

# Blen International, Inc.

## Policies and Procedures

Effective October 1, 2019

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# **SECTION 1 - MISSION STATEMENT**

**At Blen, we believe that Mother Earth is the ultimate source of natural healing. It provides us with everything we need to live a healthy and happy life. Blen believes in phytomedicine as one of the most widely used therapies for promoting health and wellness worldwide. Natural Herbal therapies have been proven effective in helping the body find its own balance.**

**Our mission is to provide products derived from traditional herbal remedies. During the last 10 years, Blen has studied the worlds traditional native wisdom that centers around of the healing power of plants. We use this knowledge to create our own formulas in our state-of-the-art laboratories. Blen combines the best traditional herbal remedies, vitamins and minerals in their supplements and personal care products.**

**Blen is the perfect combination of ancient herbal knowledge and today's most advanced technology. With Nature as our guide and your well-being as our goal, you can feel confident Blen's products are the best health alternative for your whole family!**

## **SECTION 2 - INTRODUCTION**

### **2.1 - Purpose of the Consultant Agreement and the Policies and Procedures**

The purposes of the Consultant Agreement and the Policies and Procedures include the following:

- ❖ To assist Consultants in building and protecting their businesses;
- ❖ To protect Blen and its Consultants from legal and regulatory risks;
- ❖ To establish standards of acceptable behavior;
- ❖ To set forth the rights, privileges, and obligations of Blen and its Consultants; and
- ❖ To define the relationship between Blen and its Consultants.

### **2.2 - Policies and Procedures Incorporated into Consultant Agreement**

These Policies and Procedures, in their present form and as amended by Blen International, Inc. (hereafter “Blen” or the “Company”), are incorporated into, and form an integral part of, the Blen Independent Consultant Application and Agreement (“Consultant Agreement”). It is the responsibility of each Consultant to read, understand, adhere to, and insure that he or she is aware of and operating under the most current version of these Policies and Procedures. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the Blen Consultant Application and Agreement (including the Terms and Conditions), these Policies and Procedures, and the Blen Business Entity Addendum (if applicable). These documents are incorporated by reference into the Blen Consultant Agreement (all in their current form and as amended by Blen).

### **2.3 - Changes to the Agreement**

Blen reserves the right to amend the Agreement, the Compensation Plan, and its prices in its sole and absolute discretion. By executing the Consultant Agreement, a Consultant agrees to abide by all amendments or modifications that Blen elects to make. Amendments shall be effective thirty (30) days after publication of notice that the Agreement has been modified. Amendments shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. Notification of amendments shall be published by one or more of the following methods: (1) posting on the Company’s official web site; (2) electronic mail (e-mail); (3) posting in Consultants’ back-offices; (4) inclusion in Company periodicals; (5) inclusion in product orders or bonus checks; or (6) special mailings. The continuation of a Consultant’s Blen business, the acceptance of any benefits under the Agreement, or a Consultant’s acceptance of bonuses or commissions constitutes acceptance of all amendments.

### **2.4 - Policies and Provisions Severable**

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

### **2.5 - Waiver**

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Blen to exercise any right or power under the Agreement or to insist upon strict compliance by a Consultant with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Blen’s right to demand exact compliance with the Agreement. The existence of any claim or cause of action of a Consultant against Blen shall not constitute a defense to Blen’s

enforcement of any term or provision of the Agreement.

## **2.6 - Company Use of Information**

By submitting a Consultant Application and Agreement that is accepted by Blen, the Consultant consents to allow Blen, its affiliates, and any related company to: (a) process and utilize the information submitted in the Consultant Application and Agreement (as amended from time to time) for business purposes related to the Blen business; and (2) disclose, now or in the future, such Consultant information to companies which Blen may, from time to time, deal with to deliver information to a Consultant to improve its marketing, operational, and promotional efforts. A Consultant has the right to access his or her personal information via his or her respective back office, and to submit updates thereto.

# **SECTION 3 - BECOMING A CONSULTANT**

## **3.1 - Requirements to Become a Consultant**

To become a Blen Consultant, each applicant must:

- ❖ Be at least 18 years of age;
- ❖ Reside in the United States or U.S. Territories or country that Blen has officially announced is open for business;
- ❖ Provide Blen with his/her valid Social Security or Federal Tax ID number;
- ❖ Purchase a Blen Business Kit (optional for residents of North Dakota); and
- ❖ Submit a properly completed Consultant Application and Agreement to Blen online.

Blen reserves the right to accept or reject any Consultant Application and Agreement for any reason or for no reason.

## **3.2 - Starter Kit and Product Purchases**

With the exception of a Starter Kit, no person is required to purchase Blen products or sales aids, or to pay any charge or fee to become a Consultant. In order to familiarize new Consultants with Blen products, sales techniques, sales aids, and other matters, the Company requires that they purchase a Starter Kit. Blen will repurchase resalable kits from any Consultant who terminates his or her Consultant Agreement pursuant to the terms of Section 8.3.

## **3.3 - Consultant Benefits**

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

- ❖ Sell Blen products;
- ❖ Participate in the Blen Compensation Plan (receive bonuses and commissions, if eligible);
- ❖ Sponsor other individuals as Customers or Consultants into the Blen business and thereby, build a marketing organization and progress through the Blen Compensation Plan;
- ❖ Receive periodic Blen literature and other Blen communications;
- ❖ Participate in Blen-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- ❖ Participate in promotional and incentive contests and programs sponsored by Blen for its Consultants.

## **3.4 - Term of Your Blen Business**

The Agreement shall remain in full force and effect unless and until it is terminated by one of the parties.

# SECTION 4 - OPERATING A BLEN INTERNATIONAL BUSINESS

## 4.1 - Adherence to the Blen Compensation Plan

Consultants must adhere to the terms of the Blen Compensation Plan as set forth in official Blen literature. Consultants shall not offer the Blen opportunity through, or in combination with, any other system, program, sales tools, or method of marketing other than that specifically set forth in official Blen literature. Consultants shall not require or encourage other current or prospective Customers or Consultants to execute any agreement or contract other than official Blen agreements and contracts in order to become a Blen Consultant. Similarly, Consultants shall not require or encourage other current or prospective Customers or Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Blen Compensation Plan other than those purchases or payments identified as recommended or required in official Blen documents or literature.

## 4.2 - Advertising

### 4.2.1 - General

All Consultants shall safeguard and promote the good reputation of Blen and its products. The marketing and promotion of Blen, the Blen opportunity, the Compensation Plan, and Blen products must avoid all discourteous, deceptive, misleading, unethical or immoral, or illegal conduct or practices.

To promote both the products and the tremendous opportunity Blen offers, Consultants should use the sales aids, business tools, and support materials produced by Blen. The Company has carefully designed its products, product labels, Compensation Plan, and promotional materials to ensure that they are promoted in a fair and truthful manner, that they are substantiated, and the materials comply with the legal requirements of federal and state laws.

Accordingly, Consultants may only advertise or promote their Blen business using approved tools, templates or images acquired through Blen. No approval is necessary to use these approved tools. If you wish to design your own online or offline marketing materials of any kind, your designs must be submitted to the Blen Marketing Department ([adapproval@blenusa.com](mailto:adapproval@blenusa.com)) for consideration and inclusion in the template/image library. Unless you receive specific written approval from Blen to use such tools, the request shall be deemed denied. Go to the *Template Library* tab in your back office for guidelines and to access the library.

Consultants may not sell sales aids to other Blen Consultants. Therefore, Consultants who receive authorization from Blen to produce their own sales aids may not sell such material to any other Blen Consultant. Consultants may make approved material available to other Consultants free of charge if they wish, but may not charge other Blen Consultants for the material.

Blen further reserves the right to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and Consultants waive all claims for damages or remuneration arising from or relating to such rescission.

### 4.2.2 - Trademarks and Copyrights

The name of Blen and other names as may be adopted by Blen are proprietary trade names, trademarks and service marks of Blen (collectively "marks"). As such, these marks are of great value to Blen and are supplied to Consultants for their use only in an expressly authorized manner. Blen will only allow the limited non-exclusive use of its marks, designs, or symbols, or any derivatives thereof, solely by a Consultant in the furtherance or operation of his or her Blen business, consistent with these



Policies and Procedures. Blen will not allow the use of its marks, designs, or symbols, or any derivatives thereof, by any person, including Blen Consultants, in any manner without its prior, written permission.

The content of all Company sponsored events is copyrighted material. Consultants may not produce for sale or distribution any recorded Company events and speeches without written permission from Blen, nor may Consultants reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

As an independent Consultant, you may use the Blen name in the following manner

Consultant's Name  
Independent Blen Consultant

*Example:*

Alice Smith  
Independent Blen Consultant

or

Alice Smith  
Blen  
Independent Consultant

Consultants may not use the name Blen in any form in your team name, a tagline, an external website name, your personal website address or extension, in an e-mail address, as a personal name, or as a nickname. Additionally, only use the phrase *Independent Blen Consultant* in your phone greeting or on your answering machine to clearly separate your independent Blen business from Blen, Inc.. For example, you may not secure the domain name [www.buyBlen.com](http://www.buyBlen.com), nor may you create an email address such as [Blensales@hotmail.com](mailto:Blensales@hotmail.com).

#### 4.2.2.1 - Independent Blen Consultant Logo

If you use a Blen logo in any communication, you must use the Independent Consultant version of the Blen logo. Using any other Blen logo requires written approval. Please see examples below:

Logos Approved for Consultant Use



#### 4.2.3 - Media and Media Inquiries

Consultants must not attempt to respond to media inquiries regarding Blen, its products or their

independent Blen business. All inquiries by any type of media must be immediately referred to Blen's Marketing Department at [adapproval@blenusa.com](mailto:adapproval@blenusa.com) This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

#### **4.2.4 - Unsolicited Email**

Blen does not permit Consultants to send unsolicited commercial emails unless such emails strictly comply with applicable state and federal laws and regulations including, without limitation, the federal CAN SPAM Act. The CAN-SPAM Act regulates the transmission of all commercial e-mail messages, not just unsolicited messages. A commercial e-mail message is defined as any e-mail that has a "primary purpose of . . . commercial advertisement or promotion of a commercial product or service." This includes commercial e-mails sent to business e-mail accounts, as well as those sent to individual consumers.

##### **4.2.4.1 - Requirements for All Commercial Email Messages**

###### The Mailing List

- ❖ The mailing list may include only persons who have affirmatively agreed (opted in) to receive commercial e-mail from you.
- ❖ The mailing list must not include any recipient who has previously asked not to receive commercial e-mail from the business (opted out).
- ❖ You must "scrub" the mailing list against available "do not e-mail" list at the last possible, commercially reasonable moment before the e-mail is sent.

###### The E-mail Message

- ❖ The message must include complete and accurate transmission and header information.
- ❖ The "From" line must identify your business as the sender. This does not have to include your business's formal name, if any. For example, it may contain your business's name, trade name, or product or service name. The key requirement is that the "From" line provide the recipient with enough information to understand who is sending the message.
- ❖ The "Subject" line must accurately describe the message's content.
- ❖ The message must clearly include the business's valid, current physical postal address. This address can be a:
  - street address;
  - post office box that the business has accurately registered with the US Postal Service; or
  - private mailbox that the business has accurately registered with a commercial mail receiving agency established pursuant to US Postal Service regulations.
- ❖ The message must disclose that it is an advertisement or solicitation unless the e-mail message is sent only to recipients who have affirmatively agreed (opted in) to receive these messages from the business.
- ❖ There must be a functioning return email address to the sender.
- ❖ The use of deceptive subject lines and/or false header information is prohibited.

###### The Opt-out Mechanism

- ❖ The message must clearly explain that the recipient may opt out of receiving future commercial messages from the business.

- ❖ The message must include either an e-mail address or other online mechanism that the recipient may use for this opt out. The mechanism must not require the recipient to:
  - do anything more than reply to the e-mail or visit a single web page to opt out;
  - make any payment or submit any personal information, including account information (other than e-mail address), to opt out; and
  - the opt-out mechanism must work for at least 30 days after the e-mail is sent.
- ❖ You must ensure that the explanation of how a recipient can opt out is easy to read and understand.
- ❖ You may include a menu of opt-out options that permit the recipient to select the types of commercial messages the recipient would like to continue receiving. However, one option must permit opting out of all commercial messages from you.
- ❖ You must honor all opt-out requests within ten business days.
- ❖ Opt-out requests do not expire. An opt-out is overridden only by the recipient's subsequent express (opt in) request to receive commercial e-mail.
- ❖ All opt-out requests, whether received by email or regular mail, must be honored. If you receive an opt-out request from a recipient of an email, you must forward the opt-out request to the Company.
- ❖ You may not sell, share or use a business's opt-out list for any reason other than to comply with the law.

Monitoring Opt-out Capabilities – If you use a third-party service provider you must implement procedures to ensure that your opt-out capabilities actually work. An example of a basic procedure to test the opt-out procedure is as follows:

- ❖ Establish e-mail accounts with several major private e-mail account providers (for example, Gmail, Yahoo, Hotmail, AOL, and so on) and add these e-mail addresses to the business's mailing list. For each e-mail address created for monitoring purposes, use the business's opt-out mechanism to remove the e-mail address from the mailing list.
- ❖ Repeat this procedure on a regular basis (for example, at least every two weeks).
- ❖ Examine the e-mail received by the monitoring e-mail account to confirm that the: the opt-out mechanism works; the opt-out request is honored within 10 business days; and the monitoring e-mail account no longer receives commercial messages from the business.
- ❖ If the monitoring and testing process reveals problems, the business should immediately fix the issues.

Third-party Marketing Affiliates or Service Providers - When using third-party service providers, including affiliate marketers you should ensure that the written contract with the service provider clearly sets out each party's responsibilities for compliance with the CAN-SPAM Act and includes appropriate and adequate remedies for noncompliance.

#### 4.2.4.2 - **Additional Requirements for Email Messages Sent to Wireless Devices**

When sending commercial messages to wireless devices:

- ❖ Ensure that you have the recipient's prior, affirmative consent (opt in) to send the commercial message. The consent can be oral, written or electronic.
- ❖ Ask for consent in a way that involves no cost to the recipient, for example:
  - do not send the request to the wireless device; and

- allow the recipient to respond in a way that involves no cost (such as an online, e-mail or postal mail sign-up).
- ❖ When seeking consent, make it clear that the recipient:
  - is agreeing to receive commercial e-mail on his wireless device;
  - may be charged to receive the e-mail; and
  - can revoke his consent at any time.

#### 4.2.4.3 - Commercial Email Messages Sent on Behalf of Consultants

The Blen may periodically send commercial emails on behalf of Consultants. By entering into the Consultant Agreement, Consultant agrees that the Company may send such emails and that the Consultant's physical and email addresses will be included in such emails as outlined above. Consultants shall honor opt-out requests generated as a result of such emails sent by the Company.

#### 4.2.5 - Unsolicited Faxes

Except as provided in this section, Consultants may not use or transmit unsolicited faxes in connection with their Blen business. The term "unsolicited faxes" means the transmission via telephone facsimile or computer of any material or information advertising or promoting Blen, its products, its compensation plan or any other aspect of the company which is transmitted to any person, except that these terms do not include a fax: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the 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 Consultant and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Consultant; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

#### 4.2.6 - Telephone Directory Listings

Consultants may list themselves as an "Independent Blen Consultant" in the white or yellow pages of the telephone directory, or with online directories, under their own name. No Consultant may place telephone or online directory display ads using Blen's name or logo. Consultants may not answer the telephone by saying "Blen", "Blen Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Blen. If a Consultant wishes to post his/her name in a telephone or online directory, it must be listed in the following format:

Consultant's Name  
Independent Blen Consultant

#### 4.2.7 - Television and Radio Advertising

Consultants may not advertise on television and radio except with Blen's express written approval.

#### 4.2.8 - Advertised Prices

Consultants may offer Blen products at any price less they choose.

### 4.3 - Online Conduct

#### 4.3.1 - Consultant Web Sites

Consultants are provided with a replicated website by Blen, from which they can take orders,

enroll new Customers and Consultants, as well as manage their Blen business. Consultants may use only replicated websites provided by Blen to promote their Blen business, and may not create their own websites to directly or indirectly promote Blen's products or the Blen opportunity.

#### **4.3.2 - Blen Replicated Websites**

Consultants receive a Blen Replicated Website subscription to facilitate online buying experience for their Customers and enrollments for prospective Customers and Consultants. There is no charge for Replicated Websites because they are included in the Starter Kit fee. Consultants are solely responsible and liable for the content they add to their Replicated Website and must regularly review the content to ensure it is accurate and relevant.

Consultants may not alter the branding, artwork, look, or feel of their Replicated Website, and may not use their Replicated Website to promote, market or sell non-Blen products, services or income opportunities. Specifically, you may not alter the look (placement, sizing etc.) or functionality of the following:

- ❖ The Blen Independent Consultant Logo
- ❖ Your Name
- ❖ Blen Corporate Website Redirect Button
- ❖ Artwork, logos, or graphics
- ❖ Original text.

Because Replicated Websites reside on the Blen.com domain, Blen reserves the right to receive analytics and information regarding the usage of your website.

By default, your Blen Replicated Website URL is [www.Blen.com/<distributorID#>](http://www.Blen.com/<distributorID#>). You must change this default ID and choose a uniquely identifiable website name that cannot:

- ❖ Be confused with other portions of the Blen corporate website;
- ❖ Confuse a reasonable person into thinking they have landed on a Blen corporate page;
- ❖ Be confused with any Blen name;
- ❖ Contain any discourteous, misleading, or off-color words or phrases that may damage Blen's image.

#### **4.3.3 - Domain Names, email Addresses and Online Aliases**

You are not allowed to use or register Blen or any of Blen's trademarks, product names, or any derivatives, for any Internet domain name, email address, social media website, blog website, online handles or online aliases. Additionally, you cannot use or register domain names, email addresses, social media websites, blog websites, online handles 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 Blen. Examples of the improper use of Blen include, but are not limited to any form of Blen showing up as the sender of an email or examples such as:

[www.MyBlenUSABiz.com](http://www.MyBlenUSABiz.com)  
[www.ISellBlenUSA.com](http://www.ISellBlenUSA.com)  
[www.BlenUSAMoney.net](http://www.BlenUSAMoney.net)

[www.BlenUSADreamTeam.com](http://www.BlenUSADreamTeam.com)  
[www.BlenUSAbyJaneDoe.com](http://www.BlenUSAbyJaneDoe.com)  
[www.JanesBlenUSAOpportunity.net](http://www.JanesBlenUSAOpportunity.net)

#### **4.3.4 - Monetizing Websites**

Consultants may not monetize their Replicated Website through affiliate programs, pay-per-click or cost-per-impression advertising, selling ad space, accepting donations, accepting sponsored posts or articles, adSense, or similar programs.

#### **4.3.5 - Online Classifieds**

You may use online classifieds to list, sell or retail specific Blen products or product bundles. You may also use online classifieds for prospecting, recruiting, sponsoring and informing the public about the Blen income opportunity, provided Blen-approved templates/images are used. These templates will identify you as an Independent Blen Consultant. If a link or URL is provided, it must link to your Replicated Website.

#### **4.3.6 - eBay / Online Auctions**

Blen's products may not be listed on eBay or other online auctions, nor may Consultants enlist or knowingly allow a third party to sell Blen products on eBay or other online auction. A Consultant who becomes aware, or should have reasonably become aware, that a third party to whom he or she sells Blen products on eBay or any other online auctions must immediately discontinue all sales to the third party.

#### **4.3.7 - Online Retailing**

Consultants may not list or sell Blen products on any online retail store or ecommerce site (such as Amazon), nor may you enlist or knowingly allow a third party to sell Blen products on any online retail store or ecommerce site. A Consultant who becomes aware, or should have reasonably become aware, that a third party to whom he or she sells Blen products on any online retail store or ecommerce site must immediately discontinue all sales to the third party.

#### **4.3.8 - Banner Advertising**

You may place banner advertisements on a website provided you use Blen-approved templates and images. All banner advertisements must link to your Replicated Website. Consultants may not use blind ads (ads that do not disclose the identity of the Company) or web pages that make product or income claims that are ultimately associated with Blen products or the Blen opportunity. Banner advertisements may not be placed on any website that contains any violent, hateful, pornographic, or illegal content or any other content which may damage Blen's reputation. Whether content is or may be damaging to Blen's reputation shall be in the sole discretion of Blen.

#### **4.3.9 - Spam Linking**

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

#### **4.3.10 - Digital Media Submission (YouTube, iTunes, PhotoBucket etc.)**

Consultants may upload, submit or publish Blen-related video, audio or photo content that they develop and create so long as it aligns with Blen's values, contributes to the Blen community greater good, and is in compliance with Blen's Policies and Procedures. All submissions must clearly identify you as an Independent Blen Consultant 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. Consultants may not upload, submit or publish any content (video, audio, presentations or any

computer files) received from Blen or captured at official Blen events or in buildings owned, leased, or operated by Blen without prior written permission from Blen.

#### **4.3.11 - Sponsored Links / Pay-Per-Click (PPC) Ads**

Except as prohibited elsewhere within the Policies and Procedures, sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must be to the sponsoring Consultant's Replicated Website. The display URL must also be to the sponsoring Consultant's Replicated Website, and must not portray any URL that could lead the user to believe they are being directed to a Blen Corporate site, or be inappropriate or misleading in any way.

#### **4.3.12 - Domain Names and Email Addresses**

Except as set forth in the Consultant Website Application and Agreement, Distributors may not use or attempt to register any of Blen's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative of the foregoing, for any Internet domain name, email address, or social media name or address.

#### **4.3.13 - Social Media**

In addition to meeting all other requirements specified in these Policies and Procedures, should you utilize any form of social media, including but not limited to Facebook, Instagram, Twitter, LinkedIn, YouTube, or Pinterest, you agree to each of the following:

- ❖ No product sales or enrollments may occur on any social media site. To generate sales, a social media site must link only to your Blen Replicated Website.
- ❖ It is your responsibility to follow the social media site's terms of use. If the social media site does not allow its site to be used for commercial activity, you must abide by the site's terms of use.
- ❖ Any social media site that is directly or indirectly operated or controlled by a Consultant that is used to discuss or promote Blen's products or the Blen opportunity may not link to any website, social media site, or site of any other nature, other than the Consultant's Blen replicated website.
- ❖ During the term of this Agreement and for a period of 12 calendar months thereafter, a Consultant may not use any social media site on which they discuss or promote, or have discussed or promoted, the Blen business or Blen's products to directly or indirectly solicit Blen Consultants for another direct selling or network marketing program (collectively, "direct selling"). In furtherance of this provision, a Consultant shall not take any action that may reasonably be foreseen to result in drawing an inquiry from other Consultants relating to the Consultant's other direct selling business activities. Violation of this provision shall constitute a violation of the non-solicitation provision in Section 4.11 (Conflicts of Interest) below.
- ❖ A Consultant may post or "pin" photographs of Blen products on a social media site, but only photos that are provided by Blen and downloaded from the Consultant's Back-Office may be used.

If a Consultant creates a business profile page on any social media site that promotes or relates to Blen, its products, or opportunity, the business profile page must relate exclusively to the Consultant's Blen business and Blen products. If the Consultant's Blen business is cancelled for any reason or if the Consultant becomes inactive, the Consultant must deactivate the business profile page.

In addition to the requirements specified in elsewhere in these Policies and Procedures, if a Consultant utilizes any form of Social Media, he or she agrees to each of the following:

- a. To generate sales and/or enroll a Consultant, a Social Media site must link only to the Consultant's replicated website or the Consultant's External Website.
- b. Other than Pinterest and similar Social Media sites, any Social Media site that is directly or indirectly operated or controlled by a Consultant that is used to discuss or promote Blen products or the Blen opportunity may not link to any website, Social Media site, or site of any other nature, other than the Consultant's replicated website or the Consultant's External Website.
- c. If a Consultant creates a business profile page on any Social Media site that promotes or relates to Blen, its products, or opportunity, the business profile page must relate exclusively to the Consultant's Blen business and Blen products. If the Consultant's Blen business is cancelled for any reason, or if the Consultant becomes inactive, the Consultant must deactivate the business profile page.

#### **4.3.14 - Prohibited Postings**

A Consultant may not make any postings, or link to any postings or other material that are:

- a. Sexually explicit, obscene, or pornographic;
- b. Offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise);
- c. Graphically violent, including any violent video game images;
- d. Solicitous of any unlawful behavior;
- e. Engaged in personal attacks on any individual, group, or entity; or
- f. In violation of any intellectual property rights of the Company or any third party.

#### **4.3.15 - Responding to Negative Posts**

A Consultant is prohibited from conversing with others who place a negative post against them, other Consultants or the Company. The Consultant must report negative posts to Blen's Compliance Department at [compliance@blenusa.com](mailto:compliance@blenusa.com)

### **4.4 - Business Entities**

A corporation, limited liability company, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be a Blen Consultant by submitting a Consultant Application and Agreement along with a properly completed Business Entity Registration Form and a properly completed IRS Form W-9. The Business Entity, as well as all shareholders, members, managers, partners, trustees, or other parties with any ownership (legal or equitable) interest in, or management responsibilities for, the Business Entity (collectively "Affiliated Parties") are individually, jointly and severally liable for any indebtedness to Blen, compliance with the Blen Policies and Procedures, the Blen Consultant Agreement, and other obligations to Blen.

#### **4.4.1 - Addition or Removal of an Affiliated Party**

When adding an Affiliate Party to an existing Blen distributorship, the Company requires a signed written request as well as a properly completed Consultant Agreement containing the original Applicant's/Applicants' and new Affiliated Party's/Parties/ information, tax identification numbers



and signatures. The original documents (not copies) relating to addition or removal of an Affiliate Party must be submitted to Blen's Customer Service Department by mail or overnight courier to 5402 Dunsmore Springs Lane, Springs, Texas 77389.

To prevent the circumvention of Sections 4.26 (Sale, Transfer or Assignment of Blen Business) and 4.5, (Change of Sponsor), if any Affiliated Party wants to terminate his or her relationship with the Business Entity or Blen, the Affiliated Party must terminate his or her affiliation with the Business Entity, notify Blen in writing that he or she has terminated his/her affiliation with the Business Entity, and must comply with the provisions of Section 4.26 (Sale, Transfer or Assignment of Blen Business). When removing a co-applicant from an existing Blen account, the Company requires a written and notarized request from the departing Affiliated Party/Parties, as well as a properly completed Consultant Agreement containing only the remaining Affiliate Party's/Parties' federal tax identification number and signature(s). In addition, the Affiliated Party terminating his/her/its their interest in the Business Entity may not participate in any other Blen business for six consecutive calendar months in accordance with Section 4.5.3 (Termination and Re-application). If the Business Entity wishes to bring on any new Affiliated Party, it must adhere to the requirements of Section 4.26 (Sale, Transfer or Assignment of Blen Business).

The modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5 (Change of Sponsor), below. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed Consultant Application and Agreement.

The original documents (not copies) relating to addition or removal of an Affiliate Party must be submitted to Blen's Customer Service Department by mail or overnight courier to 5402 Dunsmore Springs Lane, Springs, Texas 77389. Blen may, at its discretion, require notarized documents before implementing any changes to an Blen business. Please allow thirty (30) days after the receipt of the request by Blen for processing.

#### **4.4.2 - Changes to a Business Entity**

Each Consultant must immediately notify Blen of all changes to type of business entity they utilize in operating their businesses and the addition or removal of business Affiliated Parties.

#### **4.5 - Change of Sponsor**

Blen strongly discourages changes in sponsorship. In order to protect all Sponsors, no Consultant may interfere with the relationship between another Consultant and his or her Sponsor in any way. A Consultant may not offer, entice, encourage, solicit, recruit, or otherwise influence or attempt to persuade another Consultant to change his or her Sponsor or line of sponsorship, either directly or indirectly. Accordingly, the transfer of a Blen business from one sponsor to another is rarely permitted. Requests for change of sponsorship must be submitted in writing to the Consultant Services Department, and must include the reason for the transfer. Transfers will only be considered in the following three circumstances:

##### **4.5.1 - Misplacement**

In cases in which the new Consultant is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor, a Consultant may request that he or she be transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within ninety

(90) days from the date of enrollment. The Consultant requesting the change has the burden of proving that he or she was placed beneath the incorrect sponsor. It is up to Blen's discretion whether the requested change will be implemented.

#### **4.5.2 - Upline Approval**

The Consultant seeking to transfer submits a properly completed and fully executed Sponsorship Transfer Form which includes the written approval of his or her immediate three (3) upline Consultants in his or her marketing organization. Photocopied or facsimile signatures are not acceptable. All Consultant signatures must be notarized. The Consultant who requests the transfer must submit a fee of \$25.00 for administrative charges and data processing. If the transferring Consultant also wants to move any of the Consultants in his or her marketing organization, each downline Consultant must also obtain a properly completed Sponsorship Transfer Form and return it to Blen with the \$25.00 change fee (i.e., the transferring Consultant and each Consultant in his or her marketing organization multiplied by \$25.00 is the cost to move a Blen business.) Downline Consultants will not be moved with the transferring Consultant unless all of the requirements of this paragraph are met. Transferring Consultants must allow thirty (30) days after the receipt of the Sponsorship Transfer Forms by Blen for processing and **verifying** change requests.

#### **4.5.3 - Termination and Re-application**

A Consultant may legitimately change organizations by voluntarily canceling his or her Blen business and remaining inactive (*i.e.*, no purchases of Blen products for resale, no sales of Blen products, no sponsoring, no attendance at any Blen functions, participation in any other form of Consultant activity, or operation of any other Blen business, no income from the Blen business) for six (6) full calendar months. Following the six month period of inactivity, the former Consultant may reapply under a new sponsor, however, the former Consultant's downline will remain in their original line of sponsorship. Blen will consider waiving the six month waiting period under exceptional circumstances. Such requests for waiver must be submitted to Blen in writing.

Any change in sponsorship in accordance with this Policy at any rank is limited to one time in the Consultant's life. Blen will not accept a Consultant Agreement for a Consultant wishing to change sponsors beyond the first sponsor change made in accordance with this Policy.

#### **4.5.4 - Waiver of Claims**

In cases in which the appropriate sponsorship change procedures have not been followed, and a downline organization has been developed in the second business developed by a Consultant, Blen reserves the sole and exclusive right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, **CONSULTANTS WAIVE ANY AND ALL CLAIMS AGAINST BLEN INTERNATIONAL, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM BLEN INTERNATIONAL'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.**

### **4.6 - Unauthorized Claims and Actions**

#### **4.6.1 - Indemnification**

A Consultant is fully responsible for all of his or her verbal and written statements made regarding Blen products and the Compensation Plan that are not expressly contained in official Blen materials.

This includes statements and representations made through all sources of communication media, whether person-to-person, in meetings, online, through Social Media, in print, or any other means of communication. Consultants agree to indemnify Blen and Blen's directors, officers, employees, and agents, and hold them harmless from all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by Blen as a result of the Consultant's unauthorized representations or actions. This provision shall survive the termination of the Consultant Agreement.

#### **4.6.2 - Product Claims**

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Blen may be made except those contained in official Blen literature. In particular, no Consultant may make any claim that Blen products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases or symptoms of diseases. Such statements can be perceived as drug claims, and they may lack adequate substantiation. Not only are such claims in violation of the Consultant Agreement, they also violate the laws and regulations of the United States and other jurisdictions.

#### **4.6.3 - Compensation Plan Claims**

When presenting or discussing the Blen Compensation Plan, you must make it clear to prospects that financial success with Blen requires commitment, effort, and sales skill. Conversely, you must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include:

- ❖ It's a turnkey system;
- ❖ The system will do the work for you;
- ❖ Just get in and your downline will build through spillover;
- ❖ Just join and I'll build your downline for you;
- ❖ The company does all the work for you;
- ❖ You don't have to sell anything; or
- ❖ All you have to do is buy your products every month.

The above are merely examples of improper representations about the Compensation Plan. It is important that you do not make these or any other representations that could lead a prospect to believe that they can be successful as a Blen Consultant without commitment, effort, and sales skill.

#### **4.6.4 - Income Claims**

Because Blen Consultants do not have the data necessary to comply with the legal requirements for making income claims, a Consultant, when presenting or discussing the Blen opportunity or Compensation Plan to a prospective Consultant, may not make income projections, income claims, or disclose his or her Blen income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records).

#### **4.7 - Repackaging and Re-labeling Prohibited**

Blen products must be sold in their original packaging. Consultants may not repackage, re-label, or alter the labels on Blen products. Tampering with labels/packaging could be a violation of federal and state laws, and may result in civil or criminal liability. Consultants may affix a personalized sticker with your personal/contact information to each product or product container, as long as you do so without removing existing labels or covering any text, graphics, or other material on the product label.

#### 4.8 - Commercial Outlets

Consultants may not sell Blen products from a commercial outlet, nor may Consultants display or sell Blen products or literature in any retail or service establishment. Online auction and/or sales facilitation websites, including but not limited to eBay and Craig's List constitute Commercial Outlets, and may not be used to sell Blen products.

#### 4.9 - Military Installations

The offer, promotion, or sale of the goods and services, or the offer and promotion of the Blen opportunity on a military installation is not a right – it is a privilege. Even if a Consultant *lives* on a military installation, he or she does not have the right to offer our products or opportunity to anyone on that installation without the permission of the installation Commander. For the purposes of the U.S. Navy personnel and Navy Regulations, the definition of an “installation” also includes U.S. Navy vessels.

Any Consultant who wants to offer, promote, or sell Blen products, or offer and promote the Blen opportunity (these activities will be collectively referred to as “commercial solicitation activities”) on a military installation must make an inquiry to the office of the installation Commander to determine whether the Commander has granted permission for Blen Consultants to engage in such activities on the installation. If the Commander has not done so, the Consultant must contact Blen's offices to ask the Company to obtain the Commander's permission. Consultants are prohibited from seeking such permission from any installation Commander. If obtained, the permission to engage in commercial solicitation activities on a military installation is granted only for one particular installation.

Any Consultant who intends to engage in commercial solicitation activities on a military installation must be aware of and become completely familiar with the applicable military Regulation or Instruction. There are many activities that are permissible in a civilian environment that are not permissible on a military installation. Some of these activities include, but are not limited to:

- ❖ Solicitation during enlistment or induction processing or during basic combat training, and within the first half of the one station unit training cycle.
- ❖ Solicitation of “mass,” “group,” or “captive” audiences.
- ❖ Making appointments with or soliciting military personnel during their normally-scheduled duty hours.
- ❖ Soliciting without an appointment in areas used for housing or processing transient personnel, or soliciting in barracks areas used as quarters.
- ❖ Use of official military identification cards or vehicle decals by active duty, retired, or reserve members of the military services to gain access to Army installations for the purpose of soliciting. (When entering the installation for the purpose of solicitation, Consultants with military identification cards and/or installation vehicle decals must present documentation issued by the installation authorizing solicitations.)
- ❖ Offering rebates to promote transaction or to eliminate competition.
- ❖ Any oral or written representations which suggest or appear that the military branch sponsors or endorses the Company or its Consultants, or the goods, services, and commodities offered for sale.
- ❖ The designation of any agent or the use by any agent of titles (for example, “Battalion Insurance Counselor,” “Unit Insurance Advisor,” “Servicemen's Group Life Insurance Conversion Consultant”) that in any manner states or implies any type of endorsement

from the U.S. Government, the Armed Forces, or any State or Federal agency or Government entity.

- ❖ Entry into any unauthorized or restricted area.
- ❖ Distribution of literature other than to the person being interviewed.
- ❖ Contacting military personnel by calling a Government telephone, faxing to a Government fax machine, or sending e-mail to a Government computer, unless a pre-existing relation (that is, the military member is a current client or requested to be contacted) exists between the parties and the military member has not asked for the contact to be terminated.
- ❖ Soliciting door to door or without an appointment.

The foregoing items are not an all-inclusive list. There are many more prohibited activities that are addressed in the applicable military Regulation or Instruction. The violation of military Regulations or Instructions by one Consultant could jeopardize the ability of all Blen Consultants to engage in commercial solicitation activities on a particular military installation or even the entire branch of the military involved (e.g., Army, Air Force, Navy, Marines, or Coast Guard).

#### **4.10 - Trade Shows, Expositions and Other Sales Forums**

Consultants may display and/or sell Blen products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Consultants must contact the Consultant Services department in writing for conditional approval, as Blen's policy is to authorize only one Blen business per event. Final approval will be granted to the first Consultant who submits an official advertisement of the event, a copy of the contract signed by both the Consultant and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Marketing and Sales Department. Blen further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products or the Blen opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image Blen wishes to portray.

#### **4.11 - Conflicts of Interest**

##### **4.11.1 - Crossline Recruiting**

Consultants are prohibited from crossline recruiting. The use of a spouse or relative's name, trade names, DBAs, assumed names, entities, federal identification numbers, or fictitious identification numbers, or any other device or contrivance to circumvent this policy is prohibited. A Consultant shall not demean, discredit, or defame other Blen Consultants in an attempt to entice another customer, Consultant or prospective Consultant to become part of his or her organization.

For the purposes of this Section 4.11.1, the term "crossline recruiting" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any way, either directly, indirectly, or through a third party, of another Blen Consultant or Customer to enroll, join, or otherwise participate in another Blen marketing organization, downline, or line of sponsorship other than the one in which he, she, or it originally enrolled.

##### **4.11.2 - Nonsolicitation**

Blen Consultants are free to participate in other direct selling, multilevel marketing, or network marketing entities, businesses, organizations, opportunities, or ventures (collectively referred to as a "network marketing business"). However, during the term of this Agreement, any renewal or extension

hereof, and for a period of one (1) year following the termination of a Consultant's Independent Consultant Agreement, with the exception of a Consultant who is personally sponsored by the Consultant (or former Consultant, as may be applicable), a Consultant (or former Consultant) may not recruit any Blen Consultant or Customer for another network marketing business. Consultants and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Consultants and Blen agree that this non-solicitation provision shall apply nationwide throughout the United States and to all international markets in which Consultants are located. This provision shall survive the termination or expiration of the Consultant Agreement.

For the purposes of this Section 4.11.2, the term "recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any way (either directly, indirectly, or through a third party) another Blen Consultant or Customer to: (1) enroll, join, or otherwise participate in another network marketing business; or (2) terminate or alter his or her business or contractual relationship with the Blen. The term "recruit" also includes the above activities in the event that the Consultant's actions are in response to an inquiry made by another Consultant or Customer.

#### **4.11.3 - Consultant Participation in Other Network Marketing Programs**

If a Consultant is engaged in other non-Blen network marketing business, it is the responsibility of the Consultant to ensure that his or her Blen business is operated entirely separate and apart from any other network marketing business. To this end, the following must be adhered to:

- ❖ Consultants must not sell, or attempt to sell, any competing non-Blen programs, products or services to Blen Customers or Consultants. Any program, product or services in the same generic categories as Blen or its products is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors. This provision does not apply where professional services are the primary source of revenues and the product sales are secondary to the provision of such services (e.g., physician's offices, health clinics, health clubs, gyms, spas or beauty salons). However, a Consultant may sell non-competing products or services to Blen Customers or Consultants who are personally-sponsored.
- ❖ Consultants shall not display Blen promotional material, sales aids or products with or in the same location as, any non-Blen promotional material or sales aids, products or services.
- ❖ Consultants shall not offer the Blen opportunity or Blen products to prospective or existing Customers or Consultants in conjunction with any non-Blen program, opportunity, product or service.
- ❖ Consultants may not offer any non-Blen opportunity, products, services or opportunity at any Blen-related meeting, seminar, convention, webinar, teleconference, or other function.

#### **4.11.4 - Confidential Information**

"Confidential Information" includes, but is not limited to, Downline Genealogy Reports, the identities of Blen customers and Consultants, contact information of Blen customers and Consultants, Consultants' personal and group sales volumes, Consultant rank and/or achievement levels, and other financial and business information. All Confidential Information (whether oral or in written or electronic

form) is proprietary information of Blen and constitutes a business trade secret belonging to Blen. Confidential Information is, or may be available, to Consultants in their respective back-offices. Consultant access to such Confidential Information is password protected, and is confidential and constitutes proprietary information and business trade secrets belonging to Blen. Such Confidential Information is provided to Consultants in strictest confidence and is made available to Consultants for the sole purpose of assisting Consultants in working with their respective downline organizations in the development of their Blen business. Consultants may not use the reports for any purpose other than for developing, managing, or operating their Blen business. Where a Consultant participates in other multi-level marketing ventures, he/she is not eligible to have access to Downline Genealogy Reports. Consultants should use the Confidential Information to assist, motivate, and train their downline Consultants. The Consultant and Blen agree that, but for this agreement of confidentiality and nondisclosure, Blen would not provide Confidential Information to the Consultant.

To protect the Confidential Information, Consultants shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- ❖ Directly or indirectly disclose any Confidential Information to any third party;
- ❖ Directly or indirectly disclose the password or other access code to his or her back-office;
- ❖ Use any Confidential Information to compete with Blen or for any purpose other than promoting his or her Blen business;
- ❖ Recruit or solicit any Consultant or Customer of Blen listed on any report or in the Consultant's back-office, or in any manner attempt to influence or induce any Consultant or Customer of Blen, to alter their business relationship with Blen; or
- ❖ Use or disclose to any person, partnership, association, corporation, or other entity any Confidential Information.

The obligation not to disclose Confidential Information shall survive cancellation or termination of the Agreement, and shall remain effective and binding irrespective of whether a Consultant's Agreement has been terminated, or whether the Consultant is or is not otherwise affiliated with the Blen. Upon nonrenewal or termination of the Agreement, Consultants must immediately discontinue all use of the Confidential Information and if requested by the Blen promptly return all materials in their possession to the Blen within five (5) business days of request at their own expense.

#### **4.12 - Targeting Other Direct Sellers**

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

#### **4.13 - Errors or Questions**

If a Consultant has questions about or believes any errors have been made regarding commissions, bonuses, genealogy lists, or charges, the Consultant must notify Blen in writing within 60 days of the date of the purported error or incident in question. Blen will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

#### **4.14 - Governmental Approval or Endorsement**

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

#### **4.15 - Holding Applications or Orders**

Consultants must not manipulate enrollments of new applicants and purchases of products. All Consultant Applications and Agreements, and product orders must be sent to Blen within 72 hours from the time they are signed by a Consultant or placed by a Customer, respectively.

#### **4.16 - Income Taxes**

Each Consultant is responsible for paying local, state, and federal taxes on any income generated as an Independent Consultant. Unfortunately, we cannot provide you with any personal tax advice. Please consult your own tax accountant, tax attorney, or other tax professional. If a Consultant's Blen business is tax exempt, the Federal tax identification number must be provided to Blen. Every year, Blen will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: (1) Had earnings of over \$600 in the previous calendar year; or (2) Made purchases during the previous calendar year in excess of \$5,000.

#### **4.17 - Independent Contractor Status**

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

#### **4.18 - Insurance**

You may wish to arrange insurance coverage for your business. Your homeowner's insurance policy does not cover business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present home owner's policy.

#### **4.19 - International Marketing**

Consultants are authorized to promote and/or sell Blen products and enroll Customers or Consultants only in the countries in which Blen is authorized to conduct business, as announced in official Company literature (an "Official Country"). Blen products or sales aids may not be given, transferred, distributed, shipped into or sold in any Unauthorized Country (see definition below). Consultants not may sell, give, transfer, or distribute Blen products or sales aids from one Official Country into another Official Country.

Consultants have no authority to take any steps in any country toward the introduction or furtherance of the Company. This includes, but is not limited to, any attempt to register,



reserve or otherwise secure any Company names, trademarks, trade names, copyright, patent, other intellectual property, to secure approval for products or business practices, or to establish business or governmental contacts. You agree to indemnify the Company for all costs incurred by it for any remedial action needed to exonerate the Company in the event you improperly act purportedly on behalf of the Company.

Only after the Company has announced that a country is officially open for business (an “Official Country”) may Consultants conduct business in that Official Country by promoting the Company (or related entity) and/or promoting, marketing or selling Products, and enrolling other Consultants or Customers. Consultants are required to follow all laws, rules and regulations of the Official Country. Consultant may use only promotional materials approved by the Company for use in an Official Country and sell only products approved for sale in that country.

In addition, no Consultant may, in any Unauthorized Country:

- advertise the Company, the Compensation Plan or its products;
- offer Company products for sale or distribution
- conduct sales, enrollment or training meetings;
- enroll or attempt to enroll potential Customers or Consultants;
- Accept payment for enrollment or recruitment from citizens of countries where Blen does not conduct business;
- promote international expansion via the Internet or in promotional literature; or
- conduct any other activity for the purpose of selling Blen products, establishing a marketing organization, or promoting the Blen opportunity.

A Consultant is solely responsible for compliance with all laws, tax requirements, immigration customs laws, rules and regulations of any country in which he or she conducts business. Consultants accept the sole responsibility to conduct their independent businesses lawfully within each country in which he or she conducts business.

A Consultant’s right to receive commissions in a country may be revoked at any time if the Company determines that he or she has not conducted business in particular country in accordance with the terms and conditions contained herein or the governing operations within such country.

The Company reserves the right to establish additional policies and procedures that are applicable to a specific country. A Consultant who conducts business internationally agrees to abide by all special policies established by the Company for the specific country or countries in which he or she conducts business.

#### **4.20 - Excess Inventory and Bonus Buying**

Consultants must never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other Consultant to buy more products than they can reasonably use or sell to retail customers in a month. In addition, bonus buying is strictly prohibited. Bonus buying includes any mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases

by end user consumers. Bonus buying includes, but is not limited to, purchasing products through a straw man or other artifice.

#### **4.21 - Adherence to Laws, Regulations and the Agreement**

Consultants must comply with all federal, state, and local laws, regulations, ordinances, codes, and the terms of the Agreement in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Consultants because of the nature of their business. However, Consultants must obey those laws that do apply to them. If a city or county official tells a Consultant that an ordinance applies to him or her, the Consultant shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of Blen. In addition, Consultants must not recommend, encourage or teach other Consultants to violate federal, state, or local laws, regulations, ordinances, codes, or the terms of the Agreement in the operation of their Blen business.

#### **4.22 - One Blen Business Per Consultant and Per Household**

A Consultant may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Blen business. No individual may have, operate or receive compensation from more than one Blen business.

Individuals of the same Household may maintain, own, and operate their own Blen Business. A "Household" is defined as spouses and dependent adult children living at or doing business at the same address. In the event that two members of the same Household elect to become Consultants at the same time, one must be enrolled by the other. In the event that more than two members of the same Household elect to become Consultants at the same time, they must elect one Household member to enroll the others. In the event that members of the same Household elect to become Consultants at different times, the Household member who joined Blen first must be the Sponsor for all other Household members.

#### **4.23 - Actions of Household Members or Affiliated Parties**

If any member of a Consultant's immediate household engages in any activity which, if performed by the Consultant, would violate any provision of the Agreement, such activity will be deemed a violation by the Consultant and Blen may take disciplinary action pursuant to the these Policies and Procedures against the Consultant. Similarly, if any individual associated in any way with a corporation, partnership, limited liability company, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and Blen may take disciplinary action against the Business Entity. Likewise, if a Consultant enrolls in Blen as a Business Entity, each Affiliated Party of the Business Entity shall be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

#### **4.24 - Requests for Records**

Any request from a Consultant for copies of invoices, applications, downline activity reports, or other records will require a fee of \$1.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

#### **4.25 - Roll-up of Marketing Organization**

When a vacancy occurs in a Marketing Organization due to the termination of a Blen business, each Consultant in the first level immediately below the terminated Consultant on the date of the termination will be moved to the first level ("front line") of the terminated Consultant's sponsor. For

example, if A sponsors B, and B sponsors C1, C2, and C3, if B terminates her business, C1, C2, and C3 will “roll-up” to A and become part of A’s first level.

#### **4.26 - Sale, Transfer or Assignment of Blen Business**

Although a Blen business is a privately owned and independently operated business, the sale, transfer or assignment of a Blen business, and the sale, transfer, or assignment of an interest in a Business Entity that owns or operates a Blen business, is subject to certain limitations. If a Consultant wishes to sell his or her Blen business, or interest in a Business Entity that owns or operates a Blen business, the following criteria must be met:

- ❖ The selling Consultant must offer Blen the right of first refusal to purchase the business on the same terms as agreed upon with a third-party buyer. Blen shall have fifteen days from the date of receipt of the written offer from the seller to exercise its right of first refusal.
- ❖ The buyer or transferee must become a qualified Blen Consultant. If the buyer is an active Blen Consultant, he or she must first terminate his or her Blen business and wait six calendar months before acquiring any interest in a different Blen business;
- ❖ Before the sale, transfer or assignment can be finalized and approved by Blen, any debt obligations the selling party has with Blen must be satisfied.
- ❖ The selling party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a Blen business.

Prior to selling an independent Blen business or Business Entity interest, the selling Consultant must notify Blen’s Compliance Department in writing and advise of his or her intent to sell his/her Blen business or Business Entity interest. The selling Consultant must also receive written approval from the Compliance Department before proceeding with the sale. No changes in line of sponsorship can result from the sale or transfer of a Blen business. In the event that a Consultant transfers, assigns, or sells his or her Blen business without the express written approval of the Compliance Department, such transfer, assignment, or sale shall be voidable in the sole and absolute discretion of Blen.

#### **4.27 - Separation of a Blen Business**

Blen Consultants sometimes operate their Blen businesses as husband-wife partnerships, regular partnerships, limited liability companies, corporations, trusts, or other Business Entities. At such time as a marriage may end in divorce or a corporation, limited liability company, partnership, trust or other Business Entity may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship.

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

- ❖ One of the parties may, with consent of the other(s), operate the Blen business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Blen to deal directly and solely with the other spouse or non-relinquishing shareholder, member, partner, or trustee.
- ❖ The parties may continue to operate the Blen business jointly on a “business-as-usual” basis, whereupon all compensation paid by Blen will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default

procedure if the parties do not agree on the format set forth above.

Under no circumstances will the downline organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Blen split commission and bonus checks between divorcing spouses or members of dissolving entities. Blen will recognize only one downline organization and will issue only one commission check per Blen business per commission cycle. Commission checks shall always be issued to the same individual or entity.

If a former spouse has completely relinquished all rights in the original Blen business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait one (1) full calendar month from the date of the final dissolution before re-enrolling as a Consultant. In either case, the former spouse or business affiliate shall have no rights to any Consultants in their former organization or to any former Customer. They must develop the new business in the same manner as would any other new Consultant.

#### **4.28 - Sponsoring Online**

When sponsoring a new Consultant through the online enrollment process, the sponsor may assist the new applicant in filling out the enrollment materials. ***However, the applicant must personally review and agree to the online application and agreement, Blen's Policies and Procedures, and the Blen Compensation Plan. The sponsor may not fill out the online Consultant Application and Agreement on behalf of the applicant and agree to these materials on behalf of the applicant.***

#### **4.29 - Succession**

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

- ❖ Execute a Consultant Agreement;
- ❖ Comply with terms and provisions of the Agreement;
- ❖ Meet all of the qualifications for the deceased Consultant's status;
- ❖ The devisee must provide Blen with an "address of record" to which all bonus and commission checks will be sent;
- ❖ If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification Number. Blen will issue all bonus and commission checks and one 1099 to the business entity.

##### **4.29.1 - Transfer Upon Death of a Consultant**

To effect a testamentary transfer of a Blen business, the executor of the estate must provide the following to Blen: (1) an original death certificate; (2) certified letters testamentary or a letter of administration appointing an executor; and (3) written instructions from the authorized executor to Blen specifying to whom the business and income should be transferred.

#### **4.29.2 - Transfer Upon Incapacitation of a Consultant**

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

#### **4.30 - Telemarketing Techniques**

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

Therefore, Consultants must not engage in telemarketing in the operation of their Blen businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Blen product or service, or to recruit them for the Blen opportunity. "Cold calls" made to prospective customers or Consultants that promote either Blen's products or the Blen opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Consultant (a "prospect") is permissible under the following situations:

- ❖ If the Consultant has an established business relationship with the prospect. An "established business relationship" is a relationship between a Consultant and a prospect based on the prospect's purchase, rental, or lease of goods or services from the Consultant, or a financial transaction between the prospect and the Consultant, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- ❖ The prospect's personal inquiry or application regarding a product or service offered by the Consultant, within the three (3) months immediately preceding the date of such a call.
- ❖ If the Consultant receives written and signed permission from the prospect authorizing the Consultant to call. The authorization must specify the telephone number(s) which the Consultant is authorized to call.
- ❖ You may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you engage in "card collecting" with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling "acquaintances," you must make such calls on an occasional basis only and not make this a routine practice.
- ❖ Consultants shall not use automatic telephone dialing systems or software relative to the operation of their Blen businesses.
- ❖ Consultants shall not place or initiate any outbound telephone call to any person who delivers any pre-recorded message (a "robocall") regarding or relating to the Blen products or opportunity.

#### **4.31 - Back Office Access**

Blen makes online back offices available to its Consultants. Back offices provide Consultants access to confidential and proprietary information that may be used solely and exclusively to promote the development of a Consultant's Blen business and to increase sales of Blen products. However, access to a back office is a privilege, and not a right. Blen reserves the right to deny Consultants' access to the back office at its sole discretion.

#### **4.32 - Unauthorized Communication**

In the excitement and enthusiasm of working his or her Blen business, a Consultant may attempt to contact the Company's vendors, suppliers, or advisors with questions or ideas. Any such communication without the Company's prior written consent is strictly prohibited. Vendors, suppliers, and advisors are often not set up to handle a large volume of contacts. Equally important, we must respect their rights to privacy. Questions regarding any of these Entities may be directed to Field Support.

# **SECTION 5 - RESPONSIBILITIES OF CONSULTANTS**

## **5.1 - Change of Address, Telephone, and E-Mail Addresses**

To ensure timely delivery of products, support materials, commission, and tax documents, it is important that the Blen's files are current. Street addresses are required for shipping since UPS and FedEx cannot deliver to a post office box. Consultants planning to change their e-mail address or move must send their new address and telephone numbers to Blen's Corporate Offices to the attention of the Consultant Services Department. To guarantee proper delivery, two weeks advance notice must be provided to Blen on all changes. In the alternative, a Consultant's whose contact information changes may amend their contact information through their Consultant Back Office.

## **5.2 - Continuing Development Obligations**

### **5.2.1 - Ongoing Training**

Any Consultant who sponsors another Consultant into Blen must perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her Blen business. Consultants must have ongoing contact and communication with the Consultants in their Downline Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Consultants to Blen meetings, training sessions, and other functions. Upline Consultants are also responsible to motivate and train new Consultants in Blen product knowledge, effective sales techniques, the Blen Compensation Plan, and compliance with Company Policies and Procedures and applicable laws. Communication with and the training of downline Consultants must not, however, violate Sections 4.1 and/or 4.2 (regarding the development of Consultant-produced sales aids and promotional materials).

Consultants should monitor the Consultants in their Downline Organizations to guard against downline Consultants making improper product or business claims, violation of the Policies and Procedures, or engaging in any illegal or inappropriate conduct.

### **5.2.2 - Increased Training Responsibilities**

As Consultants progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the Blen program. They will be called upon to share this knowledge with lesser experienced Consultants within their organization.

### **5.2.3 - Ongoing Sales Responsibilities**

Regardless of their level of achievement, Consultants have an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers.

## **5.3 - Nondisparagement**

Blen wants to provide its independent Consultants with the best products, compensation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to [office@blenusa.com](mailto:office@blenusa.com). Remember, to best serve you, we must hear from you! While Blen welcomes constructive input, negative comments and remarks made in the field by Consultants about the Company, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other Blen Consultants. For this reason, and to set the proper example for their downline, Consultants must not disparage, demean, or make negative remarks about

Blen, other Blen Consultants, Blen's products, the Marketing and Compensation plan, or Blen's directors, officers, or employees.

#### **5.4 - Providing Documentation to Applicants**

Consultants must provide the most current version of the Policies and Procedures and the Compensation Plan to individuals whom they are sponsoring to become Consultants before the applicant signs a Consultant Agreement, or ensure that they have online access to these materials.



# SECTION 6 - SALES REQUIREMENTS

## 6.1 - Product Sales

The Blen Compensation Plan is based on the sale of Blen products to end consumers. Consultants must fulfill personal and Downline Organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for Consultants to be eligible for commissions:

- ❖ Consultants must satisfy the Personal Volume and Team Sales Volume requirements to fulfill the requirements associated with their rank as specified in the Blen Compensation Plan. “Personal Sales Volume” includes purchases made by the Consultant and purchases made by the Consultant’s personal Customers. “Team Sales Volume” shall include the total Sales Volume of all Consultants in his or her marketing organization, including the Consultant’s Personal Sales Volume.
- ❖ At least 70% of a Consultant’s total monthly personal sales volume must be sold to personal retail customers.
- ❖ Consultants must develop or maintain at least five Customers.

## 6.2 - No Territory Restrictions

There are no exclusive territories granted to anyone.

## 6.3 - Sales Receipts

All Consultants must provide their retail customers with two copies of an official Blen sales receipt at the time of the sale. These receipts set forth the Customer Satisfaction Guarantee as well as any consumer protection rights afforded by federal or state law. Consultants must maintain all retail sales receipts for sales to their retail customers for a period of two years and furnish them to Blen at the Company’s request. Records documenting the purchases of Consultants’ Direct or Preferred Customers will be maintained by Blen.

***Remember that customers must receive two copies of the sales receipt. In addition, Consultants must orally inform the buyer of his or her cancellation rights.***

# **SECTION 7 - BONUSES AND COMMISSIONS**

## **7.1 - Bonus and Commission Qualifications and Accrual**

A Consultant must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as a Consultant complies with the terms of the Agreement, Blen shall pay commissions to such Consultant in accordance with the Marketing and Compensation plan. The minimum amount for which Blen will issue a commission is \$25.00. If a Consultant's bonuses and commissions do not equal or exceed \$25.00, the Company will accrue the commissions and bonuses until they total \$25.00. Payment will be issued once \$25.00 has been accrued. Notwithstanding the foregoing, all commissions owed a Consultant, regardless of the amount accrued, will be paid at the end of each fiscal year or upon the termination of a Consultant's business.

## **7.2 - Adjustment to Bonuses and Commissions**

### **7.2.1 - Adjustments for Returned Products**

Consultants receive bonuses, commissions, or overrides based on the actual sales of products to end consumers. When a product is returned to Blen for a refund or is repurchased by the Company, any of the following may occur at the Company's discretion: (1) the bonuses, commissions, or overrides attributable to the returned or repurchased product(s) will be deducted from payments to the Consultant and upline Consultants who received bonuses, commissions, or overrides on the sales of the refunded product(s), in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered; (2) the Consultant or upline Consultants who earned bonuses, commissions, or overrides based on the sale of the returned product(s) will have the corresponding points deducted from their Group Volume in the next month and all subsequent months until it is completely recovered; or (3) the bonuses, commissions, or overrides attributable to the returned or repurchased product(s) may be deducted from any refunds or credits to the Consultant who received the bonuses, commissions, or overrides on the sales of the refunded product(s).

### **7.2.2 - Hard Copy Commission Checks**

The Company pays commissions via direct deposit into Consultants' bank accounts or via direct payment onto a Company provided debit card. There is no charge for direct deposit. A Consultant may also request a hard-copy. The Company will deduct a \$5.00 processing fee from each hard-copy commission check issued.

### **7.2.3 - Tax Withholdings**

If a Consultant fails to provide his or her correct tax identification number, Blen will deduct the necessary withholdings from the Consultant's commission checks as required by law.

## **7.3 - Reports**

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

ALL PERSONAL AND GROUP SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND

WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, BLEN INTERNATIONAL AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY CONSULTANT OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND/OR GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF BLEN INTERNATIONAL OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, BLEN INTERNATIONAL OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

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

# **SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE**

## **8.1 - Product Guarantee**

Blen offers a 100% thirty (30) day money-back satisfaction guarantee (less shipping charges) to all Direct or Preferred Customers, retail customers, and Consultants. Products shipped directly to a Direct or Preferred Customer by the Company must be returned to the Company and the refund will be issued to the Direct or Preferred Customer by the Company. Products delivered to a retail customer by a Consultant must be returned to the selling Consultant, and it shall be the responsibility of the Consultant to issue the refund to his or her retail customer. Every Consultant is bound to honor the retail customer guarantee. If, for any reason, a retail customer is dissatisfied with any Blen product, the retail customer may return the unused portion of the product to the Consultant from whom it was purchased, within thirty (30) days, for a replacement, exchange or a full refund of the purchase price (less shipping costs). This product satisfaction guarantee does not apply to products damaged by abuse or misuse, and shipping costs are not refundable.

If a Consultant returns more than five hundred dollars (\$500.00) for a refund in any 12 consecutive month period, the request will constitute the Consultant's voluntary termination of his/her Consultant Agreement, and the refund will be processed as an inventory repurchase pursuant to Section 8.3, and the Consultant's Agreement will be terminated and his or her Blen business will be cancelled.

## **8.2 - Rescission**

### **8.2.1 - Retail Customers**

Federal and state law requires that a retail customer who makes a purchase of \$25.00 or more has three business days (excluding Sundays and legal holidays) (5 business days for Alaska residents and 15 business days in North Dakota for Individuals age 65 and older) after the sale or execution of a contract to cancel the order and receive a full refund consistent with the cancellation notice on the order form or sales receipt. When a Consultant makes a sale or takes an order from a retail customer who cancels or requests a refund within the three business day period, the Consultant must promptly refund the customer's money as long as the products are returned to the Consultant in substantially as good condition as when received (five business days for Alaska residents).

### **8.2.2 - Direct and Preferred Customers**

Consultants must notify their Direct and Preferred Customers that they have three business days (excluding Sundays and legal holidays) (5 business days for Alaska residents and 15 business days in North Dakota for Individuals age 65 and older) within which to cancel their purchase and receive a full refund upon return of the products in substantially as good condition as when they were delivered. Consultants should also notify their Direct Customers and Preferred Customers about these time limits at the time they enroll as a Direct Customer or Preferred Customer and place their first order. Products shipped directly to a Preferred or Direct Customer by the Company must be returned to the Company and the refund will be issued to the Customer by the Company. Direct and Preferred Customers may contact the Company for a "call tag" that will provide return shipping back to the Company at no cost to the Customer.

### **8.2.3 - Informing Customers**

Consultants **MUST** verbally inform their customers (retail, Direct, and Preferred) of this right of rescission, they **MUST** provide their retail customers with TWO copies of a retail receipt at the time of the sale, and **MUST** point out this cancellation right stated on the receipt. If a Customer places an order online, the Company will provide the Customer with the receipt. Consultants must ensure that the date of the order or purchase is entered on the Retail Sales Receipt. All retail customers must be provided with two copies of an official Blen Retail Sales Receipt at the time of the sale. The back of the receipt provides the customer with written notice of his or her rights to cancel the sales agreement.

### **8.3 - Return of Inventory and Sales Aids by Consultants Upon Termination**

Upon termination of a Consultant's Agreement, the Consultant may return Starter Kits, products, and sales aids that he or she personally purchased from Blen (purchases from other Consultants or third parties are not subject to refund) that are in Resalable (see Definition of "Resalable" below) condition and which have been purchased within one year prior to the date of termination. Upon receipt of a Resalable Starter Kit and/or Resalable products and sales aids, the Consultant will be reimbursed 90% of the net cost of the original purchase price(s). Neither shipping and handling charges incurred by a Consultant when the Starter Kit, products or sales aids were purchased, nor return shipping fees, will be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. If a Consultant was paid a commission, rebate, or any other form of compensation based on a product(s) that he or she purchased, and such product(s) is/are subsequently returned for a refund, the commission, rebate, or any other form of compensation that was paid based on that product purchase will be deducted from the amount of the refund.

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) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; (4) they are still in Blen's current inventory; (5) the expiration date(s) for any returned products has not passed; and (6) they are returned to Blen within one year from the date of purchase. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

### **8.4 - Procedures for All Returns**

The following procedures apply to all returns for refund, repurchase, or exchange:

- ❖ All items must be returned by the Consultant or customer who purchased it directly from Blen.
- ❖ All items to be returned must have a Return Authorization Number which is obtained by calling the Consultant Services Department. This Return Authorization Number must be written on each carton returned.
- ❖ The return is accompanied by:
  - The original packing slip with the completed (and signed Consumer Return information, if applicable);
  - The unused portion of the item(s) in its/their original container.
- ❖ Proper shipping carton(s) and packing materials are to be used in packaging the items(s) being returned, and the best and most economical means of shipping is suggested. All returns must be shipped to Blen shipping pre-paid. Blen does not accept shipping-collect packages. The risk of loss in shipping for returned items shall be on the Consultant. If the returned items are not received by the Company's Distribution Center, it is the responsibility of the Consultant to trace the shipment.

- ❖ If a Consultant is returning merchandise to Blen that was returned to him or her by a personal retail customer, the product must be received by Blen within ten (10) days from the date on which the retail customer returned the merchandise to the Consultant, and must be accompanied by the sales receipt the Consultant gave to the customer at the time of the sale.

**No refund or replacement of any items will be made if the conditions of these rules are not met.**

# SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

## 9.1 - Disciplinary Sanctions

Violation of the Agreement, these Policies and Procedures, violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by a Consultant that, in the sole discretion of the Company may damage its reputation or goodwill (such damaging act or omission need not be related to the Consultant's Blen business), may result, at Blen's discretion, in one or more of the following corrective measures:

- ❖ Issuance of a written warning or admonition;
- ❖ Requiring the Consultant to take immediate corrective measures;
- ❖ Imposition of a fine, which may be withheld from bonus and commission checks;
- ❖ Loss of rights to one or more bonus and commission checks;
- ❖ Blen may withhold from a Consultant all or part of the Consultant's bonuses and commissions during the period that Blen is investigating any conduct allegedly violative of the Agreement. If a Consultant's business is canceled for disciplinary reasons, the Consultant will not be entitled to recover any commissions withheld during the investigation period;
- ❖ Suspension of the individual's Consultant Agreement for one or more pay periods;
- ❖ Permanent or temporary loss of, or reduction in, the current and/or lifetime rank of a Consultant (which may subsequently be re-earned by the Consultant);
- ❖ Transfer or removal of some or all of a Consultant's downline Consultants from the offending Consultant's downline organization.
- ❖ Involuntary termination of the offender's Consultant Agreement;
- ❖ Suspension and/or termination of the offending Consultant's Blen website or website access;
- ❖ Any other measure expressly allowed within any provision of the Agreement or which Blen deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Consultant's policy violation or contractual breach;
- ❖ In situations deemed appropriate by Blen, the Company may institute legal proceedings for monetary and/or equitable relief.

## 9.2 - Grievances and Complaints

When a Consultant has a grievance or complaint with another Consultant regarding any practice or conduct in relationship to their respective Blen businesses, the complaining Consultant should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Consultant Services Department at the Company. The Consultant Services Department will review the facts and attempt to resolve it.

## 9.3 - Mediation

Prior to instituting an arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediation shall occur within 60 days from the date on which the mediator is appointed. The mediator's fees and costs, as well as

the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorneys' fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Spring, Texas, and shall last no more than two business days.

#### 9.4 - Arbitration

If mediation is unsuccessful, **any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration. The Parties waive all rights to trial by jury or to any court.** The arbitration shall be filed with, and administered by, the American Arbitration Association ("AAA") or JAMS Endispute ("JAMS") under their respective rules and procedures. The *Commercial Arbitration Rules and Mediation Procedures* of the AAA are available on the AAA's website at [www.adr.org](http://www.adr.org). The *Streamlined Arbitration Rules & Procedures* are available on the JAMS website at [www.jamsadr.com](http://www.jamsadr.com). Copies of AAA's *Commercial Arbitration Rules and Mediation Procedures* or JAM's *Streamlined Arbitration Rules & Procedures* will also be emailed to Consultants upon request to Blen's Legal Department at [legal@blenusa.com](mailto:legal@blenusa.com).

Notwithstanding the rules of the AAA or JAMS, the following shall apply to all Arbitration actions:

- ❖ The Federal Rules of Evidence shall apply in all cases;
- ❖ The Parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure;
- ❖ The Parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure;
- ❖ The arbitration shall occur within 180 days from the date on which the arbitrator is appointed, and shall last no more than five business days;
- ❖ The Parties shall be allotted equal time to present their respective cases, including cross-examinations.

All arbitration proceedings shall be held in Spring, Texas. There shall be one arbitrator selected from the panel that the Alternate Dispute Resolution service provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The arbitration shall occur within 180 days from the date on which the arbitration is filed, and shall last no more than five business days. The parties shall be allotted equal time to present their respective cases. The decision of the arbitrator shall be final and binding on the parties and may if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate shall survive the cancellation or termination of the Agreement.

The parties and the arbitrator shall maintain the confidentiality of the entire arbitration process and shall not disclose to any person not directly involved in the arbitration process:

- ❖ The substance of, or basis for, the controversy, dispute, or claim;
- ❖ The content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in arbitration;
- ❖ The terms or amount of any arbitration award;
- ❖ The rulings of the arbitrator on the procedural and/or substantive issues involved in the case.



Notwithstanding the foregoing, nothing in these Policies and Procedures shall prevent either party from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect its intellectual property rights, and/or to enforce its rights under the non-solicitation provision of the Agreement.

## **9.5 - Governing Law, Jurisdiction, and Venue**

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Harris County, State of Texas. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Texas shall govern all other matters relating to or arising from the Agreement.

### **9.5.1 - Louisiana Residents**

Notwithstanding the foregoing, and the arbitration provision in Section 9.4, residents of the State of Louisiana shall be entitled to bring an action against Blen in their home forum and pursuant to Louisiana law.

## **SECTION 10 - PAYMENTS**

### **10.1 - Insufficient Funds and Insufficient Credit**

All checks returned by a Consultant's bank for insufficient funds will be re-submitted for payment. A \$25.00 returned check fee will be charged to the account of the Consultant. After receiving a returned check from a customer or a Consultant, all future orders must be paid by Credit Card, money order or cashier's check. Any outstanding balance owed to Blen by a Consultant for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks. Blen is not obliged to contact you regarding orders that are canceled due to insufficient funds or credit. Consultants must be sure that there are sufficient funds or credit available to cover any orders they place.

### **10.2 - Restrictions on Third Party Use of Credit Cards and Bank Account Access**

A Consultant shall not permit other Consultants or Customers to use his or her credit card, or permit debits to his or her checking or savings account, to enroll in or to make purchases from the Company. A Consultant shall not use the credit card or debit card of a third party, or make debits to the checking or savings account of a third party, to enroll in or to make purchases from the Company.

### **10.3 - Sales Taxes**

Blen is required to charge sales taxes on all purchases made by Consultants and Customers, and remit the taxes charged to the respective states. Accordingly, Blen will collect and remit sales taxes on behalf of Consultants, based on the suggested retail price of the products, according to applicable tax rates in the state or province to which the shipment is destined. If a Consultant has submitted, and Blen has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the Consultant (unless the state in question does not accept a Sales Tax Exemption Certificate and Sales Tax Registration License from a direct selling independent contractor). Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by Blen is not retroactive.

# SECTION 11 - INACTIVITY, RECLASSIFICATION AND TERMINATION

## 11.1 - Effect of Termination

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

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

## 11.2 - Termination Due to Inactivity

If a Consultant fails to personally generate at least \$300 in Personal Sales Volume during any three (3) consecutive months, his or her Consultant Agreement shall be canceled for inactivity.

## 11.3 - Involuntary Termination

A Consultant's violation of any of the terms of the Agreement, including any amendments that may be made by Blen in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary termination of his or her Consultant Agreement. Termination shall be effective on the date on which written notice is mailed, emailed, faxed, or delivered to an express courier, to the Consultant's last known address, email address, or fax number, or to his/her attorney, or when the Consultant receives actual notice of termination, whichever occurs first.

Blen reserves the right to terminate all Consultant Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

## 11.4 - Voluntary Termination

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Termination must be submitted in writing to the Company at its principal business address. The written notice must include the Consultant's signature, printed name, address, and Consultant I.D.

Number. In addition to written termination, Consultants who have consented to Electronic Contracting will cancel their Consultant Agreement should they withdraw their consent to contract electronically.

## **11.5 - Exceptions to Activity Requirements**

### **11.5.1 - Maternity**

A pregnant Consultant shall be exempt from meeting her Personal Volume and Group Volume requirements for a period of six (6) months prior to and six (6) months following the birth of a child. The Consultant should notify the Consultant Services Department to request a Maternity Waiver Form.

### **11.5.2 - Military Deployment**

Military personnel shall be exempt from meeting their Personal Volume and Group Volume requirements for the duration of the deployment and six (6) full calendar months thereafter while deployed into a foreign country or a naval vessel. The Consultant should notify the Consultant Services Department to request a Deployment Waiver Form.

## SECTION 12 - DEFINITIONS

**Active Customer** — A Preferred or Direct Customer who purchases Blen products during a particular month.

**Active Consultant** — A Consultant who satisfies the minimum Personal Sales Volume requirements, as set forth in the Blen Compensation Plan, to ensure that he or she is eligible to receive bonuses and commissions.

**Active Rank** — The term “active rank” refers to the current rank of a Consultant, as determined by the Blen Compensation Plan, for a particular pay period. To be considered “active” relative to a particular rank, a Consultant must meet the criteria set forth in the Blen Compensation Plan for his or her respective rank. (*See the definition of “Rank” below.*)

**Affiliated Party** - A shareholder, member, partner, manager, trustee, or other parties with any ownership interest in, or management responsibilities for, a Business Entity.

**Agreement** - The contract between the Company and each Consultant includes the Consultant Application and Agreement Terms and Conditions, the Blen Policies and Procedures, the Blen Compensation Plan, and the Business Entity Addendum (where appropriate), all in their current form and as amended by Blen in its sole discretion. These documents are collectively referred to as the “Agreement.”

**Cancel** — The termination of a Consultant’s business. Termination may be either voluntary, involuntary, through non-renewal or inactivity.

**Downline** — Your downline (or downline organization) consists of the Consultants you personally enroll or sponsor (your first level Consultants), the Consultants that first level Consultants enroll or sponsor, as well as the Consultants that are subsequently enrolled or sponsored beneath them.

**Downline Leg** — Each one of the individuals personally enrolled immediately underneath you and their respective marketing organizations represents one “leg” in your marketing organization.

**Enroll** — The act of introducing a prospective Consultant to Blen and assisting them to execute a Consultant Application and Agreement and thereby become a Blen Consultant. (Also see the definition of “Sponsor.”) These activities are called “enrolling.”

**Enrolling Sponsor** - A Consultant who introduces the Blen opportunity to a prospective Customer or Consultant, enrolls this person as a Customer or Consultant into the Company, and is listed as the Enrolling Sponsor on the Customer Application and Agreement or the Consultant Application and Agreement (as appropriate).

**Group Volume** — The commissionable value of products purchased by the Customers and Consultants in the downline of a particular Consultant.

**Immediate Household** — Spouses, heads-of-household, and dependent family members residing in the same residence.

**Level** — The layers of downline Customers and Consultants in a particular Consultant's downline. This term refers to the relationship of a Consultant relative to a particular upline Consultant, determined by the number of Consultants between them who are related by sponsorship. For example, if A enrolls B, who enrolls C, who enrolls D, who enrolls E, then E is on A's fourth level.

**Official Blen Material** — Literature, audio or video tapes, websites, and other materials developed, printed, published and/or distributed by Blen to Consultants.

**Personal Volume** — The commissionable value of services and products purchased by: (1) a Consultant; (2) the Consultant's personally-enrolled Preferred or Direct Customers; and (3) the Consultant's personal Retail Customers who purchase from the Consultant's Blen replicated website.

**Rank** — The "title" that a Consultant holds pursuant to the Blen Compensation Plan. "Title Rank" refers to the highest rank a Consultant has achieved in the Blen compensation plan at any time. "Paid As" rank refers to the rank at which a Consultant is qualified to earn commissions and bonuses during the current pay period.

**Recruit** — For purposes of Blen's Conflict of Interest Policy (Section 4.11), the term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Blen Consultant or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

**Replicated Website** – A website provided by Blen to Consultants which utilizes website templates developed by Blen.

**Resalable** — 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) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) it is returned to Blen within one year from the date of purchase. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resaleable.

**Retail Customer** — An individual who purchases Blen products from or through a Consultant but who is neither a Consultant nor a Preferred/Direct/Auto-Ship Customer.

**Retail Sales** – Sales to a Retail Customer.

**Social Media** - Any type of online media that invites, expedites or permits conversation, comment, rating, and/or user generated content, as opposed to traditional media, which delivers content but does not allow readers/viewers/listeners to participate in the creation or development of content, or the comment or response to content. Examples of Social Media include, but are not limited to, blogs, chat rooms, Facebook, MySpace, Twitter, LinkedIn, Delicious, and YouTube.

**Sponsor** - A Consultant under whom a Consultant or Customer is currently placed (immediate upline). While a Consultant's sponsor may change over time due to a sponsor's deactivation, the enrolling sponsor will not change. It is possible that a Consultant's Enrolling Sponsor and Sponsor may be the same person.

Starter Kit — A selection of Blen training materials and business support literature, and Consultant replicated website that each new Independent Marketing Consultant is required to purchase.

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