of loss for any returned cheques accepted from a customer.

### TAX RATE

Tax rate for an order is generally based on the postal code of the shipping address. Collect taxes based on the rate of the location to which the order is being sent, except for orders to be delivered to a Texas address. Sales tax for orders shipped to Texas will be charged at the current rate applicable for the Pink Zebra Home Office in Sugar Land, Texas. Additionally, certain jurisdictions require collection of sales tax on shipping charges. These taxes will be assessed and collected on Pink Zebra orders in accordance with current laws.

### **HOME OFFICE SUPPORT:**

Mailing Address: Pink Zebra Home

1601 Gillingham Lane

Suite 120

Sugar Land, TX 77478

Customer Service Hours: Monday – Friday

8 am – 5 pm Central Standard Time

Toll Free Telephone Number: 1-833-445-3003

Text Number: 778-770-1441

Fax Number: 713-467-7334

Services E-mail: <a href="mailto:customerservice@pinkzebrahome.com">customerservice@pinkzebrahome.com</a>

Suggestions: Ideasandfeedback@pinkzebrahome.com

Pink Zebra Public Website: <a href="https://www.pinkzebrahome.com">www.pinkzebrahome.com</a>



# CUSTOMER SERVICE SUPPORT Customer Service Email Expectations

- Customer Service is committed to handling all issues/inquiries received within 2 business days if not sooner. Please keep in mind that many times we also have to wait for additional information before we can complete the investigation and resolve all issues.
- If Customer Service is not able to resolve these issues within the 2-business day timeframe, we will communicate via email or phone to ensure that the Direct Sales Consultant/Customer is kept informed.

## **Customer Service Trouble Ticket Expectations**

- Trouble Tickets will be resolved within 7 business days, providing all pertinent information is
  included upon receipt and are worked in the order they were received. If Customer
  Service has to request additional information to resolve the issue, the 7-day window does
  not apply.
- An email will be sent to the Direct Sales Consultant advising him or her that their Trouble Ticket cannot be resolved until we receive additional information. The Direct Sales Consultant then needs to respond to the email with the requested information. Customer Service will make two attempts to obtain needed information from the Direct Sales Consultant via email. If Customer Service has not received the needed information after two weeks, the Trouble Ticket will be closed with comments stating that if the issue has not been resolved, a new Trouble Ticket needs to be opened and should include the requested information.
- Items requiring immediate attention such as change of address, any shipping related issues, order cancellations, help closing a party, etc., should be handled with a phone call to Customer Service at 855-746-5932 rather than submitting a Trouble Ticket.
- Texting is available. This is a wonderful way for those quick easy questions that are ideally 144 characters or less. Please include: ID and name. Note the texting system will not accept images and does not replace the current Trouble Ticket system used on ZebraNET.

### RETAILING AND MARKETING

### Location

Direct Sales Consultants may sell Pink Zebra on a cash and carry basis at fairs, shows, expos and any other TEMPORARY retailing events, but may never sell Pink Zebra in a retail store of any kind including but not limited to consignment, re-sell shops, and kiosks of any kind. Flea Market type events are allowed as long as product is set up and taken down at the beginning and end of the



short-term days in attendance. The same Direct Sales Consultant cannot display at the same location each week or week-end, year round.

# **Packaging and Samples**

Direct Sales Consultants may NOT repackage Pink Zebra's products for sale other than adding a personalized sticker that does not obstruct Pink Zebra's logo or labeling and must ensure that the products are sold and delivered in their original packaging to any customer. This includes selling any discontinued items to other Direct Sales Consultants. Sample scoops, sample bags or any other type of sample cannot be sold to a customer. Sprinkles can be sold in Pink Zebra Blending Bags but must be at least 3.75 oz.

#### **Glimmer Candles**

All Pink Zebra Glimmer Glass Candle containers and wicks have been designed and tested for safe use with Sprinkles. Pink Zebra cannot guarantee 'no harm' when you as a Direct Sales Independent Consultant personally use or recommend non-approved glass and/or wicks to your customers. If you do, you are taking responsibility for the safety of you and/or your customer.

# **Logo Requirements**

Direct Sales Consultants may use Pink Zebra logos in marketing efforts, but they must only be logos provided in ZebraNET and must be used in accordance with all logo policies/guidelines found throughout the manual. Direct Sales Consultants must always use the term "Independent Consultant" when promoting, marketing, or advertising their business. There are multiple versions of a Pink Zebra Independent Consultant Logo provided for use where applicable.

# **DIRECT SALES CONSULTANT STATUS**

#### INDEPENDENT STATUS & COMPLIANCE WITH APPLICABLE LAW

As an independent Contractor, each Direct Sales Consultant is responsible for his or her own business activity. A Direct Sales Consultant is considered neither an employee of Pink Zebra nor of his or her upline. Direct Sales Consultants are required to follow the tax codes and business reporting requirements in the respective jurisdiction where their business activities take place, and it is recommended that they consult with a local professional advisor for more information related to their business. Pink Zebra Direct Sales Consultants are responsible for the following:

Complying with all federal, provincial, municipal and local laws and regulations as they
relate to the possession, distribution, sale, stocking, receipt and advertising of Pink Zebra
products or the operation of a business;



- Acquiring any applicable licenses or business registration, filing all necessary reports and paying all appropriate taxes and/ or fees legally required in order to operate a Pink Zebra business;
- Pink Zebra will collect the applicable taxes on orders placed through Pink Zebra. Pink Zebra, in turn, remits these taxes to the government tax authorities on behalf of Direct Sales Consultants:
- Reporting all earnings to the Canada Revenue Agency and provincial revenue departments when applicable and being responsible for maintaining records and receipts of all business activities;

# RESPONSIBILITIES OF PINK ZEBRA DIRECT SALES CONSULTANTS Direct Sales Consultants are required to do the following:

- Familiarize themselves with the Pink Zebra Consultant Manual as well as all guidance provided through Home Office newsletters and other official announcements;
- Manage their Pink Zebra business in a way that is consistent with the Pink Zebra Consultant Manual, Statement of Policies, Terms and Conditions and any other amendments or publications made available by Pink Zebra;
- Avoid making any claims or representations regarding the Pink Zebra product line that are inconsistent with the current catalog or publications made available by the Company;
- Avoid making any claims or representations relating to potential compensation, except for those representations made in Pink Zebra publications;
- Understand and adhere to the exchange and guaranty provisions of product sales;
- Protect each customer's or Direct Sales Consultants payment and payment information, and submit and deliver each order in a timely manner;
- Coordinate and carry out parties and other sales avenues according to Pink Zebra policies and procedures.
- Income Claims Prohibition. A Direct Sales Consultant is prohibited from making false, misleading, or unrepresentative claims regarding earning potential. If a Direct Sales Consultant does make an income claim, it must be based on actual earnings and the Company's current Annual Typical Income Disclosure Statement, posted on the Company's website, must be presented concurrent with the income claim. Also, in any presentation to a prospective new Direct Sales Consultant, the current Annual Typical Income Disclosure Statement must be provided at the same time. The Company's Annual Typical Income Disclosure Statement changes from time to time to reflect changes in compensation earned under the compensation plan. Currently, it reads:

"There are no guarantees regarding income. Our estimate of what the typical Direct Sales Consultant is likely to earn is approximately CDN\$600 per year. A Direct Sales Consultant for the purposes of this estimate, includes all Direct Sales Consultants who make a sale of Pink Zebra products within the one-year period. This estimate is subject to change after the first six months of our operation in Canada and will be updated annually thereafter. This 'typical' figure is representative of the smallest range of compensation



expected to be earned by over 50% of all Direct Sales Consultants in the plan."

Direct Sales Consultant shall make clear to prospective Direct Sales Consultants that (i) profits are not guaranteed and that the Company Compensation Plan is based upon sales of Products, and (ii) the financial success of a Direct Sales Consultant depends entirely upon that Direct Sales Consultant's individual effort, dedication, and the training and supervision the Direct Sales Consultant provides to his or her Downline.

### **EARNINGS CLAIMS:**

- As a Pink Zebra Independent Consultant, you are not allowed to make any statement, representation, or hypothetical scenario from which a current or prospective consultant could reasonably infer that he/she will earn a certain level or range or income either in person or on any social media platform.
- Marketing materials or advertising promising potential income amounts or demonstrating extraordinary or lavish lifestyles of a Pink Zebra consultant is prohibited.
- Statements such as "quit your job," "be set for life," "make more money than you ever have imagined or thought possible," "realize unlimited income," or any substantially similar statements or representations are prohibited; and
- Descriptions or images of opulent mansions, private helicopters, private jets, yachts, exotic automobiles, or any substantially similar descriptions or images are not allowed.

# **CONSULTANT CODE OF ETHICS**

- As a Pink Zebra Consultant:
- I will uphold the high standards of professionalism expected of a Pink Zebra Direct Sales Consultant and diligently market and sell Pink Zebra products. I further agree to require and monitor those same standards of professionalism with my Team.
- At all times, I will conduct myself with honesty, fairness and an ethical and professional manner.
   I will conduct my business in an ethically, morally, legally and financially sound manner.
   I will not engage in activities that would disparage Pink Zebra or myself, nor will I criticize Pink Zebra, its Management, other Pink Zebra Direct Sales Consultants, the products or the competition.
- I shall not, by my words or actions, bring Pink Zebra or the image of the direct sales industry into disrepute.

I will continue to actively promote and encourage the growth, cooperation and support of all Direct Sales Consultants, including those outside of my own organization.



- I will provide support and encouragement to my customers to ensure that their experience with Pink Zebra is a successful and happy experience. I understand that it is important to consistently provide follow-up service and to continue to actively support my customers.
- I will not willfully manipulate the Pink Zebra Career Plan at any time, without exception.
- I will ensure that I operate and market my business in an ethical manner that does not compromise the opportunity for other Direct Sales Consultants or misrepresent the income opportunity.
- I will continue to honor the confidentiality of Pink Zebra and other Direct Sales Consultants for all information I receive as a result of my relationship with Pink Zebra. This includes all information including but not limited to names, phone numbers, e-mail addresses, mailing addresses, and any other contact information of individuals associated with Pink Zebra; compensation plan information; and all intellectual property the Direct Sales Consultants are permitted to use as a result of their business relationship with Pink Zebra.

# CAREER/COMPENSATION PLAN MANIPULATION

Pink Zebra Independent Consultants are required to conduct themselves and their business with honesty, fairness and in an ethical, professional, and financially honest manner.

Each new Independent Consultant must directly join Pink Zebra Home on his/her own volition, pay their website fees and purchase products with his/her personal payment method.

A Pink Zebra Independent Consultant is prohibited from engaging in any or all of the following examples of enrollment and payment of orders/fees regarding any other Independent Consultant:

- The enrollment of individuals other than yourself into an Independent Consultant Agreement.
- The enrollment of a non-existent individual (false persona) as an Independent Consultant or customer.
- The enrollment of an existing Independent Consultant under a different account or with an alias name.
- The unauthorized use of a credit card, SSN, email or address or use of a fraudulent credit card, SSN, email or address.
- Paying for all or part of a customer or another Independent Consultant's product purchase or fees on their account. An Independent Consultant CAN pay for all or part of an order shipped to a customer or other Independent Consultant (i.e. – prizes, gifts, etc.) as long as said order is placed on the account of the Consultant who is paying.



- Sharing customer orders or effecting the placement of customers' orders amongst
  downline Independent Consultant accounts; including sending links of other
  Independent Consultants to customers for the purpose of volume, qualification, rank
  advancement, commissions, incentives, rewards, or bonuses.
- Any other mechanism or artifice to qualify for the purposes of qualification, rank advancement, commissions, incentives, rewards, or bonuses that is not driven by bonafide personal or customer product purchases.

### SCENTFLIRT SUBSCRIPTION PROGRAM

ScentFlirt is Pink Zebra's monthly subscription program. Pink Zebra Independent Consultants can personally subscribe (as a customer) according to the following guidelines as well as have customers subscribe through their websites. Commissions and bonuses on ScentFlirt subscriptions can be earned according to the current Career Plan.

## Independent Consultant Personal ScentFlirt Enrollment

Pink Zebra Independent Consultants can become a member of our ScentFlirt subscription program for personal use and for use in the promotion of the program for business purposes, in accordance with one (1) of the following scenarios:

- A Pink Zebra Consultant can pay for ScentFlirt with up to two (2) separate subscriptions, each with 1 box (order) per month (total 2 boxes).
  - o The monthly ScentFlirt orders must be shipped to the Independent Consultant and paid for with their personal payment method.
- A Pink Zebra Consultant can pay for ScentFlirt with (1 subscription with 2 boxes (orders) per month (total 2 boxes).
  - o The monthly ScentFlirt orders must be shipped to the Independent Consultant and paid for with their personal payment method.

### Independent Consultant CUSTOMER ScentFlirt Enrollment

A Pink Zebra Independent Consultant is prohibited from engaging in any or all of the following examples of ScentFlirt enrollment for any customer:

- The enrollment of individuals into a ScentFlirt subscription without his/her knowledge.
- The enrollment of a non-existent individual (false persona) as a ScentFlirt customer.
- The enrollment of an existing customer under a different account or with an alias name.
- The unauthorized use of a credit card or use of a fraudulent credit card.
- Paying for all or part of a customer's subscription with the purpose of counting toward personal or another Independent Consultant's volume, qualification, rank advancement, commissions, incentives, rewards, or bonuses.
- Any other mechanism or artifice to qualify for the purposes of volume, qualification, rank advancement, commissions, incentives, rewards, or bonuses that is not driven by bonafide customer subscription.



### SALES AND RESELLING OF CURRENT CATALOG PRODUCTS

Pink Zebra is a consumable product for personal use or is sold to a consumer (customer) through but not limited to parties, events, Pink Zebra replicated shopping cart, and one on one. Our product (not applicable to enrollment kits) is a premium product and any discount or promotion given should be for a short period of time to not create the sense of a new discounted retail or everyday low price. Both price discounts and mark-ups cannot exceed 10% of the retail price of a product. Any reasonable and applicable shipping and handling/surcharge costs can be added above and beyond the 10% discount or mark-up.

Any current Direct Sales Consultant may not promote the sale of current product or supplies to another Direct Sales Consultant. This includes but is not limited to emailing campaigns, out of season, overstock, close out and Social Media sites or groups. This is not permitted whether at full retail (catalog), Consultant price or discounted prices.

\*Note: There is no requirement for Direct Sales Consultants to personally purchase/consume products in order to become a Direct Sales Consultant, move up in rank, or to fully participate in the Pink Zebra Career Plan at any specific rank, except purchase of the Enrollment Kit when joining the plan, which is sold at Pink Zebra's cost: CDN\$600. Sale of the Enrollment Kit is not commissionable. The Career Plan is built on retail sales to customers. The Company recognizes that (i) Direct Sales Consultants may wish to purchase products in reasonable amounts for their own personal or family use, (ii) buying product for any reason other than bona fide resale (or for personal use in reasonable amounts) is prohibited, and (iii) Direct Sales Consultants must not purchase any excessive inventory nor encourage others to do so.

### DISCOUNTS OR PROMOTIONS REGARDING ENROLLMENT KITS

You may not publicly advertise any join specials (except those sponsored by Pink Zebra). This will be defined as any personal offer made in print, electronically, through SMS, newsletter or in any other way made public. This does not prohibit special situations where you provide a personal special, but these may only be communicated privately one-to-one. It does not prohibit the ability to market and advertise the Pink Zebra business opportunity, product or host opportunity.

# COMPETITIVE RECRUITING & COMPETITIVE SELLING

Direct Sales Consultants may not use the association and drawing power of their Pink Zebra Home business to recruit/sponsor or develop any other direct sales organization during the term of the Consultant's Agreement. Direct Sales Consultants may not recruit/sponsor other Pink Zebra Home Consultants or customers for any network marketing, party plan or direct sales business.

The term "recruit/sponsor" means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly or indirectly, another Pink Zebra Home



Consultant or customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the Consultant's actions are in response to an inquiry made by another Direct Sales Consultant or customer.

Direct Sales Consultants cannot include/post a link to any other business or product which they can benefit financially or otherwise from on their Linktree or any social media profile, page, group, etc. where they identify with or promote Pink Zebra. Consultants may share links to other businesses that are not Direct Sales/MLM or a direct conflict of interest via text, messenger, etc. in a personal conversation.

### BECOMING AN INDEPENDENT CONSULTANT

As a Pink Zebra Consultant, you have the opportunity to participate in the Career Plan and be an Direct Sales Consultant. The basic requirements of becoming a Pink Zebra Consultant are that a Direct Sales Consultant must:

- Be of the age of majority in the province or territory in which you reside;
- Be a legal resident of Canada;
- Possess a legitimate Social Insurance Number;
- May only have one single Consultant account any one time;
- Sign and submit a Consultant Agreement.

# ACTIVE

"Active" is defined as any Consultant who reaches \$200 in sales volume (SV) in a rolling six-month period. The rolling six-month period is counted from date of sale to date of sale; in other words, if you started on January 15<sup>th</sup>, you would have to accumulate a total of \$150 in SV <u>before</u> July 15<sup>th</sup>. It does not mean you have until the end of July to meet this sales requirement.

## **INACTIVE**

Any Consultant who does not accumulate at least \$200 sales volume in a rolling six-month period will be moved to Inactive Status.

Upon being moved to Inactive Status, one of two things will happen:

- a. If you have had zero SV and have not been paying your monthly website fee, then your account will be **terminated**. Any team you have will roll-up to your upline. That means you are no longer a Pink Zebra Consultant and all rights and privileges of a Consultant are no longer available to you.
- b. If you have SV of \$1 \$199 in the rolling six-month period, OR been paying your website fee, then your account will be moved to **Social Consultant**, at which time your team will roll-up to your upline and your consultant base commission will drop from 25% to 10%. Refer to the Social Consultant explanation for more details. Once a Social



Consultant, your account will remain at this status indefinitely unless you resign from the company.

Resignations take place the following month after the commission period is closed (usually after the 10<sup>th</sup>).

This does not apply to Hold status. Any Consultant who is on Hold status is considered inactive for compensation purpose even if they have met the sales requirements as defined in "Active".

You can check your status simply by going to a report in ZebraNET: ZebraNET>Reports>My Sponsor/List Report and view the downline report. You may look at the current EPO Cycle, Level 1 and you will see your name. Included on this line will be your status, last six months SV and Active Until Date. This report is your guide to knowing and managing your status, which is your responsibility. These changes to your status are handled internally and take place before month end. It is the responsibility of the Consultant to check their account status to ensure that they are meeting the requirements to remain active at their current rank.

## MONTHLY REQUIREMENTS

In order to earn monthly bonuses or commission based on personal or team volume, there are minimum requirements that must be achieved each calendar month. At any time, the monthly minimum is not met, no bonuses or commission will be earned or paid for the commission period. No overage is allowed, and there is no carryover on bonus or commission amounts which are not earned for a particular month due to monthly requirements not being met. Refer to specific personal sales and leadership for monthly requirements.

## ZEBRANET/ZEBRANET APP/ZEBRAREACH FEES

A nominal fee of \$11.95 USD/ \$15.50 CAD plus any applicable tax will be billed to your credit card on file on or around your enrollment date each month. Each Direct Sales Consultant who joins receives 30 days FREE. This fee is required in order to place orders, have a personal website and be found on the website (based on qualifications).

#### TEAM ROLL-UPS

At any time, a Direct Sales Consultant terminates his or her Agreement or is terminated, all of his or her Team(s) will be automatically rolled up to the next direct upline. Team roll-ups occur after the close of a commission period. In the event of a roll-up, the former Direct Sales Consultant will completely and permanently lose all rights to his or her former downline. The former Direct Sales Consultant will not receive any commissions or financial benefits derived from his or her former downline.

### **SWITCHING UPLINES**



Because of the nature of the business model, Direct Sales Consultants may not switch uplines. To change uplines, a Direct Sales Consultant must terminate his or her Agreement or be terminated and wait for a period of no less than six (6) calendar months to sign a new Consultant Agreement and purchase a new Enrollment Kit to begin selling under a new upline. There are no transfers of Team, sales, or career titles.

The only exception that would override this rule is within the first 24 hours of enrollment, when there may have been a human error in enrolling (not systemic error). The enrolled Consultant may CANCEL this transaction, without any penalty of obligation, within 24 HOURS FROM ENROLLMENT with written notice to customer service. Email must be submitted and time stamped within 24 hours of the error taking place AND no other order besides the Enrollment Kit order may have been placed. Pink Zebra will work to change sponsors but the Direct Sales Consultant could be responsible for any unforeseen charges due to shipping or cancellations. Email must be sent to <u>customerservice@pinkzebrahome.com</u>.

#### **TERMINATION**

Termination of the Consultant Agreement may occur either voluntarily by the Direct Sales Consultant as termination or involuntarily through disciplinary action by Pink Zebra or cancellation by Pink Zebra upon 30 days' written notice without cause or when there has been \$0 SV for sixmonths; Each one of these methods is considered "termination." Any proceeds earned from commissions will be paid on the next commission process. Any product credits such as Pink Dollars do not have a cash value, nor may they be transferred. Any payments made outside the commission plan which are not paid via direct deposit will be assessed a \$25 US processing fee. Any re-enrollment eligibility must wait a minimum of six months and prior records of discipline will be reviewed to determine if a Direct Sales Consultant is eligible to enroll.

#### RESIGNATION

Should a Direct Sales Consultant wish to terminate his or her Agreement, he or she must provide the written notification to Pink Zebra. Once a Direct Sales Consultant terminates his or her Agreement, he or she will not be permitted to sign a new Consultant Agreement and purchase a new Consultant Kit until he or she has waited six (6) calendar months from the actual termination date.

 Direct Sales Consultants who cancel their Consultant Agreement through termination must sign and submit a letter of intent to terminate to Pink Zebra. This letter must include the Direct Sales Consultant's name, ID number and signature, and it may be sent via e-mail, fax or regular mail to the attention of the Pink Zebra Customer Services Department. E-mail may be submitted to customerservice@pinkzebrahome.com



- The resignation will take effect immediately, however any rollup that is a result will take place once the commission cycle is completed (around the 10th).
- Whether you resigned or were terminated, any social media group created for your Pink Zebra team or other Consultants must be shut down with immediate effect or handed over to a current Pink Zebra Consultant who is in good standing.

## **PROMOTIONS**

Promotions to new leadership levels will occur on the first of the month following the month in which a Direct Sales Consultant meets all requirements for advancement. To be promoted to the next leadership level, all sales or sponsoring requirements must be complete by 12:00 AM EST of the last day of the month in which all qualifications are met.

### LEADERSHIP AWARDS

Pink Zebra is Pink Zebra is excited to recognize Direct Sales Consultants with leadership awards at the Manager, Senior Manager, Executive Manager, Director, Executive Director and Presidential Director level. Awards are as follows:

Manager – Receive a custom Pink Zebra Manager pendant to be awarded at Rallies or Reunion.

Senior Manager – Receive a custom Pink Zebra watch to be awarded at Rallies or Reunion.

Executive Manager - Receive custom Pink Zebra Manager bracelet to be awarded at Rallies or Reunion. In addition, the registration fee for Reunion is discounted.

Director – Awarded an all-expense trip to the Home Office in Houston to tour the facility, to be fitted for custom boots (to be awarded at Reunion), receive special recognition and have a special dinner with Corporate. Trip includes airfare, rental car for weekend, overnight stay and expenses. Expenses not included are travel to and from the airport, baggage fees or any meals prior to landing in Houston. If the Consultant is within driving distance, the Company will reimburse for miles at the standard rate. This trip must be completed within 120 days from the promotion date (unless cause from natural disaster) or will be voided. Free registration to Reunion are also awarded (must hold paid as title at time of registration). Reunion is where the custom boots are presented.

Executive Director – Awarded an upgraded all-expense trip to the Home Office in Houston to tour the facility, be awarded custom tennis bracelet (or male version award) and have a special dinner with the Founders. Trip includes airfare, upgraded weekend rental, upgraded overnight stay, spa package and expenses. Expenses not included are travel to and from the airport, baggage fees or any meals prior to landing in Houston. If the Consultant is within driving distance, the Company will reimburse for miles at the standard rate. This trip must be completed within 120 days from the promotion date (unless cause from natural disaster) or will be voided. Where available at any Company sponsored event upgraded rooms will be provided, along with free registration to Reunion (must hold paid as title at time of registration).



Presidential Director – Awarded a personal all-expense paid 4-day trip for 2 anywhere in the Continental Unites States. Trip includes airfare, upgraded overnight stay and expenses. Expenses not included are travel to and from the airport, baggage fees or any meals prior to landing in Houston. This trip must be booked within 120 days from the promotion date or will be voided. Where applicable at any Company sponsored event upgraded rooms will be provided, along with free registration to Reunion (must hold paid as title at time of registration). Leaders must be in good standing to earn and receive leadership awards.

### **TITLES**

Direct Sales Consultants are promoted to new titles, and there are two types of titles that will be reflected.

- Pay Rank Title by which the Direct Sales Consultant is paid any commission, bonus or recognition. This can vary depending on the commission period.
- Current Rank The highest title earned. Titles are never taken away unless failure to comply
  with the Amendment to the Independent Contractor Agreement for Directors, Executive
  Directors and Presidential Directors. This is the title that the home office uses and the Direct
  Sales Consultant may use on a business card or any other marketing piece.

# **SELLING OR TRANSFERRING A BUSINESS**

Selling or transferring a Consultant's Business is not permissible. The Agreement with each Direct Sales Consultant is a personal contract with Pink Zebra and may not be transferred by the Direct Sales Consultant to a third party.

#### DEATH

In the event of a Direct Sales Consultant's death, any bonuses or commissions accumulated through the date of death will be paid to the Direct Sales Consultant's estate. See the Dana Napier Survivor Benefit for a succession plan.

### THE DANA NAPIER SURVIVOR BENEFIT

Upon the death or incapacitation of a Direct Sales Consultant, all rights to the Direct Sales Consultant's position and downline, including rights to commissions and bonuses, may be transferred to a successor as provided in the Direct Sales Consultant's will or as otherwise ordered by a court of competent jurisdiction or other testamentary process. Successor(s) must present Pink Zebra with proof of death or incapacitation, along with proof of succession in accordance with the laws of the deceased Direct Sales Consultant's jurisdiction of residence. Any successor will be bound by all current and future terms and conditions set forth in the Company's Policies and Career Plan. If the successor is already an existing Direct Sales Consultant, Pink Zebra will replace the original account with the successor and will roll any downline into one account.

### REFERRALS

Pink Zebra offers a referral program to provide leads generated from the home website (interest in holding a party or joining) to Direct Sales Consultants who have achieved the level of Executive Consultant or above. Referral leads are distributed based on the Direct Sales Consultant's



proximity to the referral and the number of referrals the Direct Sales Consultant has already received within the last 30 days. Although the program is offered free of charge, Pink Zebra requires a Direct Sales Consultant who accepts a referral to agree to contact the lead within 48 hours of receiving the referral. If a Direct Sales Consultant fails to contact leads within 72 hours, they may be removed from the referral program and not receive subsequent leads. Pink Zebra reserves the right to alter, suspend or cancel the referral program. Pink Zebra also reserves the right to determine the geographical area from which referrals are drawn for each Direct Sales Consultant.

### WEBSITE "FIND A CONSULTANT" LOCATOR

The Pink Zebra Home locator allows a search by name, province or postal code. In order to be part of the locator, the Direct Sales Consultant must: 1) Have a \$200 in SV for the prior month. When searching by letter, postal code or province, the locator is based on the following hierarchy when pulling Direct Sales Consultants: 1) Highest Pay Rank, 2) Highest SV for the current month (live), 3) Location within the 25-mile radius and 4) Reflects the top 25. However, if a Direct Sales Consultant is identified through the use of the Consultant ID or Consultant Website, the search criteria is not used.

Recognition badges may be reflected on Direct Sales Consultants' names when populated through the locator that represent:

- Top Seller Ribbon(yellow) Min of \$1,000 in SV in the prior month (reflected when month committed).
- Top Sponsor Ribbon(purple) Min of 2 personally enrolled team members in the prior month (reflected when month committed).
- Top Leader Ribbon(pink) Holds the Current Rank of Executive Manager, Director, Executive Director or Presidential Director (reflected when month committed).
- Pink Sapphire Ribbon You've achieved the rank of Pink Sapphire by achieving \$17,000
   SV during any Reunion year (July through June) and have successfully graduated from Bash Camp. Ribbons are awarded on your replicated website once a year after reunion.
- White Sapphire Ribbon \$46,000 SV during any Reunion year (July through June) and 12 qualified recruits, plus sponsoring boot camp. Ribbons are awarded on your replicated website once a year after reunion.
- Blue Sapphire Ribbon \$80,000 SV during any Reunion year (July through June) and 24 qualified recruits plus sponsoring boot camp. Ribbons are awarded on your replicated website once a year after reunion.

## **CRITICAL STATUS**

Critical status is granted in situations to defer the qualification requirements of leadership. Critical status must be requested by the Direct Sales Consultant and is subject to Pink Zebra's approval.



Critical status is approved for a 30 day period (one commission cycle) in accordance with following:

- Death in the immediate family;
- Medical circumstance for themselves or their immediate family;
- Birth or adoption of a child;
- Military commitments;

Requests for critical status must be made in writing and must be received by the home office prior to the end of the calendar period during which the Direct Sales Consultant was incapable of meeting qualifications. All requests for critical status must be e-mailed to Pink Zebra Customer Service. Email must be received by 5 PM CST no later than the 15th of the calendar month.

The request will be reviewed upon receipt. If Pink Zebra approves a Direct Sales Consultant's request for critical status, the term of critical status will begin on the first day of the month for a maximum of 30 days. During the period a Direct Sales Consultant has critical status, the Pay Rank will be maintained, and he or she may earn bonuses and commissions. The Direct Sales Consultant may request an extension of critical status, which will be approved on an individual basis. This extension will count as a second request. Notwithstanding the above, a Direct Sales Consultant may not be granted critical status more than five (5) times in a career.

While on critical status you may:

- Support and train your team
- Receive customer orders
- Place consultant orders
- Close or settle any outstanding parties

While on critical status you may not:

- Hold parties or events
- Attend company sponsored events

Critical status is not in place to protect against loss of incentives

### **INCOME TAX**

Because Direct Sales Consultants are considered independent contractors, it is the responsibility of the Consultant to pay income taxes and all other applicable taxes. Pink Zebra does not deduct any taxes from Direct Sales Consultant commission cheques.

### DISCIPLINARY ACTIONS

If a Direct Sales Consultant violates the Consultant Policies and Career Plan or engages in any illegal, fraudulent, deceptive, or unethical business conduct, Pink Zebra may, at our sole



discretion, invoke any disciplinary actions that we deem appropriate. These actions are among the potential disciplinary actions:

- Issuance of a written warning or admonition with a time period to make changes or cease
- Reassignment of all or part of downline organization
- Adjustment of Direct Sales Consultant status
- Suspension, which may result in termination or reinstatement with conditions and/or restrictions
- Termination of Consultant Agreement and status.

We will use our best efforts to first give notice of the alleged violation, by using the current e-mail address on file, and to allow the Direct Sales Consultant to present facts that show that there has been no violation. However, if we believe that the violation is of a serious nature, we reserve the right to make our determination and take action without prior notice.

### RALLIES AND REUNION PRESENTER GUIDELINES

This provides a guideline used when determining a presenter or speaker for a Company sponsored event such as a Rally and Reunion. There is an additional responsibility for leading a Rally or speaking at Reunion and being chosen is based on character, attributes and business results. Being chosen is both an honor for the Company and should be considered a personal honor and is a form of recognition for those chosen to represent the Company. Guidelines include. Guidelines are reviewed from the prior Rally / Reunion period to the current:

- Must be a Pink Sapphire in the previous or current Reunion year.
- Be following the Consultant Manual guidelines.
- May not be enrolled as a "Consultant / their description" with another direct sales company.
- Attend Company sponsored events.
- Commit to attending any and all training(s) prior to or after the event.
- Proximity to the event due to limitations in travel budgets.
- Be willing (if asked) to travel to a location away from your home town (Rallies specific).
  - Normal travel expenses to be paid by Company are: hotel, travel (flight or miles), car rental (if required), and normal meals while at hotel.
- Be considerate of any confidential information that may be shared prior to the event.

As interest in presenting at Rallies continues to grow and to provide awareness internally of potential presenters, all interested parties will need to submit an Interest Application (to be posted on ZebraNET).



### RIGHT TO MAKE CHANGES

We reserve the right to make changes at any time to the Career Plan, Consultant Agreement, Policy & Procedure (Consultant Manual), and major price changes related to product or service.

# **ORDERS**

### Types of Orders

The Pink Zebra Career Plan offers the following order types to give the Direct Sales Consultant flexibility in managing his or her business. The orders types are either commissionable or non-commissionable as noted below.

#### 1. Party Order

- a. Defined as any order made by a host and a group of customers where the order is at least \$200 or more.
- b. Host benefits are awarded,
- c. The order is either shipped to the host, the individual guests who attended the party or a combination of both.
- d. A party link must be used for a party to get credit for any order. Orders not placed directly through a party link cannot be moved to a party by a Consultant or Customer Service.

### 2. Customer or Website Order

- a. Defined as a single order that is processed through ZebraNET or a Direct Sales Consultant's replicated personal website, with no minimum order amount.
- b. The order is shipped to the customer.

#### 3. Direct Sales Consultant Order

a. Defined as an order used to purchase product and business supplies where the Consultant buys at a discounted rate.

\*Note: There is no requirement for Direct Sales Consultants to personally purchase/consume products in order to become a Direct Sales Consultant, move up in rank, or to fully participate in the Pink Zebra Career Plan at any specific rank, except purchase of the Enrollment Kit when joining the plan, which is sold at Pink Zebra's cost: CDN\$600. Sale of the Enrollment Kit is not commissionable. The Career Plan is built on retail sales to customers. The Company recognizes that (i) Direct Sales Consultants may wish to purchase products in reasonable amounts for their own personal or family use, (ii) buying product for any reason other than



bona fide resale (or for personal use in reasonable amounts) is prohibited, and (iii) Direct Sales Consultants must not purchase any excessive inventory nor encourage others to do so.

#### **BACK ORDERS**

Pink Zebra does not accept back orders at this time. Items that show "Out of Stock" or "No Inventory" may not be ordered at that time. Pink Zebra creates an Out of Stock PDF and posts this on ZebraNET to communicate product availability.

## COMMISSIONABLE AND NON-COMMISSIONABLE ORDERS

The following orders are considered commissionable, and a Direct Sales Consultant is able to earn volume-based commissions or bonuses accordingly:

- Sales submitted under a Party Order.
- Sales submitted as a Consultant Order.
- Sales submitted as a Customer or Website Order.

The following orders are considered non-commissionable:

- Sales submitted as business supply orders.
- Enrollment Kit Orders.
- Pink Dollars or Point Redemption Awards.

### **ORDER STATUSES**

Three order statuses that are applicable to orders are defined as:

- Entered Status An order has been added to the shopping cart and does not have a completed or valid payment against the order. In this status (except for Party Settlement), the order may be changed or deleted by the Direct Sales Consultant. Once an order is in "Entered" status, there are multiple ways to view and edit the order:
  - o Party Order, can be found under View Party Summary.
  - Consultant Order, can be found under Shopping > My Consultant Orders.
  - o Customer Order, can be found under Shopping>My Customer Orders.
  - Any of these orders may be viewed and edited during the actual order process.
- Posted Status An order has been closed or paid for using a valid form of payment. An
  order that is in this status has begun the process to be picked and packed in the
  Warehouse and this order may NOT be changed.
- Shipped Status An order in this status has been picked, packed and has begun the shipping process. At this stage, the order may NOT be changed and a tracking number can be found by clicking on the invoice number in Orders Report.

Due to the processing of the system and the definitions of these statuses it is important to have a full understanding that in Posted and Shipped status, the Company may not be able to make changes to the order.

## **ORDERS OLDER THAN 60 DAYS**



Any order in entered status 60 days or older will be voided by the system. This applies to all order types.

### MARKETING AND ADVERTISING

#### E-COMMERCE AND WEBSITE ADVERTISING

The Direct Sales Consultant may not use or register any name that uses the words Pink Zebra, Pink Zebra Home or any derivatives, for a URL/domain (web address), an e-mail address, a nickname, an online alias, or online headers for marketing purposes. The policy is not limited to these, but examples which may not be used include NAME@pinkzebrahome.com, NAME@pinkzebraXXXX.com, pinkzebraNAME@xxxx.com, NAME@xxxxxpinkzebra.com.

Pink Zebra supports the marketing of the Direct Sales Consultant's business through online media or social media sites, such as but not limited to Facebook, TikTok, Instagram, Pinterest, YouTube, Twitter, etc. If Pink Zebra Home, Pink Zebra or anything similar is used as a header / title for a Facebook Fan Page, similar social media sites or online marketing, the words Independent Consultant must be included in the header / title. Headers / titles in Facebook Fan Pages, similar social media sites or any web presence should be set using the following parameters:

- My Personal or Business Name/Pink Zebra Home/Independent Consultant
- Pink Zebra Home/ My Personal or Business Name /Independent Consultant
- My Personal or Business Name /Independent Consultant
- My Personal Independent Consultant / My Personal Name
- My Personal Name

The term "Independent Consultant" must be clearly and prominently stated within the page. Additionally, you may not use the term pinkzebrahome.com in any online headers for marketing purposes.

The Direct Sales Consultant is allowed one external social media website of each type (included but not limited to a Facebook page or Facebook group, TikTok, Instagram, Twitter, YouTube, Pinterest, etc.) to personalize his or her Pink Zebra business and promote the Pink Zebra opportunity.

The Direct Sales Consultant is only allowed to use the Pink Zebra replicated website as his or her shopping cart and should not use a re-direct from an external website to a Pink Zebra replicated site. Our server has no way of knowing if the site you are using is pci compliant and secure which can cause the redirect links to break and not go directly to your replicated site. We cannot guarantee you will receive credit for any order using redirects.

Consultants can post a separate link to a JotForm or SquareUp page or TikTok Shops for selling fragrance, entry into on-line games and 'grab bags'. Other on-hand Pink Zebra products such as



Accessories (Simmer Pots, etc.) PLUS Pink Zebra Mystery Boxes, ScentFlirt and Exclusive ScentFlirt items and non-PZ product cannot be sold on these pages.

#### EMAIL, SMS AND FACSIMILE USAGE

All advertisements sent via e-mail, SMS, or facsimile to promote Pink Zebra products and your business must comply with applicable laws and regulations including, without limitation, Canada's Anti-Spam Legislation. The Direct Sales Consultant is under obligation to research and comply with all laws concerning unsolicited commercial electronic messages.

Before sending a message, the Direct Sales Consultant must have express consent from the recipient, implied consent, or the email must be subject to a legislative exception, as applicable. Any email sent by a Direct Sales Consultant that promotes Pink Zebra, the Pink Zebra opportunity or Pink Zebra products and services must comply with the following:

- 1. There must be a functioning return email address to the sender.
- 2. 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).
- 3. The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- 4. The use of deceptive subject lines and/or false header information is prohibited.
- 5. All opt-out requests, whether received by email or regular mail, must be honored. If a Direct Sales Consultant receives an opt-out request from a recipient of an email, the Direct Sales Consultant must forward the opt-out request to Pink Zebra.
- 6. The email must include the mailing address of the sender, along with one of: (1) a telephone number with access to an agent or voice messaging system; (2) an email address; or (3) a web address.

#### The unsubscribe function must:

- be able to be "readily performed";
- be free to the consumer:
- use the same electronic means by which the message was sent (unless not practicable);
- specify an email address or a link to a web page to which the unsubscribe request may be sent that is valid for a minimum of 60 days after the message has been sent; and



take effect within 10 days of the unsubscribe request being sent.

#### **UNSOLICITED SPAM**

Subject to Telemarketing Techniques section below, Direct Sales Consultants may not use or transmit unsolicited faxes, mass email distribution, unsolicited email, bulk text messages, unsolicited social media or "spamming" of any sort, nor use an automatic telephone dialing system relative to the operation of their Direct Sales Consultant business. Unsolicited broadcast distribution by any media that may be defined as "bulk mail" or "SPAM" is strictly prohibited.

The term "automatic telephone dialing system" means equipment, which has the capacity to:

- 1. Store or produce telephone numbers to be called, using a random or sequential number generator; and
- 2. To dial such numbers.

The terms "unsolicited faxes" and "unsolicited email" mean the transmission via telephone facsimile or electronic mail, respectively, of any material or information advertising or promoting Pink Zebra, its products, its Career Plan or any other aspect of Pink Zebra which is transmitted to any person, except that these terms do not include a fax or email:

- 1. To any person with that person's prior express invitation or permission; or
- 2. To any person with whom the Direct Sales Consultant 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 a Direct Sales Consultant and a person, on the basis of:
  - a. An inquiry, application, purchase or transaction by the person regarding products offered by such Direct Sales Consultant; or
  - b. A personal or familial relationship, which relationship has not been previously terminated by either party

#### **TELEMARKETING TECHNIQUES**

Direct Sales Consultants must comply with applicable laws governing their telemarketing activities. Although Pink Zebra does not consider Direct Sales Consultants to be "telemarketers" in the traditional sense of the word, applicable government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on a "do not call" registry or list could cause you to violate applicable law. Moreover, these regulations must not be taken lightly, as they carry significant penalties.



Therefore, Direct Sales Consultants must not engage in telemarketing relative to the operation of their business, except in accordance with the rules in the attached Addendum A.

#### COLLECTION AND USE OF PERSONAL INFORMATION

A Direct Sales Consultant shall take appropriate steps to safeguard the protection of all private information provided by any customers, prospective customers, prospective Direct Sales Consultants and Direct Sales Consultants. Without limiting the foregoing, all Direct Sales Consultants must comply with applicable privacy laws governing the collection, use and disclosure of personal information

#### **PRODUCT CLAIMS**

When describing Pink Zebra products and personal experiences with Pink Zebra, including the use of testimonials (by You or other Direct Sales Consultants), You understand and agree that You will only describe Pink Zebra products and product experiences in a manner that is consistent with the product claims contained in official Pink Zebra marketing materials or as otherwise approved in advance in writing by Pink Zebra. It is Your responsibility to disclose all relevant information to ensure that any representation You make is truthful and not misleading.

#### INDEPENDENT CONSULTANT LOGO USE GUIDELINES

Any use of the logo to market, promote, advertise or gain awareness of your Pink Zebra business needs to include the Independent Consultant Logo. Anytime you are promoting your business in a way that may not include a logo, but are referencing Pink Zebra the term "Independent Consultant" must be clearly and prominently stated and or viewed.



INDEPENDENT CONSULTANT

### PINK ZEBRA (HOME OFFICE) LOGO USE GUIDELINES

At no time, can any Consultant create or distribute any item or literature that contains the Pink Zebra logo and brand that was not created by Pink Zebra directly and distributed for that intended purpose. Consultants must use the "Pink Zebra Independent Consultant Logo" provided in the back office for such material.





### PAISLEY HEAD LOGO USE GUIDELINES

Using the Paisley head alone without the text is not allowed as that creates images, trinkets and such that too closely resemble our Corporate logo. You must use the "Pink Zebra Independent Consultant" logo. This includes not using it as a profile picture on social media.



### PINK ZEBRA SCENTFLIRT LOGO

### **CORPORATE SOCIAL MEDIA SITES**

The purpose of our corporate social media platforms is to promote the Pink Zebra brand by creating excitement and awareness for the products and our many opportunities (business, party, customer, host, subscriber, etc.).

We provide you the opportunity to respond to interact as part of our social media community and respond to requests from potential customers/recruits on our Pink Zebra Corporate social media sites to help build your business, but we need to use the most professional etiquette possible and not overwhelm anyone. To accomplish this, please adhere to the following on all posts and LIVES including PZTV:

- There should only be ONE response per inquiry. Please refresh a few times to ensure you
  were first to respond before messaging. If you were not first, delete your comment and do
  not message.
- 2. Tell the potential customer/recruit that you will private message them or ask them to private message you if they are expressing interest in joining. Please make it a professional



comment not just a rushed "PM you." Example of a professional response would be, "I would be happy to assist you, I will private message you." However, if they need a simple question answered, answer it on the post. If they are just making a comment, do not ask if they need assistance. Some people just want to comment and/or they are most likely a Direct Sales Consultant.

- 3. There should be NO private messaging without leaving a reply on the post. If we get reports/complaints (which we do) of too many people messaging, then a Direct Sales Consultant may be banned from the page and/or disciplinary action may be taken. We also delete comments at our discretion.
- **4.** We ask that professional etiquette be followed including not having the same Direct Sales Consultant(s) always being the one to respond.
- 5. There should be NO direct marketing on any of our social media pages. This includes posting your website URL and direct statements such as, 'I would love to help anyone who is interested!'
- **6.** We also love you interacting with us and responding to our posts. We do request you try to make the interaction genuine versus just trying to promote your business through your comments, as this is transparent to the public.
- 7. Please private message Pink Zebra Home with any comments/questions regarding policies or product that are of an internal nature since all of our social media accounts are public forums.

#### SOCIAL NETWORKING

When creating a new social media account (including Facebook business pages), always follow the policy in ZebraNET > Resources > Consultant Manual.

Graphics designed by the Home Office: Anything Pink Zebra has posted on any the corporate social media accounts, you are welcome to use and share, but not edit, mark, resize, or manipulate in any way.

Images branded from the Home Office: You are welcome to use any graphics provided in ZebraNET with the Pink Zebra logo or saved from Pink Zebra Home website or official social media sites, as long as you do not alter the image. If you alter the image or add to a collage, you must add the "Pink Zebra Independent Consultant" logo. For example, you can share a Pink Zebra

Home image from Facebook, and include your website in the post, but cannot save a Pink Zebra Home image with corporate logo and put your website directly on the image.

Social Media Images: You are free to design any graphics for use online to promote your Pink Zebra business, however, all graphics must include the "Pink Zebra Independent Consultant logo", so as not to be confused with any graphics that have been created by Pink Zebra Home office.



When designing graphics, do not alter the product or logo in any way. Please be mindful of copyright laws. Do not add images created by people other than yourself unless you have a license to use the image. Do not use the Pink Zebra logo in combination with any other non-Pink Zebra brand logos.

Social Media Profile Pictures: You may not use images of the Pink Zebra logo, mark, or any combination thereof for your profile or cover photos. You are allowed to use the Pink Zebra Independent Consultant logo as long as it remains unaltered or other images.

### DISCOUNT SITES / LOTTERY / GAMBLING

Pink Zebra does not support online sites that are bidding or discount related and does not support products being issued through lottery, gambling or chance types of offers. These online sites may include but are not limited to eBay or similar, penny-type auction sites and other similar types of sites. Consultants are allowed to use an auction style game on their own social media pages/groups/LIVES as long as the product is sold within the range of 10% below to 10% above retail price per policy.

**GAMBLING:** For clarification purposes, any activities that involve your customers purchasing a ticket, a punch card, a Bingo number or anything game related, they must be guaranteed to win a product or products that are of a retail value equal to or greater than what they paid. Pink Zebra allows Consultants to offer Gift Bags and Mystery Boxes as long as the products are Pink Zebra products. Other items such as decorative trinkets, gift wrap, etc. can be included and charged for but cannot exceed \$10. Any non-PZ items must be non-branded items (cannot contain a brand name or be a recognized product from any Direct Sales or retail brand) and cannot be a fragrance product or any accessory item that Pink Zebra sells (including but not limited to) warmers, diffusers, car fresheners, etc.

- There can be no "chance" of winning as that is considered gambling. As a rule, any form
  of gambling is illegal within the borders of Canada if it is not licensed or managed by the
  government (either on a federal or provincial level). This certainly applies to
  major gaming operations such as land-based casinos, but it also applies to charitable
  options such as bingo and raffles.
- MYSTERY HOST: If a Consultant hosts or collects orders for a party and decides to give away all or a portion of the host award program's free products, that is allowed.

#### **GIFT BAGS AND MYSTERY BOXES**

Pink Zebra allows Consultants to offer Gift Bags and Mystery Boxes as long as the products are Pink Zebra products. Other items such as decorative trinkets, gift wrap, etc. can be included and charged for but cannot exceed \$10. Any non-PZ items must be non-branded items (cannot contain a brand name or be a recognized product from any Direct Sales or retail brand) and cannot be a fragrance product or any accessory item that Pink Zebra sells (including but not limited to) warmers, diffusers, car fresheners, etc. Example, if you sell someone a \$100 Gift or



Mystery Box, it must contain at least \$90 (retail value) of Pink Zebra product. The other \$10 can cover wrapping, trinkets, etc. Actual shipping charges can be added in addition.

#### QUARTER AUCTIONS FOR CHARITY

Pink Zebra allows 'Quarter' Auctions to be used as a way for you to promote your business as long as they are for a charity or fundraising purpose. Participation may include donation of products/prizes to be auctioned where the proceeds from at least one of the auction rounds go directly to the organization or charity. The Direct Sales Consultant may within that same event sell product through a traditional vendor event set-up. Not permitted are 'Quarter' or Other Auctions where the purpose of the auction is to split all proceeds between the vendors (Consultants). When product is auctioned for charity in these events pricing is not restricted to 10% below and above retail.

### ONLINE CLASSIFIED AD SITE, AUCTION SITES, SHOPPING SITES, AND ORDER FULFILLMENT STORES

Consultants may not use online classifieds, auction sites, shopping sites, or order fulfillment stores including but not limited to: Facebook Marketplace, eBay, Craigslist, Mercari, Amazon, OrderDog, Poshmark, Overstock, Shopify, Letgo, Bonanza, eBid, etc. to list, sell or market Pink Zebra products. Consultants may also not use any of these same sites for prospecting, recruiting, sponsoring, and informing the public about the Pink Zebra business opportunity and/or Pink Zebra events. Further, Consultants may not (1) enlist or knowingly allow a third party to sell Pink Zebra products on any online classified ad site, auction site, shopping site, or order fulfillment store or (2) sell products to a third party that the Consultant has reason to believe will sell such products on any online classified ad site, auction site, shopping site, or order fulfillment store.

# ONLINE COMMUNITY PAGES/GROUPS (BUY-SELL PAGES/GROUPS, GARAGE SALES, HOME BASED BUSINESS PAGES, ADVERTISING GROUPS, ETC.)

Consultants may NOT list, sell or market Pink Zebra products in these local online Pages/Groups. Consultants may generically promote their affiliation with Pink Zebra and offer the opportunity to Shop, Host or Join by offering to private message and/or providing a link to a Pink Zebra replicated website IF allowed by the Group. Offering Free samples is allowed but must be in compliance with any other applicable policy and should be managed through private communication once the contact is made. Any graphic, post or comment must be generic such as the Pink Zebra Independent Consultant Logo, catalog images, etc. and pricing is not allowed. Company sponsored Join Specials can be mentioned without pricing. The same guidelines apply to going LIVE in any of these groups. Due diligence should be given to identifying whether another Pink Zebra Consultant has already posted/commented and professionalism standards should be followed.

Examples NOT Allowed On These Community Pages/Groups



An image of 6 Sprinkles Jars you have in stock with a post saying "I have these 6 Sprinkles Jars on hand, \$10 each."

A company produced graphic which lists any pricing for both product and join promotions.

An image showing specific jars of Sprinkles that you have available, even if you do not include pricing.

<u>Examples Of What Is ALLOWED On These Community Pages/Groups</u> (subject to the group guidelines)

"I am a Pink Zebra Independent Consultant. Message me to learn more about our unique home fragrance and décor products."

"If you are interested in an exciting home-based business opportunity, message me to hear about our wonderful products and opportunity to currently join my team with a special promotion Pink Zebra is running."

"Have you tried Pink Zebra soy-blend wax Sprinkles?" "I would love to send you a free sample, please message me."

#### CONSULTANTS SOCIAL MEDIA PAGES/GROUPS

Consultants may promote and sell any Pink Zebra products as well as offer the business opportunity directly from their own social media Pages and Groups provided they follow all policies and procedures related to social media accounts, logos, join promotions, repackaging, etc. It is a Consultant's responsibility to know and follow Facebook (and other social media platforms') guidelines.

### SOCIAL MEDIA ETIQUETTE/PROFESSIONALISM

Use of any social media account must comply with the following guidelines:

- Your participation on any social media platform must avoid inappropriate conversations, comments, images, video, audio, applications, or any other adult, profane, discriminatory, or vulgar content. Do not post any comments, photos, or videos that are rude or offensive.
- 2. Unprofessional or disrespectful online conduct toward Pink Zebra or our competitors is strictly prohibited. You may not disparage any Pink Zebra competitor, their customers, or their products on any social media platform.
- 3. On your Pink Zebra dedicated social media accounts, you may not promote multiple companies. If you choose to sell for multiple companies, you must have a dedicated social presence for each company you represent.

#### TRUTH IN ADVERTISING



A Consultant is responsible for ensuring their online marketing activities are truthful, are not deceptive, and do not mislead customers or potential Consultants in any way. Any online promotion activities and tactics that mislead or are deceptive, regardless of intent, will not be allowed. Pink Zebra will be the sole determinant of truthfulness and whether specific activities are misleading or deceptive.

#### DOMAIN NAMES, EMAIL ADDRESSES AND ONLINE ALIASES

Consultants are not allowed to use or register the words Pink Zebra for any Internet domain name, URL (web address), email address, or online aliases. Additionally, 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 Pink Zebra. Pink Zebra cannot show up as the sender or in the subject line of an email coming from an Independent Consultant. The exception is any email sent by Pink Zebra on behalf of Consultants.

### SEARCH ENGINE OPTIMIZATION (SEO)

Search engines are built to facilitate and expedite the online community finding the most recommended, relevant content available for any given topic. Authentic SEO is the result of adding value to the online community through the content you author, conversations you join, relationships you create, and improving the ease with which all of these are indexed by search engines. Other SEO tactics that are not authentic, don't add value, don't contribute to the online community, and in any way attempt to manipulate search engine algorithms to overinflate the value and relevancy of your replicated website are considered against policy. Given the complexity and ever-changing landscape of SEO it would be impossible and impractical for us to list all SEO tactics that would be considered non-compliant. Anything you do, or someone acting on your behalf does, to optimize your site must align with these values. This may include spam linking (or blog spam), unethical search engine optimization (SEO) tactics, misleading click-through ads (i.e., having the display URL of a communication appear to resolve to an official Pink Zebra corporate site when it goes elsewhere), unapproved banner ads, and unauthorized press releases.

#### PINK ZEBRA LINKS

When directing readers to your replicated website it must be evident from a combination of the link, and the surrounding context, to a reasonable reader that the link will be directing to the site of an Independent Consultant. Attempts to mislead Web traffic into believing they are going to a Pink Zebra corporate site, when in fact they land at a Consultant site is not allowed.

#### **BANNER ADVERTISING**

You may place banner advertisements on a website provided you use the Pink Zebra Independent Consultant logo. All banner advertisements must link to your Replicated Website. You may not use blind ads or web pages that make product or income claims that are ultimately associated with Pink Zebra products or the Pink Zebra opportunity.

#### DIGITAL MEDIA

You may upload, submit, or publish any Pink Zebra-related video, audio, or photo content that you develop and create if it aligns with Pink Zebra values, contributes to the Pink Zebra community



greater good, and is in compliance with Pink Zebra Policies and Procedures. These submissions must clearly identify you as an Independent Consultant (both in the content itself and in the content description tag), must comply with all copyright/legal requirements, and must state that you are solely responsible for this content and not Pink Zebra.

### **CONFLICTS OF INTEREST**

#### **COMPETITIVE SELLING**

As long as a Direct Sales Consultant's Pink Zebra Consultant Agreement remains in force, a Direct Sales Consultant may not become a salesperson for any other direct sales, party plan or network marketing program that sells candle or fragrance, home décor products, or other competing items carried in the Pink Zebra product line. A Direct Sales Consultant must not be an agent, independent salesperson, employee or owner of any entity whose primary purpose is the manufacture, marketing or sale of candles / fragrance, home décor products or other competing items carried in the Pink Zebra product line. For the purposes of this policy, a company is competing with Pink Zebra when the offering is a significant portion of the company's product and marketing presence. Any Consultant holding the title of Director, Executive Director or Presidential Director must sign and adhere the Amendment to the Independent Contract Agreement.

#### COMPETITIVE SPONSORING

Direct Sales Consultants may not use the association and drawing power of their Pink Zebra business to sponsor or develop any other direct sales organization. During the term of a Consultant's Agreement, Direct Sales Consultants may not sponsor other Pink Zebra Consultants for any network marketing, party plan or direct sales business. The term "sponsor" means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly or indirectly, another Pink Zebra Consultant or customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes sponsoring even if the Direct Sales Consultant's actions are in response to an inquiry made by another Direct Sales Consultant.

#### TEAM SPONSORING

Pink Zebra undertakes all efforts to support the ethical business efforts of all Direct Sales Consultants. Any activity that attempts to sponsor another Direct Sales Consultant's Team, slander another Direct Sales Consultant, enroll a Direct Sales Consultant as a new Team member prior to his or her termination and completing the required six calendar month inactivity period (for prior Direct Sales Consultants), or undertake other activities that could be interpreted as unethical may subject a Direct Sales Consultant to disciplinary action.

### **TRADEMARK & INTELLECTUAL PROPERTIES**



#### **TRADEMARK**

The Pink Zebra business name and trademarks belong exclusively to the Company. An active Direct Sales Consultant may use the trademarks provided he or she uses them correctly. Consultants must use the registered trademark symbols ® or ™ where applicable and may not alter the trademarks in any way. A Direct Sales Consultant may use Pink Zebra's trademarks, copyrighted material and other intellectual property only with Pink Zebra's prior written permission, which may be expressed through general publication (to all Direct Sales Consultants) or specifically in writing to one or more Direct Sales Consultants. Without limitation, Pink Zebra may require conformity with specifications, may require that materials that use Pink Zebra's trademarks and/or copyrighted materials be sourced from Pink Zebra and may otherwise condition use of its trademarks and copyrighted works. Any permission granted by Pink Zebra shall constitute a limited, non-exclusive, non-transferable and revocable license to use such trademarks and copyrighted works solely in connection with the Pink Zebra business. You agree to immediately transfer to Pink Zebra, upon Pink Zebra's request, any Internet domain name or other registration or application containing an Pink Zebra trademark.

Direct Sales Consultants who are terminated or terminate his or her Agreement lose all rights and privileges of a Direct Sales Consultant and may no longer use the Pink Zebra business name or trademark.

#### Logo Use

Pink Z Pink Zebra currently has the following registered names that are logos (defined as stylized characters) which may be used but not altered. They are:

- Pink Zebra
- Simmering Lights® logo
- Soft Soy® logo
- Soaks™ logo
- Just Add Soaks™ logo
- HEROES™ program
- Rallies
- EZ PZ<sup>TM</sup>
- Club Pink™
- ScentFlirt™

Anytime these words are used in the form of a logo (whether individually or with other text), they may not be altered and must remain as the approved logo.

Direct Sales Consultants must use the "Independent Consultant" Pink Zebra logo as it appears on the pre-approved logos section available on ZebraNET and the Pink Zebra Logo based on the guidelines provided below. The logo cannot be altered in any way. Additionally, Direct Sales



Consultants may duplicate the Pink Zebra logo on any type of clothing, supply item or other promotional items to market their Pink Zebra businesses but not for the purpose of resale.

Direct Sales Consultants who are terminated or terminate his or her Agreement lose all rights and privileges of a Consultant and may no longer use the Pink Zebra logos.

Types	Pink Zebra Home Independent Consultant Logo	Pink Zebra Home Logo
Car Decals, Tents, Banners	X	
Social Media, Business Cards	Х	
Logo Wear - Shirts, Jackets, Caps		X
Key Chains, Water Bottles or Cups		X
Self-designed flyers	X	

#### **PATENTS**

Any patents owned by Pink Zebra that cover certain Pink Zebra products are protected under U.S. federal law.

#### PINK ZEBRA LITERATURE

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#### COPYRIGHT / INTELLECTUAL PROPERTY OTHER THAN PINK ZEBRA

Direct Sales Consultants are not allowed to use images of other brands, personalities, athletes or other that have not been approved by the owner and properly compensated.

### CAREER PLAN



#### INTRODUCTION

The Pink Zebra Compensation Plan introduces an exciting, trendsetting method of compensating our Independent Consultants. It is surprisingly simple, financially rewarding and equitable, in terms of giving everyone involved an equal opportunity for success. The Plan combines the best of retail sales methods and traditional wholesale distribution with an aggressive and duplicable method for geometrically growing your business. The Pink Zebra sponsoring formula will make building your business fun and profitable!

Our goals are simple, but the rewards are great.

- 1. Create a way for a beginning Independent Consultant to make **IMMEDIATE** income.
- 2. Build **LONG-TERM** benefits for the Pink Zebra Professional.
- 3. Sustain customer retention with top-quality products, fair prices and excellent service.
- 4. Sustain Independent Consultant retention, activity and enthusiasm with continued training and education opportunities; marketing support; and attainable commissions, bonuses, and incentive awards.

#### MARKETING PHASES

There are six (6) different ways to generate revenue as a Consultant for Pink Zebra. It is possible to participate in one or all of these profit centers. The following is a general list of the ways to earn revenue based on our Plan.

#### **SELLLING PHASE**

- 1. Minimum Base Commission 25% base commission (retained from Party Sales)
- 2. Enhanced Personal Commissions additional 5% commission (paid monthly)
- 3. New Consultants in their Quick Start period (first 90 days) are ineligible for Enhanced Commission

### **MANAGEMENT PHASE**

- 4. 7% Sponsoring Bonus (paid monthly)
- 5. 3% Team Level Bonuses, four levels deep (paid monthly)
- 6. 2% Mentoring Bonus (paid monthly)

Note: The term "Sponsoring Bonus" is not intended to imply any connection between the simple act of recruitment, enrollment or sponsorship and payment of compensation. The bonus is paid on certain sales made the newly recruited Direct Sales Consultant.

#### **EXECUTIVE PHASE**

7. Three levels of Generation Bonuses totaling 7% (paid monthly)

#### **OVERVIEW**



The Pink Zebra compensation plan was designed to offer Consultants the opportunity to develop a significant income through retailing our products and enhancing that income through sponsoring others who retail our products.

People who join Pink Zebra as Consultants hold parties in people's homes or other meeting areas, retail product, distribute catalogs, build customers and build a business. Retailing product is the foundation of their ongoing business success.

A Consultant begins his or her Pink Zebra business by initiating an Independent Consultant agreement and requesting to become a New Consultant. In addition, as an incentive, FREE product benefits are awarded during his or her first 90 days through the company sponsored Quick Start Incentive.

#### **SOCIAL CONSULTANT**

Everyone who joins Pink Zebra becomes part of the business holding the rank of Consultant. Consultants who join have a rolling six months (from date of sale to date of sale as referenced above) to become active and then must continue to maintain active status on a rolling six-month basis, which means that you have met the \$200+ SV requirement during that time. If at any time a Consultant at any rank moves to Inactive status because of a lack of sales activity (processed when commissions are run monthly), their rank would move to Social Consultant. Changes to a Consultant status are processed when commissions run monthly BUT are based on the sales activity date, not month end.

Social Consultants earns a base commission of 10% and are ineligible for enhanced commission nor sponsoring or leadership bonuses. They will be charged for ZebraNET/website fees at the current rate and are eligible to attend any company-sponsored events.

If a Consultant of any rank is moved to Social Consultant status because of \$0 SV in the rolling sixmonth period, any team members they have would roll up through the normal process. Should anyone join under a Social Consultant, they will also be automatically rolled up to the next upline with an Active status before month-end commissions are processed.

If a Social Consultant is interested in returning to a Consultant status, they must accumulate \$460 SV in a calendar month, at which time all benefits of Consultant rank become available and will be reflected when the commission cycle for that month in sales is finalized. They can then return to 25% commission level, be eligible for enhanced commissions and begin to build a team to earn sponsoring and leadership bonuses.

Once a Social Consultant, your account can remain at this status indefinitely, unless you resign from the company or accumulate \$460 SV in a calendar month.

#### **BASE COMMISSIONS**

The base commission a Consultant or higher rank earns is 25% of SV on any standard order, including Consultant Order, Party Order and Customer Order. The Consultant may earn the 25% base commission in two ways. First, if he or she places a Consultant Order or uses the Consultant



Pay when placing a party order, the Consultant or higher rank earns receives or retains the 25% of SV (10% for Social Consultant) when he or she places the order. This means the Consultant receives a 25% of SV (10% for Social Consultant) commission at the time he or she places the order. For any other order that is part of a Party Order or Customer Order where there is a credit card used besides Consultant Pay, the Consultant or higher rank earns would receive 25% of SV base commission at the time commissions are processed (see Commission Period).

\*Note: There is no requirement for Direct Sales Consultants to personally purchase/consume products in order to become a Direct Sales Consultant, move up in rank, or to fully participate in the Pink Zebra Career Plan at any specific rank, except purchase of the Enrollment Kit when joining the plan, which is sold at Pink Zebra's cost: CDN\$600. Sale of the Enrollment Kit is not commissionable. The Career Plan is built on retail sales to customers. The Company recognizes that (i) Direct Sales Consultants may wish to purchase products in reasonable amounts for their own personal or family use, (ii) buying product for any reason other than bona fide resale (or for personal use in reasonable amounts) is prohibited, and (iii) Direct Sales Consultants must not purchase any excessive inventory nor encourage others to do so.

#### **ENHANCING YOUR COMMISSIONS**

Consultants or higher rank may begin receiving retail commissions from 25% to 30% based on the SV of the products they sell monthly through one-to-one sales, parties, or online sales from their personal website (See Table 1 Enhanced Personal Sales Commission). Of course, holding parties to retail product is at the core of business success. Social Consultants are not eligible for enhanced commissions. During your Quick Start period (first 90 days) you are not eligible for enhanced commission. Here is how it works:

Rank	SV \$0-\$999	SV \$1000+
Consultant	25%	30%
Executive Consultant	25%	30%
Manager	25%	30%
Senior Manager	25%	30%
Executive Manager	25%	30%
Director	25%	30%
Executive Director	25%	30%
Presidential Director	25%	30%

**Note:** 25% of SV is the base commission available to Consultants or higher ranks. When a Consultant accepts cash or cheques from a customer and processes the order through ZebraNET, an immediate commission is earned. Otherwise if the Consultant is using Pink Zebra to process credit cards, then the 25% of SV would be paid during the normal commission process along with any other commission.



#### LEADERSHIP BONUSES: WORKING WITH OTHERS TO BUILD A TEAM

When a Consultant (Consultant and higher rank) helps the people he or she recruits as Consultants to build their Team, the Consultant helps them to become successful while building depth in his or her own organization. Pink Zebra compensates the Consultant for building Teams by paying him or her 3% of the assigned Commissionable Volume (CV) through up to four levels of Consultant sales volume in his or her organization. Commissionable Volume (CV) is the assigned value on which a Consultant's Team Bonuses are calculated, usually 70% of SV retail but adjusted on certain products.

The term "Level" is used to describe a Consultant's relationship to the other Consultants in his or her organization. For example, when the Consultant sponsors someone, that person is the Consultant's Level 1. When that person sponsors someone, the new Consultant becomes Level 2 to the original Consultant, and so on. A Consultant (Consultant and higher rank) can earn the right to receive bonuses on up to four levels of Consultants.

To remain Active as a Consultant, the Consultant will be required to maintain minimum Personal Sales of \$200 during a six-month period.

#### **SPONSORING BONUS**

This is a very exciting aspect of the Pink Zebra Plan. Pink Zebra pays a 7% Sponsoring Bonus to the original Consultant (Consultant and higher rank) - on sales of the new Consultant he or she enrolls. The Sponsoring Bonus is paid on the sales of the enrolled Consultant for as long as he or she remains a Pink Zebra Consultant! As a Qualified Enroller, the original Consultant will receive this special Sponsoring Bonus on the Commissionable Volume (CV) of any Enrollee whom he or she personally enrolled as long as the original Consultant is personally active during the month by producing your \$460.

Note: The term "Sponsoring Bonus" used in this document is not intended to imply any connection between the simple act of recruitment, enrollment or sponsorship and payment of compensation. The bonus is paid on certain sales made the newly recruited Direct Sales Consultant.

### **MENTORING BONUS**

At the Executive Manager level and higher, the Consultant qualifies for a Mentoring Bonus of 2% beginning with all the CV (Commissionable Volume) of everyone in his or her group. This additional bonus will include all the sales volume created by all downline Team members to unlimited depth down to the first Executive Manager or higher ranked person in his or her Team.

At the Director level, the Consultant qualifies for a Mentoring Bonus of 3% on Executive Manager Legs down to the next breakaway Executive Manager.

Mentoring Bonus is paid to the Original Enroller on Original Enrollee only.



#### HOW TO QUALIFY FOR AND MAINTAIN YOUR LEADERSHIP BENEFITS

#### **CONSULTANT**

#### **Qualifications:**

- 1. Minimum sales volume of \$460 per month (Bonus Qualified)
- 2. Have at least one (1) active Consultant (rank) (excludes Social Consultant) in a separate Team in Level 1

#### **Monthly Maintenance:**

1. Minimum sales volume of \$460 per month (Bonus Qualified)

#### **EXECUTIVE CONSULTANT**

#### Qualifications:

- 1. Minimum sales volume of \$460 per month (Bonus Qualified)
- 2. Have three (3) or more active Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1

#### **Monthly Maintenance:**

- 1. Minimum sales volume of \$460 per month (Bonus Qualified)
- 2. Maintain three (3) or more active Consultant (rank) (excludes Social Consultant) Teams in Level 1

#### MANAGER

### **Qualifications:**

- 1. Minimum sales volume of \$460 per month (Bonus Qualified)
- 2. Four (4) or more active Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant
- 3. The 60% rule applies

#### Monthly Maintenance:

- 1. Minimum sales volume of \$460 per month (Bonus Qualified)
- 2. Maintain four (4) or more active enrolled Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant or higher.
- 3. Maintain \$5,750 in GV
- 4. The 60% rule applies

#### **SENIOR MANAGER**

#### **Qualifications:**

- 1. Minimum sales volume of \$460 per month (Bonus Qualified)
- 2. Have two (2) or more active Manager Teams in Level 1
- 3. Generate \$17,250 in GV per month for two (2) consecutive months at the point of the promotion and on the second month of reaching \$17,250 GV, points 1,2,3,and 4 must all be in place
- 4. The 40% rule applies to both months

#### Monthly Maintenance:

1. Minimum sales volume of \$460 per month (Bonus Qualified)



- 2. Maintain four (4) or more active enrolled Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant or higher.
- 3. Maintain \$11,500 in GV
- 4. The 40% rules applies

#### **EXECUTIVE MANAGER**

#### Qualifications:

- 1. Minimum sales volume of \$800 per month (Bonus Qualified)
- 2. Complete Executive Manager Training
- 3. Have one (1) or more active Senior Manager and two (2) Manager Teams in Level 1
- 4. Generate \$34,500 in GV per month for two (2) consecutive months at the point of the promotion and on the second month of reaching \$34,500 GV, points 1,2,3,and 5 must all be in place
- 5. The 40% rule applies to both months

#### Monthly Maintenance:

- 1. Minimum sales volume of \$800 per month (Bonus Qualified)
- 2. Maintain four (4) or more active enrolled Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant or higher.
- 3. Maintain \$17,500 in GV
- 4. The 40% rules applies
- -Eligible to receive 2% Executive Manager Team Bonus-



#### **CAREER PLAN OVERVIEW**

Rank	Qualifying Requirements						Award Amounts Available										
	Person	Sale Grap Volume	\s\	d Leve Footing	, /s	**************************************	Sust dans	Sonie Sonie	A Mento	A Mento	earn Leur	earn Leur	earn lea	earn lea	er'	Geni	
Consultant	\$ 460				25%	30%	7%			3%							
Executive Consultant	\$ 460		3	3 C	25%	30%	7%			3%	3%						
Manager	\$ 460		4	2 EC	25%	30%	7%			3%	3%	3%					
Senior Manager	\$ 460	\$ 17,250 (2)	4	2 M	25%	30%	7%			3%	3%	3%	3%				
Executive Manager	\$ 800	\$ 34,500 (2)	4	1 SM/2 M	25%	30%	7%	2%		3%	3%	3%	3%				
Director	\$ 1,150	\$ 57,500 (2)	4	4 M/1 EM	25%	30%	7%	3%	3%	3%	3%	3%	3%	3%			
Executive Director	\$ 2,600	\$ 115,000 (2)	4	4 M/1 EM/1 D	25%	30%	7%	2%		3%	3%	3%	3%	3%	2%		
Presidential Director	\$ 4,600	\$172,500 (2)	4	4 EM/1 D/1 ED	25%	30%	7%	2%		3%	3%	3%	3%	3%	2%	2%	

() = Months

Rank Monthly Requirements						Award Amounts Available												
	Person	A Sale	Graup Valurie	\si	d Leve Lordine	\s\ \s\	** \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	N 51 dalax Sport	Bonus R	Mento	A Ment	estri Lea	earn leur	2 Esta Feet	earn lea	d Gen'	Geni	
Consultant	\$ 460	Ĺ				25%	30%	7%			3%							ĺ
Executive Consultant	\$ 460			3	3C	25%	30%	7%			3%	3%						
Manager	\$ 460	\$	5,750	4	2 EC	25%	30%	7%			3%	3%	3%					
Senior Manager	\$ 460	\$	11,500	4	2 EC	25%	30%	7%			3%	3%	3%	3%				
Executive Manager	\$ 800	\$	17,250	4	2 EC	25%	30%	7%	2%		3%	3%	3%	3%				
Director	\$ 1,150	\$	28,750	4	2 EC	25%	30%	7%	3%	3%	3%	3%	3%	3%	3%			
Executive Director	\$ 2,600	\$	115,000	4	2 EC	25%	30%	7%	2%		3%	3%	3%	3%	3%	2%		
Presidential Director	\$ 4,600	\$	172,500	4	2 EC	25%	30%	7%	2%		3%	3%	3%	3%	3%	2%	2%	

Level 1 Active does not include Social Consultant

#### **EXECUTIVE PHASE GENERATION BONUSES**

When a Consultant becomes a Director under the Plan, he or she is eligible to qualify for "generation bonuses." Generation bonuses are paid as a group's leadership grows and rewards the Consultant for helping them.

When an Executive Manager in your downline becomes a Director; that Director becomes your 1st Generation, and you will begin receiving a 3% generation bonus on that Director's personal Group Volume (GV).

When your 1st Generation Director has someone in her group who becomes a 1st Generation, that person's organization becomes your 2nd Generation, and if you have met the Qualification to be paid as an Executive Director, you will receive 2% on the GV of her organization. And when your 2nd Generation Director has someone in her group who becomes her 1st Generation; that person's organization becomes your 3rd Generation, and if you have met the Qualification to be paid as Presidential Director, you will receive 2% on the GV of her organization.



Generation bonuses are paid to unlimited depth in each generation until another Director or higher rank is found. This continues down to the maximum number of generations. (See tables below.)

**Special Note:** As it pertains to Directors, the term Personal Group Wholesale Volume consists of a Director at the top of an Organization and every Consultant downline of that Organization, through each and every Team, until reaching a Consultant with the rank of Director or higher within any Team. The sum of all Consultants within these Teams and the Director or higher rank person at the top makes up the Personal Group of that Director.



### QUALIFICATION AND GENERATION BONUSES

	DIRECTOR	EXECUTIVE DIRECTOR	PRESIDENTIAL DIRECTOR							
QUALIFICATIONS										
	Active	Active	Active							
	Min Sales Volume of \$1,150 per month	Min Sales Volume of \$2,600 per month	Min Sales Volume of \$4,600 per month							
	4 Active Manager Teams in Level 1	4 Active Manager Teams in Level 1	4 Active Manager Teams in Level 1							
	1 Executive Manger in Level 1	1 Director Team								
	\$57,500 GV* per month for 2 consecutive months	1 Director Team	1 Executive Director Team							
	Independent Contractor Agreement for Directors, Exectutive Directors, &	\$115,000 GV* per month for 2 consecutive months	\$172,000 GV* per month for consecutive months							
	*40% Rule Applies	*40% Rule Applies	*40% Rule Applies							
	M	AINTENANCE								
	\$1,150 Personal Sales in the pay period	\$2,600 Personal Sales in the pay period	\$4,600 Personal Sales in the pay period							
	\$28,750 GV in the pay period	\$115,00 GV in the pay period	\$172,500 GV in the pay period							
		TORING BONUS								
	3% to next EM Leg									
GENERATION BONUSES										
Generation 1	3% GV	3% GV	3% GV							
Generation 2		2% GV	2% GV							
Generation 3			2% GV							



#### HOW TO QUALIFY AND MAINTAIN YOUR EXECUTIVE LEVEL BENEFITS

#### DIRECTOR

#### Qualifications:

- 1. Minimum sales volume of \$1,150 per month (Bonus Qualified)
- 2. Have four (4) or more Active Manager Teams in Level 1 and one (1) or more Active Executive Manager Teams in Level 1
- 3. Generate \$57,500 in GV per month for two (2) consecutive months at the point of the promotion and on the second month of reaching \$57,500 GV, points 1,2, and 4 must all be in place
- 4. The 40% rule applies
- 5. Sign an additional leadership agreement which is in effect for Director and higher

#### **Monthly Maintenance:**

- 1. Minimum sales volume of \$1,150 per month (Bonus Qualified)
- 2. Maintain four (4) or more active enrolled Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant or higher
- 3. Maintain \$28,750 in GV
- 4. The 40% Rule applies
- 5. Follow and abide by signed leadership agreement for Director and higher

#### **EXECUTIVE DIRECTOR**

#### Qualifications:

- 1. Minimum sales volume of \$2,600 per month (Bonus Qualified)
- 2. Have four (4) Active Manager Teams in Level 1, one (1) Active Executive Manager Team and one (1) Director Team
- 3. Generate \$115,000 in GV per month for two (2) consecutive months at the point of the promotion and on the second month of reaching \$115,000 GV, points 1,2, and 4 must all be in place
- 4. The 40% rule applies

#### **Monthly Maintenance:**

- 1. Minimum sales volume of \$2,600 per month (Bonus Qualified)
- 2. Maintain four (4) or more active enrolled Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant or higher
- 3. Maintain \$115,000 in GV
- 4. The 40% Rule applies
- 5. Follow and abide by signed EXACT NAME leadership agreement for Director and higher



#### PRESIDENTIAL DIRECTOR

#### **Qualifications:**

- 1. Minimum sales volume of \$4,600 per month (Bonus Qualified)
- 2. Have four (4) or more Active Executive Manager Teams in Level 1, one (1) or more Active Director Teams in Level 1 and one (1) or more Active Executive Director Teams in Level 1
- 3. Generate \$172,500 in GV per month for 2 consecutive months at the point of the promotion and on the second month of reaching \$172,500 GV, points 1,2, and 4 must all be in place
- 4. The 40% rule applies

#### Monthly Maintenance:

- 1. Minimum sales volume of \$4,600 per month (Bonus Qualified)
- 2. Maintain four (4) or more active enrolled Consultants (rank) (excludes Social Consultant) in separate Teams in Level 1, two (2) of which contain an Executive Consultant or higher
- 3. Maintain \$172,500 in GV
- 4. The 40% Rule applies
- 5. Follow and abide by signed leadership agreement for Director and higher

### **DEFINITIONS**

#### **BONUS**

This is the remuneration that is based on the percentage of sales volume of others (downline, Teams) in accordance with the respective provisions of the Career Plan.

#### **BONUS QUALIFIED**

In order to be bonus qualified for the calendar month, personal sales requirement must be met as outlined in your specific rank as shown above. This allows you to earn bonuses and team level bonuses on your team.

#### **BASE COMMISSION**

This is the base commission or discount earned for being a Consultant when a commissionable order is placed. The base amount is 25% of SV and is awarded in two ways: 1) If the order is paid by the Consultant, the amount is given as a discount and the 25% of SV is retained at the time of the order. 2) If a customer places an order using a credit card, the commissionable amount will be determined at the time commissions are run (see Commission Period) and paid to the Consultant through direct deposit or cheque.



#### **CAREER PLAN**

The official set of definitions and performance requirements as published in the Pink Zebra Consultant Manual by which the company pays its Consultants (Consultant or higher rank).

#### **CURRENT RANK**

The highest title earned. Titles are never taken away. This is the title that the home office uses and the Consultant may use on a business card or any other marketing piece.

#### **COMMISSION PERIOD**

The commission period is defined as a calendar month, and all activity to reach a requirement (sales, leadership, and activation) must be met before 12:00 AM EST of the first day of the next month to impact that commission period. The commission period closes after the end of the month, and there may be up to 10 business days before activity reports, bonuses or commissions are updated or paid out.

#### COMMISSIONABLE VOLUME

This value is the base value of a product that is eligible to have leadership percentage-based commissions paid on it. The commissionable volume is 70% value of Sales Volume (SV is calculated based on US catalog price).

#### **DOWNLINE**

All the Consultants under a given Consultant in the Sponsor organization, at any level.

#### **DIRECTOR GENERATION**

A Director on your team and their Downline to but not including a Pay Rank at the breakaway rank or higher of Director.

#### **ENROLLER**

Consultant who enrolled another Consultant. A Consultant's Enroller may or may not be the same person as the Consultant's Sponsor due to roll ups.

#### EXECUTIVE MANAGER GENERATION

An Executive Manager and their Downline to but not including a Pay Rank at the breakaway rank or higher of Executive Manager.

#### FRONTLINE

Refers to all Consultants that are personally sponsored and/or enrolled (Level 1) by a particular Consultant or by the Company.

#### GROUP VOLUME (GV)

GV is the sum of all SV for a given Leg or total Team and is used to determine title.



#### GROUP

The Consultant and his or her entire Downline. Volume for a group includes personal sales volume (SV) or commissionable volume of the Consultants and their Customers at any level.

#### HOLD STATUS

Hold status can be applied to any Consultant for not including a SSN. Earnings are withheld from Consultant until Hold is removed.

#### LEADERSHIP COMMISSION

Leadership Commission is the earnings from the activity and sales of a Team. Leadership commission is based on the Group Volume.

#### LEG

A Sponsored (Level 1) Consultant and their Downline.

#### **LEVEL**

Degree of placement relationship in the Sponsor organization. Directly sponsored Consultants are Level 1 Consultants. The directly sponsored Consultants of Level 1 Consultants are Level 2 Consultants.

#### MAINTENANCE

The standard of performance involving a Consultant that is required for that Consultant to continue being "Pay Rank" a particular rank after meeting the initial qualification requirements for that rank.

#### PAY RANK

Title in which the Consultant is paid any commission, bonus or recognition based on meeting specific requirements for a commission period. Pay Rank can be lower than your Rank.

#### PINK DOLLARS

Dollars awarded to a Consultant that may be used like money for the purchase of product. Pink Dollars are redeemed at the retail price, may not be redeemed for cash and expire 30 days (unless otherwise noted) from the date they are awarded. Pink Dollars are not commissionable or transferrable. Each Consultant has a customer record assigned to them that is part of his or her Consultant record. Pink Dollars are awarded to this customer record and Pink Dollars are redeemed through a "Customer Order" and may be applied to the sub total by using the "Credit Balance" drop down which will reflect your Pink Dollar balance. Any overage may be paid using another payment method.

#### POLICIES & PROCEDURES

The governing rules that define the relationship between Pink Zebra and the Consultant.



### QUALIFYING GROUP VOLUME

The volume used for qualifying that includes the 40% and or 60% rule.

#### QUICK START INCENTIVE

Quick Start is an incentive that is available to any new Consultant for the first 90 days and awards Pink Dollars for achieving sales and sponsoring milestones. The incentive also rewards Consultants when they achieve the leadership level of Manager. Reports are run once per month and rewarded consistent with the commission period of the 10<sup>th</sup> of the month. Quick Start is an annual incentive and is may be changed at the beginning of each year. Refer to the current Quick Start incentive flier for all details.

### SALES VOLUME (SV)

Sales Volume is where there is a base commission paid based on the retail sale of the product and is used to calculate qualifications, incentives and Quick Start. SV is based on US catalog price.

#### **S**PONSOR

Consultant under whom another Consultant is placed in the career plan.

#### TEAM

Each personally sponsored Consultant on your First Level is part of your total Downline and is a separate "Team." You and your entire Sales Organization (Downline) are one "Team" to your sponsor.

#### ZEBRANET

ZebraNET is your personal workstation where you will manage your business, view reports, place orders and view multiple types of communication from the Home Office. ZebraNET is password-protected, and your password should not be shared with any other person for your personal protection.

#### 60% & 40% RULE:

No more than 60% or 40% of the Group Qualifying Volume (based on rank) required for qualification or maintenance can come from any one Team. If a Team makes up more than 60% or 40% of the volume, then they will default to 40% or 60% of the total required volume. For example, if you have four Teams or Legs that are producing volume, no more than 60% or 40% of the volume can come from one Team.

#### Example using 40% rule:

Team 1: \$1,000 Team 2: \$5,000

Team 3: \$20,000 = 66%



Team 4: \$4,000 Total: \$30,000

Based on Team 3 being more than 40% of your group volume, Team 3 will now default to 40% of the Group Volume (40% of \$30,000) or 12,000. The total now is 1,000 + 5,000 + 12,000 + 4,000 = 22,000. The \$22,000 counts toward leadership qualifications.

### APPENDUM A

#### TELEMARKETING RULES

#### A. RULES APPLICABLE TO TELEPHONE AND FAX

The Canadian federal government operates a national Do-Not-Call registry that requires businesses to refrain from calling customers who register on the national "Do-Not-call" list (DNCL). You are prohibited from placing unsolicited telemarketing calls to customers that make a do-not-call request in one of two ways:

- i. the customer can register his or her telephone number on the national DNCL
- ii. the customer can ask the caller directly not to be called again

There are significant penalties associated with calling a customer after a do-not-call request has been made. Accordingly, when calling customers to offer or sell Pink Zebra products, these procedures should be followed.

#### **EXCEPTIONS TO THE NATIONAL DO-NOT-CALL LIST**

Subject to the 'Important Note' below, you are permitted to call customers that have registered their telephone numbers on the national DNCL, provided:

- a) You have an "existing business relationship" with such person, meaning customers who:
  - have purchased something from You within the last 18 months, or
  - ii. have made an inquiry about Pink Zebra products or the Pink Zebra opportunity within the last 6 months, or
  - iii. have a written contract with Pink Zebra currently in existence or that expired within the last 18 months, or
  - iv. You have obtained express written permission from the customer to make such calls.



Important Note: If customers in any of these categories above request that they not be called, YOU MUST COMPLY WITH SUCH REQUEST.

### COLD CALLS TO CUSTOMERS NOT WITHIN AN EXCEPTION

If You call a person who has registered their telephone number on the DNCL, you have violated Canadian federal law. Customers who have registered on the DNCL who still receive telemarketing calls will be able to file a complaint against You with the Canadian Radio-television Telecommunications Commission (CRTC). Violators of the DNCL registry rules will be subject to a fine of up to \$15,000 CDN per violation.

It is your responsibility to ensure you do not call customers who have been registered on the DNCL for more than 31 days. The 31 days will provide a grace period to allow you time to update your telemarketing lists.

In addition to subscribing to the national DNCL, you are still required to maintain your own do-not-call list and to honor a customer's request not to be called.

You must not sell, rent, lease or publish the list or disclose any portion of the list to an individual outside your organization, including affiliates.

You will be required to pay a fee to subscribe to the DNCL.

#### **Recommendations:**

Limit business-generating telephone calls to former customers and prospective recruits who fall within the "exception" categories identified above.

Maintain a database for any customer or prospective recruit that has requested that You not call them again. Once a name and telephone number is entered into this database, it must be maintained for a period of at least 3 years.

#### B. OTHER CRIC TELEMARKETING RULES YOU NEED TO COMPLY WITH

In addition to the new DNCL rules, You must also abide by the following CRTC rules.

#### **Contacting Customers**

- 1. Telephone Calls:
  - (a) Calling hours are restricted to weekdays (Monday to Friday) between 9:00 AM and 9:30 PM and weekends (Saturday and Sunday) between 10:00 AM and 6:00 PM. Restrictions hours refer to the time zone of the customer receiving the telephone calls.
  - (b) At the beginning of a call you:
    - (i) must identify your name, corporate name and/or trade name
    - (ii) must provide the purpose of the call



- (iii) upon request you must provide a local or toll-free number allowing the customer access to speak to an employee or other representative of yours;
- (iv) must provide the name and address of an employee or other representative of yours, to whom the customer can write.
- (c) The telephone call shall be answered either by a live operator or a voicemail system to take messages for the customer. The voicemail must inform customers that their call will be returned within three (3) business days.
- (d) You must return customer's call within three (3) business days.
- (e) You must display the originating calling number or an alternate number where the call originator can be reached (except where the number display is unavailable for technical reasons).
- (f) Sequential dialing is prohibited.
- (g) Random dialing and calls to non-published numbers are permitted, except to numbers that are registered on the national DNCL; are emergency lines; and are associated with healthcare facilities.
- (h) Your own do not call list must be maintained and remain active for three(3) years effective within fourteen (14) days from the date of the customer's do not call request.
- (i) A customer's request not to be called that is made during the telemarketing call shall be processed at that time. The customer shall not be asked to call elsewhere to make their request.

If You use a predictive dialing device to initiate a call, You shall not exceed, in any calendar month, a five (5) percent abandonment rate. You shall maintain records of actual abandonment rates for a period of three (3) years from the date each monthly record is created.

2. Automatic Dialing and Announcing Devices (ADADs) Prohibited:

ADADs are equipment that store and dial telephone numbers automatically. They are typically used alone or with other devices to deliver a pre-recorded or synthesized voice message to the telephone number called. Use of ADADs in connection with your business is strictly prohibited.

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#### C. Applicable Provisions of the Canadian Competition Act

You must also comply with the following provisions contained in this Canadian legislation:

No person shall engage in "telemarketing" (which term includes promoting the supply of use of products or promoting any business interest) unless:

- a) disclosure is made, in a fair and reasonable manner at the beginning of each telephone communication, of the identity of the person on behalf of whom the communication is made, the nature of the product or business interest being promoted and the purposes of the communication.
- b) disclosure is made, in a fair, reasonable and timely manner, of the price of any product whose supply or use is being promoted and any material restrictions, terms or conditions applicable to its delivery

No person who engages in telemarketing shall make a representation that is false or misleading.