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FTR Global reserves the right to modify the compensation plan without prior written notice  
FTR Global reserves the right to modify or change the compensation plan with a 30-day prior notice.

FTR Global does not guarantee any level of income to any Distributor. Earnings represented or implied are not typical and cannot be relied upon to represent one's personal results either for current or future earnings. Income, if any earned from the FTR Global Compensation Plan requires diligence and hard work in several areas including, but not limited to, leadership, recruiting, self-development and dedication. Each Distributor's results will depend on their own skills, abilities and personal efforts in exercising these qualities.

All of our FSE Products comply with all guidelines and regulations regarding minimal THC content for Hemp, and our Full Spectrum Extracts contains less than 0.3% of THC by volume, as required by Federal law. However, we recommend you check with your Doctor and/or Employer before using our FSE Products if you have concerns.

Statements about FTR Global products have not been evaluated by the Food and Drug Administration. These products are not intended to diagnose, treat, cure or prevent any disease.

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# 1. INTRODUCTION

## CODE OF ETHICS

FTR Global LLC (hereafter "FTR Global") is a values-based company that prides itself on the quality and character of its Distributors (hereinafter "Distributor"). The following guidelines help ensure a uniform standard of excellence throughout our organization. Every FTR Global Distributor is expected to practice the following ethical behavior when acting in the name of the company:

1. I will at all times conduct myself and my business in an ethical, moral, legal, respectful and financially sound manner.
2. I will not engage in activities that would bring disrepute to myself, FTR Global, any FTR Global corporate officer or employee, or other Distributors.
3. I will not make discouraging or disparaging claims toward other FTR Global Distributors. I will ensure that in all FTR Global business dealings I will refrain from engaging in negative language. I will refrain from making any type of slanderous statements.
4. I will provide support and encouragement to my Distributors to ensure that their experience with FTR Global is a successful one. I understand that it is important to provide follow-up service and support to my downline.
5. I will correctly represent all the bonus/compensation plans available through FTR Global and the income potential represented therein. I understand I may not use my own income as an indication of others' potential success or use compensation checks as marketing materials. I further understand that I may only disclose my FTR Global income to recruit a potential Distributor(s) after I have given a copy of the Income Disclosure Statement to the potential Distributor(s).
6. I will abide by all of FTR Global' Policies and Procedures now and as they may be amended in the future.

### 1.1 - POLICIES INCORPORATED INTO INDEPENDENT DISTRIBUTOR APPLICATION

These Policies and Procedures ("Policies"), in their present form and as amended from time to time, are incorporated into, and form an integral part of, the FTR Global Independent Distributor Application (hereafter "Independent Distributor Application"). The term "Agreement" collectively refers to the FTR Global Independent Distributor Application, the Policies, and the FTR Global Compensation Plan. These documents are incorporated by reference into the Independent Distributor Application (all in their current form and as amended by FTR Global). It is the responsibility of each Distributor to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies. When sponsoring a new Distributor, it is the responsibility of the sponsoring Distributor to provide the most current version of these Policies prior to the prospective Distributor's execution of the Independent Distributor Application. If there is any conflict between the Policies and Procedures, the Independent Distributor Application, and the Compensation Plan, the following order of precedence shall prevail:

- (a) the Policies and Procedures; then
- (b) the Independent Distributor Application; and then
- (c) the Compensation Plan.

### 1.2 - PURPOSE

The purpose of these Policies and Procedures are:

- To maintain order and integrity in FTR Global programs and between all Distributors;
- To define the relationship between FTR Global and its Distributors;
- To set standards of acceptable business behavior; and

- To assist Distributors in building and protecting their businesses.

If for any reason an Distributor violates any of the terms of the Independent Distributor Application and/or these Policies and Procedures, FTR Global reserves the right to immediately take corrective action, including but not limited to, suspending or terminating the Distributor position. Such action by FTR Global may terminate any and all rights of the Distributor including, but not limited to, the receipt of further payments of any kind and is effective at the time of said violation.

### 1.3 - CONFIDENTIALITY

All Distributors shall hold the business and affairs of FTR Global in strict confidence and shall not, during the term of the Independent Distributor Application or at any time thereafter, directly or indirectly disclose to any third party, or use for any purpose other than for the benefit of FTR Global, information which in the reasonable judgment of a person engaged in the industry would be considered to be confidential. Without limiting the generality of the foregoing, confidential information shall include information with respect to the identity of current or Prospective Customers, Distributors, information with respect to the pricing or timing of any contracts, information relating to existing or potential suppliers, markets, marketing plans, strategies, requirements, programs, concepts, ideas, products, apparatus, devices, materials, technology, know-how, data, processes, inventions, developments, formulations, compounds, applications, methods of manufacture as well as the similar confidential information of third parties that FTR Global has agreed to keep confidential.

### 1.4 - INCOME DISCLAIMER

In an effort to conduct best business practices, FTR Global has developed the Income Disclosure Statement (“IDS”). The FTR Global IDS is designed to convey truthful, timely, and comprehensive information regarding the income that FTR Global Distributors earn. A copy of the IDS must be presented to a prospective Distributor (someone who is not a party to a current FTR Global Independent Distributor Application) anytime the Compensation Plan is presented or discussed, or any type of income claim, or earnings representation is made. The terms “income claim” and/or “earnings representation” (collectively “income claim”) include: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non- average earnings” include, “Our number one Distributor earned over \$1 million last year” or “Our average ranking Distributor makes \$5,000 per month.” An example of a proper “statement of earnings ranges” is “The monthly income for our higher-ranking Distributors is \$10,000 on the low end to \$30,000 a month on the high end.” Copies of the Rep IDS may be downloaded and printed without charge from the company website [www.feelthereactionglobal.com/income-disclosure/](http://www.feelthereactionglobal.com/income-disclosure/).

### 1.5 - MISCELLANEOUS

**1.5.1 - Amendments** — Due to periodic changes in federal, state, and local laws, as well as the business environment, FTR Global may, at its sole discretion amend this Agreement. FTR Global will notify Distributors of any amendments via a posting on FTR Global’ website, in the Distributor’s e-mail distribution, publication in FTR Global’ newsletter, product inserts, or any other commercially reasonable method. Amendments shall be effective upon the date of the notification or the effective date indicated in the method of notification. The continuation of an Distributor’s FTR Global business or an Distributor’s acceptance of bonuses or commissions constitutes acceptance of any and all amendments. The ability to modify the agreement does not extend to the dispute resolution section in these Policies (Section 9), as those provisions can only be modified by way of mutual consent.

**1.5.2 - Delays** — FTR Global shall not be responsible for delays and/or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riots, wars, fires, floods, deaths, curtailments of a party’s source of supply, or government decrees or orders.

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

**1.5.4 - Waiver** — FTR Global requires full compliance with the Terms and Conditions of the Independent Distributor Application, the Policies and Procedures, and state and federal laws governing the conduct of a business. Failure of FTR Global to exercise any right or power under the Agreement or to insist upon strict compliance by an Distributor with any obligation or provision of the Agreement, or any variance of FTR Global’ customs or practices or terms of the Agreement, shall not constitute a waiver of FTR Global’ right to demand full compliance with the Agreement. Waiver by FTR Global can only be effectuated in writing by an authorized officer of the Company.

## 1.6 - CONTACT DETAILS

FTR Global, LLC  
631-300 Brawley School Road  
 Mooresville, NC 28117  
Phone: 888-80REACT  
Email: reactionftrglobal@gmail.com  
Fax: 888-80REACT  
Hours of operation: Monday – Friday 8:30am to 5:30pm EST

## 2. DISTRIBUTORS

### 2.1 - BECOMING A DISTRIBUTOR

**2.1.1 - Distributor Enrollment** — An individual must submit a complete Independent Distributor Application to register with FTR Global to receive commissions. An individual may enroll by sending a completed Independent Distributor Application by email to reactionftrglobal@gmail.com, by fax to 888-80REACT, or by submitting the Agreement online. If an individual enrolls online, FTR Global will accept an “electronic signature” whereby the individual agrees and accepts the terms and conditions of the Independent Distributor Application. An electronic signature constitutes a legally binding agreement between the Distributor and FTR Global. Faxed agreements must include both the front and back of the Independent Distributor Application as applicable.

**2.1.2 - Distributor Status** — When an individual(s) signs an Independent Distributor Application with FTR Global, the individual becomes a FTR Global Independent Distributor who is a self-employed, independent contractor. Distributors are responsible for paying their own self-employment taxes, federal income taxes and other taxes required by law. Distributors must obey any federal, state, and local laws, as well as Company rules and regulations pertaining to their independent FTR Global business or the acquisition, receipt, holding, selling, distributing, or advertising of FTR Global’ services or opportunity. Distributors are not an agent, employee, or in partnership with the Company. Distributors may not represent themselves as anything other than an Independent Distributor. Distributors have no authority to bind FTR Global to any obligation. Distributors may not answer the telephone by saying “FTR Global,” “FTR Global Incorporated,” or by any other manner that would lead the caller to believe that they have reached FTR Global’ Corporate offices. A Distributor may only represent that he/she is a FTR Global Independent Distributor. Therefore, all correspondence relating to, or in connection with, an Distributor’s FTR Global business must be in compliance with FTR Global guidelines. Business cards, all ReAction® branding, including but not limited to, merchandise, signage, and clothing must be obtained through FTR Global. All references to the Distributor shall contain the Distributor’s name followed by the term “Distributor.”

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

**2.1.4 - Residency and Age** — An individual applying to become a Distributor must live in the USA or a country in which FTR Global officially operates and must be eighteen (18) years of age or older, or the age of majority in the place of residency.

**2.1.4.1 - Social Security** — FTR Global requires a Social Security number of all Distributors for purposes of internal identification. Social Security numbers will be kept strictly confidential. FTR Global accepts Federal Tax Identification Numbers for individuals enrolling a business into a Distributor position; the individual will also be required to provide their Social Security number.

**2.1.4.2 - Fictitious Positions** — A Distributor must be a real person. Any attempt by a Distributor to falsify documents, or enroll as a fictitious person, or enroll a fictitious Distributor, or use a Social Security number which is fictitious, or does not belong to the party indicated is grounds for disciplinary action, which may include suspension or termination of the Distributor position.

**2.1.5 - Distributor ID#** — All Distributors are given a unique Distributor Identification Number that will be used to track all transactions and communication with FTR Global.

**2.1.6 - Distributor Benefits** — Once FTR Global accepts the Independent Distributor Application, the Distributor will have access to several benefits. Benefits include the following:

- A. Distributor pricing on FTR Global products;
- B. Ability to sell FTR Global products and services;
- C. Participation in the FTR Global Compensation Plan (receive bonuses and commissions, if eligible);
- D. Access to FTR Global literature, marketing materials, industry news, and other communications;

E. Participation in FTR Global-sponsored support service training, motivational and recognition functions; and

F. Participation in promotional and incentive contests and programs sponsored by FTR Global.

**2.1.7 - Enrollment Options and Renewal Fee** - A new Distributor may start with a Basic Enrollment or one of three (3) Enrollment Packs.

**2.1.8 - Basic Enrollment Kit**- provides the Distributor with all the necessary tools to build the FTR Global business, however, the Distributor is not eligible for commission or bonuses.

## 2.2 - OPERATING A DISTRIBUTOR POSITION

### 2.2.1 - Types of Distributor Entities —

A. Independent Distributor — A FTR Global Independent Distributor is someone who solely operates his or her own position.

B. Entity Enrollments — A corporation, limited liability company, formal partnership, limited partnership, or limited liability partnership (an "Entity") may apply for a Distributor position. In order to enroll, an individual must complete and submit the following documentation to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com):

- An Independent Distributor Application signed by the individual authorized to enter into binding agreements on behalf of the Entity;

- Relevant Entity registration documents (articles of incorporation, articles of organization, certificate of good standing, corporate FEIN or similar); and

- Any other Entity documentation which FTR Global may require.

The principal who submits the form must be authorized to enter binding contracts on behalf of the Entity. An Entity may not hold a Distributor position if any of its principals are currently or have been a Distributor or principal of another FTR Global Entity, with a Distributor status, within the twelve (12) calendar months preceding the execution of an Independent Distributor Application.

C. Married Couples and Domestic Partnerships<sup>1</sup> — A husband and wife, or domestic partnership may operate as Distributors jointly or separately, as follows:

Distributors who have separate organizations prior to marrying or forming a domestic partnership, may work together as a single Distributor position; however, one of the Distributors must forfeit their position and join the spouse's position. Married Distributors and/or partnerships who operate a position together shall be jointly liable, responsible and bound by any act or omission of either Distributor. Commission payouts made to one of the Distributors working a joint position will be considered payout to both Distributors. FTR Global will not mediate any disputes regarding commission payouts to Distributor operating a position jointly. Individuals that enroll as Distributors after marrying or forming a domestic partnership, may hold separate positions; however, the second Distributor to enroll must enroll in the other's downline. If it is established that a husband and wife, or domestic partnership are enrolled in separate sales organizations, the second position enrolled will be moved under the first position. Any downline built under the second position will not move. A Distributor who has a position in a separate organization before marrying or forming a domestic partnership, may maintain that position. This includes other relationships such as common law marriages and domestic partnerships.

**2.2.2 - Divorce** — In the situation of a divorce or separation, FTR Global shall treat the spouse whose name is on the Independent Distributor Application as the owner of the business. If the husband and wife, or partners were working a position jointly under a business name, FTR Global must receive notice, signed by both parties as to how the business is to be managed. Under no circumstances will FTR Global divide commissions, bonuses, recognition or other rewards, nor will FTR Global divide a downline organization between spouses. All requests regarding changes of names or Identification Numbers of the Distributor position must be submitted in writing to Distributor Support by sending an email to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). Both parties must agree. FTR Global reserves the right to verify all authorizations prior to making any changes. Otherwise, FTR Global will only recognize the individual whose Social Security number was originally listed on the Independent Distributor Application. FTR Global will only continue to service the Distributor who remains in our system.

Upon the entry of a final divorce decree or proof of separation, the former spouse may enroll under any sponsor of their choosing without waiting six (6) calendar months. A former spouse shall have no rights to any Distributors in their former organization or to any former Customer. They must develop the new business in the same manner as would any other new Distributor.

**2.2.3 - Family Members** — If a family member or partner residing in the same household as an existing Distributor, enrolls as a Distributor, the individual must enroll in the downline of the existing Distributor.

**2.2.4 - Number of Positions** — A Distributor may only own and operate one FTR Global Distributor account. An individual may not have, operate, or receive compensation from more than one FTR Global business. Individuals of the same family unit may each enter into, or have an interest in, their own separate FTR Global businesses, only if each subsequent family position is placed front line to the first family member enrolled. A "family" is defined as spouses and

dependent children living at or doing business at the same address.

### **2.2.5 - Sale, Transfer, or Assignment of a Distributor**

**Position**— Although a FTR Global business is a privately owned, independently operated business, the sale, transfer, or assignment of a FTR Global business is an option. Prior to selling a FTR Global business, the selling Distributor must notify FTR Global' Compliance department at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com) of their intent to sell the FTR Global business. No changes in line of sponsorship can result from the sale or transfer of a FTR Global business. A Distributor may not sell, transfer, or assign portions of their business—the position must be sold in its entirety. The following criteria must also be met:

- A. The Distributor selling or transferring their position must be an active Director (or higher) during the last ninety (90) days prior to the sale. The selling Distributor cannot enroll as a Distributor for a period of twelve (12) months after the date of the sale.
- B. The selling Distributor 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 FTR Global business.
- C. Before the sale, transfer, or assignment can be finalized and approved by FTR Global, any debt obligations the selling Distributor has with FTR Global must be satisfied.
- D. The buyer or transferee must become a qualified FTR Global Distributor. If the buyer is an active FTR Global Distributor, they must first terminate their FTR Global business and wait six (6) calendar months before acquiring any interest in the new FTR Global business;
- E. Any sale or transfer of a position is subject to approval by the upline Distributor and the FTR Global Compliance Department.
- F. The sale or transfer of a Distributor position cannot be advertised through online communities with classified advertisements; this includes all forms of social media, Craigslist, classified ads, ebay, SaleSpider, etc. Once the sale, transfer or assignment is approved, the Distributor must submit an email with the following to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com):

- Sale of FTR Global position form;
- New FTR Global Independent Distributor Application signed by the purchaser;
- Copy of the purchaser's Entity registration documents (if applicable per Section 2.2.1.2); and
- A \$100.00 transfer fee, payable to FTR Global. In the event of the passing of a Distributor their account can be willed to an individual or family member for (7) seven generations.

**2.2.6 - Change of Status** — An active Distributor may change status from an Independent Distributor position to an Entity status, provided there is no change of sponsoring/referring Distributor. A Distributor must request to change status and submit all of the following documents to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com):

- A Company Enrollment form;
- A new Independent Distributor Application form;
- Names and Social Security numbers of each Entity principal who will be involved in the Entity (individual partner, principal, stockholder, officer and director);
- Tax Payer Identification Number;
- Relevant Entity registration documents (articles of incorporation, articles of organization, certificate of good standing, corporate FEIN or similar); and
- Any other Entity documentation which FTR Global may require.

An Entity may change status from an Entity to an individual Distributor position, subject to review and approval by FTR Global Support. This can be requested by sending an email to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com).

**2.2.7 - Dissolution of a Business Entity** — A business entity such as a corporation, partnership, or trust (collectively "Entities") may dissolve. Arrangements must be made to assure that any separation or dissolution 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.

The following options are available:

- A. One of the parties may, with consent of the other(s), operate the FTR Global business pursuant to an assignment in writing whereby the relinquishing other members, shareholder, partners, or trustees authorize FTR Global to deal directly and solely with the non-relinquishing members, shareholders, partners, or trustees; or
- B. The parties may continue to operate the FTR Global business jointly on a "business-as-usual" basis, whereupon all compensation paid by FTR Global will be paid according to the status quo as it existed prior to the dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above. FTR Global will never move a party to a position from a Distributor account without that party's written permission and signature. Under no circumstances will the downline organization of a dissolving business entity be divided; or split commission and bonus checks between members of dissolving entities. FTR Global will recognize only one downline organization and will issue only one commission check per FTR Global business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion, as determined by FTR Global, the

Independent Distributor Application shall be involuntarily canceled. In the case of business entity dissolutions, the former members, shareholders, partners or trustees who retain no interest in the business must wait six (6) calendar months from the date of the final dissolution before re-enrolling as a Distributor. In either case, however, the former spouse or business affiliate shall have no rights to any Distributors in their former organization or to any former Customer. They must develop the new business in the same manner as would any other new Distributor. If the dissolved business entity fails to provide a solution in the best interest of other Distributors and FTR Global in a timely fashion, FTR Global will terminate the Independent Distributor Application.

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

- Provide a death certificate to the Compliance Department at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com);
- Execute a new Independent Distributor Application;
- Comply with terms and provisions of the Independent Distributor Application;
- Meet all the qualifications for the deceased Distributor's rank/status;
- Provide FTR Global with an "address of record" to which all bonus and commission checks will be sent. Bonus and commission checks of a FTR Global business transferred pursuant to this section will be paid in a single check jointly to the successor(s);
- Form a business entity and acquire a federal Taxpayer Identification Number, if the business is bequeathed to joint successors. FTR Global will issue all bonus and commission checks and one IRS Tax 1099 form to the business entity.

## 2.3 - DISTRIBUTOR RESPONSIBILITIES

**2.3.1 - Adherence to the FTR Global Compensation Plan** — Distributors must adhere to the terms of the FTR Global Compensation Plan as set forth in official FTR Global materials. Distributors shall not offer the FTR Global opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically stated in official FTR Global materials. Distributors shall not require or encourage other current or prospective Distributors or Customers to participate in FTR Global in any manner that varies from the program

as set forth in official FTR Global materials. Distributors shall not require nor encourage other current or prospective Distributors or Customers to execute any agreement or contract other than official FTR Global agreements and contracts in order to become a FTR Global Distributor. Similarly, Distributors shall not require nor encourage other current or prospective Distributors or Customers to make any purchase from, or payment to, any individual or other entity to participate in the FTR Global Compensation Plan other than those purchases or payments identified as recommended or required in official FTR Global materials.

**2.3.2 - Personal Information** — a Distributor is responsible for maintaining and reporting all their current contact details in the FTR Global database portal. FTR Global is not responsible for mail delays due to inaccurate and non-current residence information for a Distributor. Distributors must report any change of address in their FTR Global account. **2.3.3 - Sponsoring Distributor Responsibilities** —

A. Sponsoring — All Active Distributors in good standing have the right to sponsor and enroll others into FTR Global. Each prospective Customer or Distributor has the ultimate right to choose his or her own Sponsor. If two Distributors claim to be the Sponsor of the same new Distributor or Customer, FTR Global shall regard the first application received by FTR Global as controlling.

B. Initial Training — Any Distributor who sponsors a new Distributor into FTR Global must perform a bona fide assistance and training function to ensure that their downline is properly operating a FTR Global business. Distributors must provide the most current version of the Policies and Procedures, the Income Disclosure Statement, and Compensation Plan to individuals they are sponsoring to become Distributors before the applicant signs an Independent Distributor Application.

C. Ongoing Training Responsibilities — Distributors must monitor their downline Distributors to ensure that they do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, every Distributor should be able to provide documented evidence to FTR Global of their ongoing fulfillment of the responsibilities of a Sponsor.

**2.3.4 - Non-disparagement** — Distributors must not disparage, demean, or make negative remarks about FTR Global, other FTR Global Distributors, FTR Global' services, the Compensation plan, or FTR Global owners, board members, directors, officers, or employees. Such disparagement constitutes a material breach of these Policies and Procedures.

**2.3.5 - Reporting Policy Violations** — Distributors observing a policy violation by another Distributor should submit a

written report of the violation directly to the attention of the FTR Global Compliance department at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com), complete with all supporting evidence and pertinent information. It is important to understand that submitted information will be kept confidential.

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

**2.3.7 - Cancellation of a Distributor Position** — A Distributor may cancel their membership at any time and for any reason. A request to cancel must be submitted in writing to FTR Global at its principal business address, or via email to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). The written notice must include the Distributor's printed name, address, and appropriate identification number and must be sent from the email address we have on file for the Distributor (See Section 8 for details on the Effects of Cancellation). A Distributor whose Independent Distributor Application is canceled shall receive commissions and bonuses only for the last full pay period he or she worked prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation). A Distributor who cancels their Distributor membership within seven (7) days of enrollment may return unused products that are unopened and in resalable condition from the Sapphire, Ruby, or Emerald kits. A refund will be issued for the value of the Business Opportunity (\$24.99) and the value of unused and salable products. Please see Section 5.9 for details on FTR Global's Return/Refund Policy.

## 2.4 - PROHIBITED DISTRIBUTOR PRACTICES

**2.4.1 - Claims and Representations** — Distributors shall not make any statements or representations regarding FTR Global's services and/or products other than those provided in these Policies and Procedures and other printed material provided by FTR Global. Governmental and regulatory authorities do not endorse or approve network or multi-level marketing (MLM) companies, their products or services, or their compensation plan. Distributors shall not claim that any government or regulatory authority endorses or approves FTR Global, its products, or services to prospective Distributors or Customers. Prohibited claims include, but are not limited to the following:

A. **Income Claims** — Distributors shall not make a claim or inference as to what may be earned. Distributors achieve incomes and lifestyles across a wide spectrum. Examples featured in FTR Global marketing materials are not necessarily typical or average, nor do they represent a guarantee of an Distributor's personal results. Some examples are those individuals within the top 1% of all Distributors. As with any lifestyle opportunity, financial success with FTR Global depends largely on individual skills, motivation, effort, and market conditions.

B. **Medical and Health Claims** — A Distributor may not make claims that FTR Global products have therapeutic or curative properties except those contained in official FTR Global literature. In particular, a Distributor may not make any claim that FTR Global products are useful in the diagnosis, cure, treatment, mitigation, or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only would such claims breach the Independent Distributor Application, but they also would violate the federal and state laws and regulations of the jurisdictions in which FTR Global operates.

C. **Indemnification** — A Distributor is fully responsible for all of his/her verbal and/or written statements made regarding FTR Global services and the Compensation Plan, which are not expressly contained in official FTR Global materials. Distributors agree to indemnify FTR Global and hold it harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by FTR Global as a result of the Distributor's unauthorized representations or actions. This provision shall survive the cancellation of the Independent Distributor Application.

**2.4.2 - Personal Information** — To protect the integrity of all marketing organizations and safeguard the hard work of all Distributors, FTR Global strictly prohibits changes in sponsorship except for in extreme circumstances. If a Distributor feels a change in sponsorship is warranted, the request must be made by submitting a completed Sponsor Change Request Form within a seven (7) day period from the date of enrollment and must contain the signature of the current sponsor. Upon receipt, compliance will investigate fully.

**2.4.3 - Cross-group Sponsoring** — During the term of this Agreement, actual or attempted cross-group sponsoring is strictly



prohibited. “Cross-group sponsoring” is defined as the inducement, solicitation, enrollment, or effort to influence a Distributor to abandon a position under one sponsor in favor of a position under another sponsor. The use of a sponsor’s or relative’s name, trade names, DBAs, assumed names, corporations, partnerships, trusts, Federal Tax Identification Numbers or fictitious identification numbers to circumvent this policy is prohibited.

**2.4.3.1** - Distributors may not hold non-FTR Global related meetings with Distributors from another organization unless it is a meeting that has been authorized or organized by the Corporate office.

**2.4.3.2** - Distributors are strictly prohibited from meeting privately with cross-line Distributors without the presence of the common upline present, either in person or by telephone.

**2.4.4 - Non-solicitation** — Following the cancellation or termination of an Independent Distributor Application, whether voluntary or involuntary, and regardless of the reason for the cancellation or termination, it is strictly prohibited for the former Distributor to contact, solicit, or recruit any Distributor for any competing activities for a period of two (2) calendar years after the cancellation or termination of the Independent Distributor Application. Notwithstanding these prohibitions, this section does not apply to a family member that the former Distributor personally sponsored. Solicit means taking any direct or indirect action to entreat, entice, or persuade a FTR Global employee or Distributor to leave FTR Global and/or to join another organization, whether orally, in writing (including e-mail and text messages), or via social media (including Facebook, Twitter, LinkedIn, YouTube, Instagram, Internet blogs, etc.). FTR Global reserves the right to seek appropriate remedies against Distributors who engage in these activities including legal action where appropriate. Where there is reasonable proof that a Distributor is soliciting or recruiting another Distributor into another MLM opportunity, whom they did not sponsor, the offending Distributor’s account will be immediately suspended pending an investigation. If the investigation confirms the allegations, the offending Distributor will be immediately terminated from FTR Global. **2.4.5 - Sale of Competing Goods or Services** — During this agreement and for six (6) months thereafter, Distributors are prohibited from promoting a competing business opportunity, product, or service. A competing business opportunity, product, or service includes any direct selling, network, affiliate marketing, or business opportunities.

**2.4.6 - Co-mingling FTR Global with Another Enterprise, Product, or Activity** — Distributors are prohibited from mixing the FTR Global opportunity or products with another business opportunity, product, service, or activity. Distributors are strictly prohibited from using the FTR Global network to promote any type of business other than the FTR Global business.

**2.4.7 - Targeting Other Direct Sellers** — FTR Global operates with the highest level of integrity and expects its Distributors to conduct themselves accordingly. Should Distributors engage in solicitation and/or enticement of members of another direct sales company to sell or distribute FTR Global services, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Distributor alleging that they engaged in inappropriate recruiting activity of its sales force or Customers, FTR Global will not pay any of Distributor’s defense costs or legal fees, nor will FTR Global indemnify the Distributor for any judgment, award, or settlement.

**2.4.7.1 - Distributors from other Direct Selling or MLM Companies** — Individuals are free to enroll with FTR Global provided they do not have Legal Obligations or otherwise, which would prohibit them from joining as a FTR Global Independent Distributor. Distributors should honor and respect any Legal Obligations that they have with any other Direct Selling or MLM company with whom they may have previously been associated.

**2.4.8 - Bonus Buying** — Bonus buying is strictly prohibited. Bonus buying includes:

- A. The enrollment of individuals or entities without the knowledge of and/or execution of an Independent Distributor Application by such individuals or entities;
- B. The fraudulent enrollment of an individual or entity as a Distributor or Customer;
- C. The enrollment or attempted enrollment of non-existent individuals or entities as Distributors or Customers (“phantoms”);
- D. Purchasing FTR Global services on behalf of another Distributor or Customer, or under another Distributor’s or Customer’s ID number to qualify for commissions or bonuses; and/or
- E. “Gifting” new Distributors or Customers to another Distributor for the purpose of triggering bonuses;
- F. Any other mechanism or means 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. Such activity is unethical and unacceptable behavior which is a punishable violation subject to corrective action up to and including the termination of each Distributor position directly involved.

**2.4.9 - Stockpiling Prohibited** — The success of the Company depends on sales to the ultimate consumer and all forms of stockpiling is strictly prohibited including, but not limited to, purchases of products primarily for purposes of qualifying for additional compensation. FTR Global recognizes that Distributor may purchase products for the Distributor’s own use, however, FTR Global strictly prohibits the purchase of products in unreasonable amounts in an attempt to qualify for advancement in the Compensation Plan.

### 3. BONUS & COMMISSIONS

In order to qualify to receive commissions and bonuses, a Distributor must be active, in good standing, and comply with the terms of the Agreement and these Policies and Procedures. A Distributor will qualify to receive commissions and bonuses

based on the compensation plan requirements. A Distributor is not required to maintain a personal membership, or make product purchases in order to earn commissions, but may do so if desired for purposes of this section.

### 3.1 - COMMISSION & BONUS PAYOUT

Commissions and bonuses are paid on weekly and monthly basis, depending on the type of payment method instituted. Please refer to the FTR Global Compensation Plan in your FTR Global portal for details.

### 3.2 – Vehicle Bonus

In order to receive the full Vehicle Bonus for which the Distributor has qualified, the Distributor must send in a picture of themselves with their Reaction® decaled Vehicle, by the end of the 2nd month of qualification to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). If FTR Global does not receive a picture of the Distributor with their FTR Global decaled Vehicle quarterly, FTR Global will not pay the full Vehicle bonus for which the Distributor qualifies, however will pay one-half (½) of the normal payment.

### 3.3 - ERRORS OR QUESTIONS

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

### 3.4 - REPORTS

All information provided by FTR Global including, but not limited to personal sales volume (or any part thereof) and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors, including, but not limited to the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit cards, and reports provided in the Distributor's FTR Global portal may be delayed from time to time. FTR Global is committed to providing Distributors with accurate and reliable information so that a Distributor can successfully run their business. In the event a Distributor finds an error or experiences a delay in accessing timely information, the Distributor should contact Distributor Support via email to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com).

## 4. SALES & MARKETING

### 4.1 - PRE-APPROVED MARKETING TOOLS

FTR Global strives to provide our Distributors with the tools they need to market and promote their business effectively. FTR Global encourages Distributors to use the pre-approved marketing tools that are available in their FTR Global portal, found under "Resources." Distributors are also encouraged to use the tools in their FTR Global portal as their main marketing method. At times, Distributors request permission to create their own marketing tools and materials. For those occasions, we have created the following policies to protect both the FTR Global brand and trademarks, as well as ensure Distributors do not make claims that misrepresent FTR Global, the products, the business, and income potential.

### 4.2 - MARKETING & PROMOTIONAL ITEMS

Distributors are allowed to create personal marketing materials using the pre-approved marketing tools found in the FTR Global portal. Any marketing materials that are not pre-approved must include the words "FTR Global Independent Distributor" to make clear that the material belongs to the Distributor and not FTR Global. All independently created materials must be approved by the Compliance Department. Before disseminating, distributing, printing, etc. Distributors must submit a "proof" of the material they want to produce and submit to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). FTR Global is not responsible for any costs incurred by a Distributor if materials have already been produced and approval is denied. Apart from the pre-approved marketing tools available in the FTR Global portal, merchandise that can be purchased on FTR Global Shop. Distributors are prohibited from using FTR Global, ReAction®, Feel the ReAction!™ trade names and/or trademarks on promotional items including, but not limited to: apparel (t-shirts, hats, other clothing), promotional items (pens, decals, car window shields, etc.), advertising (TV, radio, Internet), print tools (flyers, postcards, banners, brochures, etc.), website domains, website systems (replicable websites, training, etc.), mobile applications and other forms of display that promote FTR Global, the products, or the opportunity.

### 4.3 - INDEPENDENT MARKETING MATERIALS OR SERVICES

The intent behind Distributor-produced materials should be to support the building of their FTR Global business. Distributors should not be in the business of soliciting other Distributors to buy independent products or services. Distributors may not sell independent products or services on FTR Global-promoted websites, at Company-sponsored events, on Facebook, Instagram, or other social media sites or community forums where the FTR Global community has a presence. This includes marketing services that target Distributors.

#### 4.4 - EDUCATIONAL MATERIALS

FTR Global marketing materials may not be duplicated or reproduced. This includes manuals, audio CDs, DVDs, brochures, business cards, websites, web videos, etc. Reproduction of unapproved Company developed materials for personal use or re-sale profit will not be tolerated and can result in termination and/or additional liability.

#### 4.5 - ADVERTISING & MEDIA

Advertising, including radio, TV, internet banner ads, and other types of marketing tools that mention FTR Global products or opportunity, must follow the requirements in Section 4.2.

**4.5.1 - Media Inquiries** — Distributors must not initiate any interaction with the media or attempt to respond to media inquiries regarding FTR Global, its services, or their Independent FTR Global business. All inquiries by any type of media must be immediately referred to FTR Global' Compliance department at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). This policy is designed to ensure that accurate and consistent information is provided to the public, as well as a proper public image. **4.5.2 - Media Advertising and Interviews** — Distributors may not hold an interview on radio, television, or other media without written approval from FTR Global. All requests to interview or advertise on the television, radio, or other types of media must be sent in writing to the Compliance Department at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com)

**4.5.3 - Advertising and Marketing Violations - Indemnification**— A Distributor who uses unapproved marketing materials assumes all liability for any claims that may violate FTC or FDA regulations. Distributors who violate this policy can also be held responsible for any potential revenue loss, legal fees or other Company losses that may result from their violation.

#### 4.6 - SOCIAL MEDIA

Social media is a large part of the FTR Global culture and Distributors may use social networking websites (Facebook, LinkedIn, Twitter, Instagram, blogs, forums, and other social shared interest sites) to share information about the FTR Global product, services, mission and business opportunity. Distributors must ensure that all social media pages, links, blogs, etc., are properly identified as being operated by a Distributor in order to avoid confusion that the page is a FTR Global site, or that it is FTR Global sponsored or endorsed. Distributors who participate in social media communities must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory, or vulgar content. The determination of what is inappropriate is at the sole discretion of FTR Global and offending Distributors will be subject to disciplinary action and/or termination. It is prohibited for Distributors to make medical or health claims on a social media page that is used to promote the Distributor's FTR Global business. In particular, a Distributor may not make any claim that FTR Global products are useful in the diagnosis, cure, treatment, mitigation, or prevention of any diseases. Such statements can be perceived as medical or drug claims. Further, Distributors must not share third party articles on their social media pages used to promote the Distributor's business, which make medical or health claims. Not only would such claims breach the terms and conditions of the Independent Distributor Application and these Policies, but they also would breach the laws and regulations of the jurisdictions in which FTR Global operates putting FTR Global at risk. This policy is strictly enforced, and Distributors are expected to immediately remove a non-compliant site at the request of FTR Global. Distributors that create private social media groups are strictly responsible for monitoring all postings made. The administrators of these groups will be held responsible for any inappropriate postings within a private or closed group. Distributors must submit an example of their social media page for review, in writing to the Compliance Department before their page is launched by sending an email to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). FTR Global is not responsible for any costs incurred by the Distributor for pages that must be corrected or edited upon the request by the Compliance Department.

#### 4.7 - WEB POLICY

If a Distributor desires to utilize an internet web page to promote his or her business, he/she may do so through the replicated website FTR Global offers or an approved independently created website.

**4.7.1 - General** — It is the Distributor's obligation to ensure that online marketing activities are truthful, are not deceptive and do not mislead Distributors or Customers in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, as determined by and at the sole discretion of FTR Global, are prohibited. This may include representation in any manner that you are an authorized representative for FTR Global, spam linking (or blog spam), unethical search engine optimization (SEO) tactics, misleading clickthrough ads (i.e. displaying the URL of a PPC campaign appearing to resolve to an official FTR Global Corporate Site when it goes elsewhere), unapproved banner ads,

and unauthorized press releases. FTR Global will be the sole determinant of truthfulness as to whether specific activities are misleading or deceptive.

**4.7.2- Domain Names, Email Addresses and Online Aliases**— Distributors cannot use or register domain names, email addresses, and/or online aliases that use FTR Global or FTR Global product names. FTR Global and its products are registered trademarks and unauthorized use is an infringement of our rights. Further, doing so could cause confusion, or may be misleading or deceptive, and leads individuals to believe or assume the communication is from or is the property of FTR Global. FTR Global, at its sole discretion, will decide what could cause confusion, mislead, or be considered deceptive. If you have a question whether your chosen name or address is acceptable, you may submit it in writing to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com) for review before using it. FTR Global is not responsible for any loss a Distributor may incur should FTR Global demand that the Distributor stop using any infringing information. Examples of the improper use include but are not limited to: [FTRGlobal@msn.com](mailto:FTRGlobal@msn.com); [www.FTRGlobalDirect.com](http://www.FTRGlobalDirect.com); [www.facebook.com/ReAction](http://www.facebook.com/ReAction) or derivatives as described herein.

**4.7.3 - Approved Distributor Websites** — The term “Distributor website” refers to the Distributor website offered by FTR Global or an approved external website that a Distributor creates (See Section 4.7.9 for details). The term “Social Media” website refers to any site that is not specifically prohibited within the policy and the terms and conditions of the Independent Distributor Application, such as Facebook.com, Instagram.com, Twitter.com, YouTube.com, personal blogs, or other personal websites.

**4.7.4 - Online Classifieds** — Distributors may not use online classifieds (including Craigslist) to list, sell, or promote specific FTR Global services. You may use online classifieds (including Craigslist) for prospecting, recruiting, sponsoring, and informing the public about the FTR Global opportunity provided you identify yourself as an independent representative of FTR Global, use approved images and versions of any trademarked logos, and do not use fraudulent or misleading product or income claims. If a link or URL is provided, it must link to the Distributor's website or your Social Media website. **4.7.5 - Online Retailing** — Approved Distributor websites are intended to provide the Distributors with the tools and means for generating leads, prospecting business, communicating with others, selling products and services, and otherwise advancing your FTR Global business. Distributors may not sell FTR Global services on any other online retail store or ecommerce site, nor may you enlist or knowingly allow a third party (Customer) to sell FTR Global products on any online retail store or ecommerce site including, but not limited to, Amazon, eBay, Alibaba, etc. Selling on auction sites and online ecommerce sites creates an unfair advantage to other Distributors. This is strictly forbidden and Distributors that violate this policy will be subject to corrective action including suspension of their account and termination of their FTR Global business. If a Distributor uses social media to promote FTR Global, the Distributor must provide approved FTR Global links to the Distributor's replicated website for sales and order processing. All online sales of FTR Global products must take place and be produced through the Distributor replicated website (or Corporate site).

**4.7.6 - Banner Advertising** — A Distributor may place banner advertisements on a website provided the Distributor uses FTR Global approved templates and images. All banner advertisements must link to the Distributor's website. A Distributor may not use blind ads or web pages that make non-compliant product or income claims that are ultimately associated with FTR Global products or the FTR Global business opportunity.

**4.7.7 - 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 prohibited. This includes blog spamming, blog comment spamming, and/or spamdexing. Any comments a Distributor makes on blogs, forums, guest books, etc., must be unique, informative, and relevant.

**4.7.8 - Sponsored Links / Pay-Per-Click (PPC) Ads** — Sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must be to your Distributor website. The display URL must also be to the Distributor's website and must not portray any URL that could lead the user to assume they are being led to a FTR Global Corporate site or be inappropriate or misleading in any way.

**4.7.9 - External Websites** — External websites are websites that a Distributor creates independently. Distributors may use external websites to promote your FTR Global business and the FTR Global opportunity. If a Distributor wishes to use an external website, the Distributor must submit a request to the Compliance department for approval at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). The request must include the website URL, name of the website, and examples of the non-FTR Global provided site pages before the website is launched. To be approved, it must follow the guidelines below:

1. Website must clearly identify the FTR Global Independent Distributor by name and Distributor ID.
2. Products cannot be sold under the MSRP; this includes offering specials or discounts which reduce the MSRP.
3. Use only approved images and wording authorized by FTR Global; and
4. Use approved branding, trademark, and images described in this document.

Distributors are solely responsible and liable for the website content, messaging, claims, and information found on their site and must ensure that the website appropriately represents and enhances the FTR Global brand. Distributor websites must not contain disingenuous pop-up ads, promotions, or malicious code. Distributors must modify the website to comply with current or future FTR Global policies at the request of the Compliance Department. Distributors that maintain

websites in violation of this policy are subject to corrective action. See Section 7 for detailed information on policy violations and corrective action.

**4.7.10 - Advertised Price** — Distributors must advertise all FTR Global products and services at the Manufactured Suggest Price (“MSP”) or above. Distributors may not offer special enticement advertising; this includes, but is not limited to, offers of free membership, by one get one, or other such offers that grant advantages beyond those available through FTR Global.

**4.7.11 - Generic Business Advertisements** — Distributors advertising the FTR Global opportunity via a newspaper or other advertising venues, must abide by the following rules:

A. Advertisements may not imply that the FTR Global opportunity is employment of any kind including, but not limited to salaried positions, management positions, hourly wages, full or part-time employment, or guaranteed incomes. The FTR Global opportunity is not a job and may not be presented as such. Terms such as “manager trainee,” “management positions available,” “travel provided,” “call for interview,” “positions available,” “now hiring,” and other misleading statements are prohibited;

B. Distributors may not imply or promote specific income and any references to compensation must use the word “commissions” to indicate the independent contractor status of Distributors.

C. Advertisements must clearly identify that the ad is for a FTR Global Independent Distributor and is not a corporate sponsored ad. Distributors must include their name and FTR Global Rep ID# in the ad. Any requests for variances from the above rules must be submitted to FTR Global and approved in writing prior to publication. FTR Global is not responsible for any costs incurred by the Distributor for publishing a non-compliant advertisement that must be removed if the Distributor did not obtain prior authorization. Please direct any inquiries to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com).

## 4.8 - RETAIL SALES

FTR Global has chosen a Direct Sales/Network Marketing model. Distributors are expected to rely on networking to sell product and recruit new Distributors pursuant to the following policies herein.

**4.8.1 - Public Retail Venue** — Distributors shall not advertise, store or sell FTR Global products in public retail establishments including, but not limited to health food stores, drug stores, pharmacies, grocery stores, flea markets, chain stores, shopping malls, or any other similar establishments in which the primary function is the retail sale of products rather than professional services. Sales are permitted in small, non-chain stores that are independently owned.

**4.8.2 - Private Retail Venue** — FTR Global promotional materials and products may be displayed in the interior of private or restricted access offices, business, private associations, fitness clubs, and other establishments into which the general public is not allowed except by appointment or membership and in which the primary trade is the sale of professional services, not products.

## 4.9 - TRADE SHOWS

Distributors may market the FTR Global opportunity and display and sell FTR Global products at trade shows. A Distributor must notify FTR Global of their participation in trades shows via the Trade Show Registration tool. A FTR Global Distributor may not represent any other companies or products at the trade show for which they are registered, whether or not the company competes with FTR Global. Distributors may display and distribute FTR Global produced marketing materials. Use of non-FTR Global marketing materials must be approved no later than three (3) weeks in advance of the trade show. It is strictly prohibited to use independently made marketing materials which have not been approved in advance. FTR Global Distributors can only register one (1) time for a given trade show. It is strictly prohibited to participate in a trade show under more than one name. This includes, but is not limited to, a spouse’s name, a business name, a business partner’s name, or otherwise. This is not only unethical and deceptive, but it dilutes the business opportunity for other FTR Global Distributors who may be participating in the same trade show. To register, visit [www.feelthereactionglobal.com/tradeshows](http://www.feelthereactionglobal.com/tradeshows). Trade shows are regulated and organized independently at the city, state, county, and state levels; therefore, it is impossible for FTR Global to know the requirements and limitations for each trade show. If the venue permits, there may be more than one FTR Global Distributor registered to participate in the same show. FTR Global Distributors are responsible for knowing the registration rules for the respective trade shows in which they plan to participate and determining whether it makes sense to do so. FTR Global does not oversee the registrations and will not intervene with double-booked shows unless there is a clear policy violation. In the event the Compliance department receives a complaint about an alleged policy violation, the Compliance team will investigate and take appropriate action, if needed.

# 5. PURCHASE & SALE OF PRODUCTS

A product purchase is required for an applicant to advance in the Compensation Plan. Distributors may purchase products at wholesale prices directly from FTR Global.

### 5.1 - INDEMNITY

Distributors are responsible for properly educating their customers and ensuring that they provide accurate information about FTR Global products. Each Distributor agrees to hold FTR Global harmless from any claims, damages, expenses, or liabilities arising out of his/her business practices, including attorney fees arising out of actions or conduct in violation of this Agreement.

### 5.2 - HEALTH INFORMATION DISCLAIMER

FTR Global products have not been evaluated by the Food and Drug Administration and are not intended to diagnose, treat, cure, or prevent any disease or medical conditions. The information on the FTR Global website, marketing materials, product labels or packaging is not intended as medical advice and should not substitute the advice from a healthcare professional. Distributors should consult with their physician or other healthcare provider if they have health related questions before using any of our products or relying on any information, they obtain from the FTR Global website. Distributors should discuss any medications or nutritional supplements they are using with a healthcare provider before using any new medications or supplements. Always review the labels, warnings, and directions included with FTR Global products before using or consuming the product and do not rely solely on the information shown on this website. Distributors are responsible for educating their customers with this information.

### 5.3 - PRODUCT ORDERS

Distributors and Customers can place orders through FTR Global online system or by calling Distributor Support at 888-80REACT. All orders submitted to FTR Global shall include the Independent Distributor's or the Customer's identification number issued by FTR Global so that FTR Global can ensure that we accurately process and ship the order. Failure to provide this information may result in shipping delays. Orders received after 3:00 PM ET will be shipped within three (3) business days. Orders will be processed as received; therefore, if a Distributor feels that they are having a delay on an order they should contact Distributor Support to check on a "delayed order" before submitting another order.

### 5.4 - PRODUCT PURCHASES FROM UPLINE

Independent Distributors may purchase products directly from FTR Global, their Sponsor or upline. However, FTR Global will not award volume nor pay out commissions to the Sponsor or Upline on any products sold directly to the downline purchaser.

### 5.5 - METHODS OF PAYMENT & DELIVERY

Purchases may be paid by credit or debit cards. FTR Global accepts Mastercard and Visa cards online and will accept American Express. Charges may include shipping & handling fee where applicable. In the event a credit card is declined, the Distributor will be contacted for an alternate form of payment and may be subject to an additional processing fee. Orders will not be shipped without prior payment.

All orders will be shipped within three (3) business days. If an item is temporarily not available ("TNA"), FTR Global will notify the Distributor or Customer. If an item(s) is TNA, the item(s) will be shipped as soon as available and usually within ten (10) days of the date the original order date. A Distributor may request FTR Global to cancel the order as long as the request is received prior to the shipment of the order. Cancellation requests should be sent to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). All FTR Global orders are shipped via UPS or USPS. Distributors who prefer expedited shipping must contact Distributor Support at 888-80REACT to place their order and request UPS 3-day, UPS 2-day, or UPS overnight as preferred shipping. Product specials and other variables may delay shipments.

### 5.6 - SHIPPING DELAYS/ERRONEOUS SHIPMENT/DELIVERY REFUSAL

**5.6.1 - Shipping Delays** — FTR Global tracks all shipments. In the event of a shipping a problem, Distributors should contact Distributor Support immediately at 888-80REACT.

**5.6.2 - Shipping Delays** — If a product is shipped in error by FTR Global, the unordered products may be returned at no cost, provided the Distributor or Customer takes the following steps:

- Distributor or Customer must notify FTR Global within five (5) days of receipt of the order by sending an email to Distributor Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com);
- Properly re-pack the products in the original box to prevent damage and enclose the shipping/packing slip before shipping the products back to FTR Global.

**5.6.3 - Delivery Refusal** — Neither a Distributor nor a Customer shall refuse any shipment from FTR Global unless the Distributor or Customer receives prior approval FTR Global. If a Distributor or Customer refuse to accept delivery

from FTR Global and the shipment is returned, the Distributor's status will be suspended pending resolution of the delivery refusal. Unaccepted delivery charges will be debited from the Distributor's account. If FTR Global determines that a valid reason exists for refusing shipment, the suspension will be removed from the Distributor's account.

**5.6.4 - Edibles** — Sales of FTR Global Edible Products are final and non-refundable due to the delicate handmade nature and high melting probability of the products.

**5.6.5 – Where we ship** - FTR Global offers shipping throughout the United States, provided it is permitted and legal to do so, and we ship to 150+ countries internationally. FTR Global offers shipments of products on a Not For Resale (NFR) basis in countries where FTR Global is not officially registered, provided it is permitted and legal to do so. Please contact [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com) for information on eligible States and Countries where we are actively shipping product. If you happen to live outside of the United States, please note that we cannot guarantee package delivery. **All international orders are done at the risk of the customer.** Packages that get held by Customs is at the responsibility of the Customer. FTR Global is not liable for Duties, Taxes, or other fees required for you to receive your package.

## 5.7 - PRODUCT PRICING

FTR Global products are subject to change without prior notice. The FTR Global Manufactured Suggested Price is the designated value of each FTR Global product. Distributors who purchase products at the wholesale price are expected to use the MSP when selling products for a retail profit. While FTR Global provides an MSP as a guideline, Distributors may sell the products at whatever price they and their Customers may agree upon, as long as the price is not below the Manufactured Suggested Price.

**5.7.1 - Preferred Pricing** — Preferred Customers receive discounted pricing when they enroll on Simple Ship to receive their products on a monthly basis. A Preferred Customer must personally opt in to the monthly Simple Ship program. Customers enjoy the convenience and efficiency of a monthly Simple Ship. Preferred Customer orders cannot be paid by or shipped to a FTR Global Independent Distributor for any reason. No exceptions will be made.

**5.7.2 - Invalid Simple Ship Orders** — Invalid orders are those sent in by a Distributor for a Customer that was unknowingly enrolled in Simple Ship, for qualification purposes. Submitting Preferred Customer orders without the Customer's consent is a serious policy violation. Such activity may be considered credit card fraud and/or forgery. FTR Global will investigate all Customer allegations of this kind. If upon investigation, the Compliance Department finds that a Distributor submitted a Preferred Customer order without the Customer's consent, the Distributor will be subject to disciplinary action, including termination.

## 5.8 - SALES TAX

To ensure compliance with the Sales and Use Tax requirement of each state, unless required otherwise by state law, FTR Global may, at its option, collect and remit all applicable sales and use taxes on products, promotional materials and services sold to Independent Distributors and retail Customers based on the MSP of the product. The applicable rate of tax due shall be based on the address to which the product and/or material are shipped. If a Distributor requests a tax-exempt purchase for products for resale (not for personal use), the Distributor shall provide FTR Global with a true and correct copy of a current resale certificate from the applicable state.

## 5.9 – REFUND/RETURN POLICY

FTR Global stands behind all of its product offerings and strives to ensure that every purchase is satisfactory. In the unlikely event that it is not, FTR Global will refund or replace your product according to the following:

**5.9.1 - Distributors** — FTR Global will issue a refund to a Distributor upon request made to FTR Global in writing within thirty (30) days of the purchase date. Distributors must obtain an approved Returned Merchandise Authorization (RMA) from Distributor Support and return the product in resalable condition. Qualified and eligible products shall receive a refund less a 20% restocking fee minus all shipping and handling charges associated with the order.

**5.9.2 - Customers** — If a customer purchases a product through an Distributor's FTR Global-replicated website, they may request a refund from Distributor Support. FTR Global will issue a refund to a customer after receiving a request in writing within thirty (30) days of the purchase date. Customers must obtain an approved Returned Merchandise Authorization (RMA) from Distributor Support and return the in resalable condition. Qualified and eligible products shall receive a refund less a 20% restocking fee minus all shipping and handling charges associated with the order. If the product was purchased directly from an Independent Distributor's private website or in person, the Customer must contact the Distributor for a refund. The Customer will need to return the product and original invoice to the Distributor, who will refund the product purchase price. Distributors are required to provide a refund to any Customer that has purchased product directly from an Distributor's personal stock according to the guidelines within the Policy.

**5.9.3 - Damaged Products/Shipments** — In the event a Distributor or Customer receives damaged product, or product that is in less than commercially reasonable condition, the Distributor or Customer must contact Distributor Support at 888-80REACT within five (5) calendar days of delivery of said products and submit photos of the damaged product to Distributor

Support at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). Distributor Support will determine, at its sole discretion if the damaged product claim is valid. FTR Global reserves the right to accept or refuse a damaged shipment claim. If FTR Global Support finds that the claim is valid, it will provide a shipping callback tag to the Distributor or Customer. The Distributor or Customer must return the products to FTR Global in the original packaging, along with the packing slip, within thirty (30) days of the date of the claim. The products will not be replaced if returned after thirty (30) days from the date the claim is made. If Distributor Support does not receive acceptable photos of the damaged product within five (5) calendar days, it will not provide a shipping callback tag. It is the responsibility of the Distributor or Customer to act within the time frame listed above. No exceptions will be made.

**5.9.4 - New Distributor Enrollment Packs** — FTR Global will issue a full refund for enrollment packs, less applicable fees, upon written request made to Distributor Support within three (3) business days of initial enrollment date. Requests should be sent to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). Distributor Support will provide a shipping callback tag to the Distributor. The complete enrollment pack must be returned to FTR Global within seven (7) calendar days of the issuance of the callback tag and must be in resalable condition. Only complete enrollment packs with all products in resalable condition are eligible for a refund. FTR Global will not refund partial enrollment packs. After three (3) business days from the date of enrollment, qualified enrollment packs may receive a refund for enrollment pack products only, less a 20% restocking fee and shipping and handling charges associated with their order. Refunds will not be issued after thirty (30) days.

**5.9.5 - Return Merchandise Authorization (RMA)** — In order to facilitate the return process, a Distributor or Customer must obtain an RMA number by contacting Distributor Support via email at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). The RMA number must be written on the outside of the shipping box. If a package is returned to FTR Global without an RMA number on the outside, the package will be refused and returned, and no refund will be issued. Products must be received by FTR Global within seven (7) calendar days after the issuance of the RMA, in full resalable condition, or no refund will be issued, and the option of refunding will be forfeited.

**5.9.6 - Bonus and Commission Attribution** — Any bonuses and commissions attributable to the refunded products and enrollment packs will be deducted from the Distributor who received bonuses or commissions on such sales (including customer orders). Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the commission is recovered. In the event FTR Global is unable to recover commissions from inactive Distributors, the other compensated upline Distributors may be subject to commission deductions. FTR Global has the exclusive right to determine any applicable deductions, within appropriate state and federal guidelines. In the case of enrollment fees, Distributors may cancel any time prior to midnight of the third business day, after the date of the initial enrollment (subject to various state requirements for cancellation). FTR Global will pay up to a maximum of 50% of business volume in any given pay period. In the event this maximum is reached, the company will implement an identical percentage deduction from all binary team bonuses in the given period to reach payout equal to 50% of BV. Distributor accounts that remain do not have a commissionable order for a period of six months will be converted to a customer status. FTR Global strictly prohibits bonus/rank buying, enforces the 70% rule, and reserves the right to refuse any order.

## 5.10 - THE 70% RULE

In order to qualify for commissions and bonuses, a Distributor must certify on the product order form that the Distributor sold at least 70% of all products previously purchased to a consumer that is not a Distributor or used at least 70% of all products. Distributors placing telephone orders to FTR Global are also required to comply with this rule and FTR Global may require Distributors to verify compliance with this rule. In its effort to support and enforce the retail sales 70% Rule, FTR Global will conduct random audits to verify compliance. FTR Global Corporate will contact Distributors to further verify compliance with the 70% Rule. Distributors should maintain records and be prepared to assist FTR Global representative in their task.

# 6. SIMPLE SHIP GUIDELINES

## 6.1 - DISTRIBUTORS ON SIMPLE SHIP

Distributors receive special discounts on compensation plan qualifications when maintaining an active Simple Ship profile.

- Simple Ship profiles must be established in the previous calendar month.
- Optional Simple Ship dates are the 1st through the 28th date of each month.
- In the event of a credit card decline, FTR Global will attempt to rerun the card two additional times over a three (3) day period. If the card still declines, then the Distributor must provide an alternative method of payment to Distributor Support at 888-8OREACT.
- Distributors have up until the 28th day of the calendar month in question to provide an alternative method of payment.



- After the 28th day of the month, payment on the current month Simple Ship profile is no longer optional and requirements must be met through personal volume.

## 6.2 - CUSTOMERS ON SIMPLE SHIP

Customers receive special discounted pricing when maintaining an active Simple Ship profile.

- Customers who desire to receive Preferred Customer status must place an initial product order at the retail price and elect to have their order placed on Simple Ship the following month
- Optional Simple Ship dates are the 1st through the 20th date of each month.
- Simple Ship contents may be modified month to month by contacting Distributor Support via email at [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com).
- In the event of a credit card decline, FTR Global will attempt to rerun the card two additional times over a three (3) day period. If the card still declines, then the Customer must provide an alternative method of payment to Distributor Support at 888-80REACT.
- After the 20th day of the month, payment on the current month Simple Ship profile is no longer optional and requirements must be met through personal volume.

# 7. DISPUTES, POLICY VIOLATIONS AND DISCIPLINARY ACTION

## 7.1 - DISPUTES BETWEEN DISTRIBUTORS

When a Distributor has a grievance or complaint with another Distributor regarding any practice or conduct in relationship to their respective FTR Global businesses, the Distributor should work with the other Distributor or their upline to resolve the matter. If the matter cannot be resolved between the Distributors with the help of their upline then the Distributor with the grievance or complaint should ask Compliance to intervene by sending an email to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com). The email should identify the issue with as much detail as possible; this includes, relevant names, dates, the location(s) where they occurred, and all persons who have firsthand knowledge of the improper conduct.

## 7.2 - COMPLIANCE DEPARTMENT REVIEW

Upon written request or receipt of a written complaint, the Compliance Department will investigate the matter, review the applicable policies and render a decision on how the dispute shall be resolved. During the investigation period, FTR Global may place the account of the Distributor under investigation on hold. Should FTR Global place a Distributor account on hold during the investigation and the investigation results show that the Distributor was not in violation of the Agreement, FTR Global will remove the hold and promptly pay the Distributor any commissions generated during the time the Distributor account was on hold. In the alternative, the Compliance Department shall take disciplinary action against the Distributor(s) in question, consistent with the provisions of Section 7.3.1.

## 7.3 - DISCIPLINARY ACTION

Pursuant to Section 7.2 or upon violation of any of the terms and conditions of the Agreement, Policies, or any illegal, fraudulent, deceptive, or unethical business conduct by and Distributor, may result at the sole discretion of FTR Global, in one or more of the following actions:

- A written warning for the misconduct, requiring the Distributor to take immediate corrective measures and advising that a continued breach will result in further action;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;
- Withholding from a Distributor all or part of the Distributor's bonuses and commissions during the period that FTR Global is investigating any conduct allegedly contrary to the Agreement, Policies or laws.
- Suspension of certain privileges of the Distributor position, including, but not limited to placing a product order, participating in FTR Global programs, progressing in the Compensation Plan, or participating as a Sponsor, for a specified period of time or until the Distributor satisfies certain specified conditions;
- Any other measure expressly allowed within any provision of the Agreement or which FTR Global deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Distributor's policy violation or contractual breach;
- Instituting legal proceedings for monetary and/or equitable relief. Each violation is reviewed on a case-by-case basis, and all disciplinary actions are at the sole discretion of FTR Global.
- Involuntary termination of the offender's Independent Distributor Application;

- If an Distributor's business is canceled for disciplinary reasons, the Distributor will not be entitled to recover any commissions withheld during the investigation period.

**7.3.1 - Account Suspension or Termination** — Suspended accounts are intended to prevent the individual from benefiting from the alleged misconduct by prohibiting the offending Distributor from registering referrals or receiving payments.

After a thorough investigation, if the incident is verified, but does not rise to the level of a terminable offense, FTR Global may, but is not obligated to, remove the hold. If the hold is removed, FTR Global will pay the Distributor commissions generated during the time the Distributor account was on hold. Termination of a Distributor position will result in the Distributor's loss of all rights to his/her recruited team and any bonuses and commissions generated thereby.

## 8. CANCELLATION OR TERMINATION OF AN ACCOUNT

### 8.1 - CANCELLATION OF A DISTRIBUTOR POSITION

A Distributor may cancel their membership at any time and for any reason. A request to cancel must be submitted in writing to FTR Global at its principal business address, or via email to Distributor Support. The written notice must include the Distributor's printed name, address, and appropriate identification number and must be sent from the email address we have on file. See Section 8.4 for details on the Effects of Cancellation. A Distributor whose Independent Distributor Application is canceled shall receive commissions and bonuses only for the last full pay period he or she worked prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

### 8.2 - TERMINATION OF A DISTRIBUTOR POSITION

A Distributor may be terminated by FTR Global as a result of violation of any of the terms and conditions of the Agreement, Policies, or any illegal, fraudulent, deceptive, or unethical business conduct by a Distributor. See Section 7.3 and 7.3.1 for details. A Distributor account that does not have personal volume for a period of six (6) months will automatically expire.

### 8.3 - NON-PAYMENT OF THE ANNUAL RENEWAL FEE

Distributors must pay an annual renewal fee which occurs on the anniversary of their join date. A Distributor membership will cancel for failure to pay the annual renewal fee. Distributors have a 60-day grace period from the anniversary date to bring their account into compliance for failure to pay the renewal fee.

### 8.4 - EFFECT OF CANCELLATION OR TERMINATION

Following an Distributor's voluntary cancellation or termination by FTR Global, such former Distributor shall have no right, title, claim, or interest to his or her downline or any bonus and/or commission from the sales generated by the them. Following an Distributor's voluntary cancellation, the former Distributor shall not hold himself or herself out as a Distributor, shall not have the right to sell FTR Global products or services, must remove any FTR Global sign from public view, and must discontinue using any other materials bearing any FTR Global logo, trademark, or service mark. The Distributor will receive commissions and bonuses only for the last full commissions one calendar week prior to his/her cancellation. A Distributor whose Agreement is terminated will receive commissions and bonuses only for the last full calendar week prior to termination. When a Distributor position is terminated, the Distributor will be notified by certified or electronic mail at the address on file with FTR Global. Termination is effective on the date on which written notice is sent to the Distributor's last known address and/or email address, or when the Distributor receives actual notice of termination, whichever occurs first. In the event of such termination, the Distributor must immediately cease representing himself/herself as a Distributor. The Distributor may appeal the termination to the FTR Global Compliance department. The Distributor's appeal must be in writing and must be received by the company within fifteen (15) calendar days of the date of FTR Global' termination letter. If FTR Global does not receive the appeal within the 15-day period, the termination will be final. The Distributor must submit all supporting documentation with his/her appeal correspondence. If the Distributor files a timely appeal of termination, the Compliance department will review and reconsider the termination, consider any other appropriate action, and notify the Distributor in writing of its decision. The decision of the Compliance department will be final. A Distributor who voluntarily cancels their membership or fails to pay the annual renewal fee which results in cancellation of the account, must sit out for six (6) calendar months to be eligible to re-enroll.

A Distributor whose account is canceled for failure to pay the annual renewal fee will lose rights to his/her downline organization unless the Distributor re-activates within 60 days following the expiration of the agreement. If the former Distributor re-activates within the 60-day time limit, the Distributor will resume the rank and position held immediately prior to the expiration of the Independent Distributor Application. However, said Distributor's paid-as level will not be restored unless he or she qualifies at that payout level in the new month. The Distributor is not eligible to receive commissions for the period of time that the Distributor's business was expired. Any Distributor whose agreement has expired and lapsed the 60-

day grace period is not eligible to reapply for a FTR Global business for twelve (12) calendar months following the expiration of the Independent Distributor Application. If a Distributor allows a period of six (6) months to pass with no personal volume, and the account is purged, the Distributor will lose all rights to his or her downline organization. A Distributor whose account is purged by FTR Global is not permitted to reapply for a FTR Global business for twelve (12) calendar months from their termination date. A Distributor whose Agreement is terminated for a terminable policy violation may reapply to become a Distributor, twelve (12) calendar months from the date of termination. Any such Distributor wishing to reapply must submit a letter to the FTR Global Compliance department setting forth the reasons why he/she believes FTR Global should allow him or her to operate a Distributor position. It is within FTR Global' sole discretion whether to permit such an individual to again operate a FTR Global business.

## 9. LEGALITY

### 9.1 - INDEMNITY

Each Distributor shall hold FTR Global harmless from any claims, damages, expenses or liabilities arising out of his/her business practices, including attorney fees arising out of actions or conduct in violation of this Agreement.

### 9.2 - PRIVACY & CONFIDENTIALITY

**9.2.1 - FTR Global Privacy Policy** — Information is collected on FTR Global websites by FTR Global. FTR Global is committed to protecting an individual's privacy and will use personal identifiable information responsibly. Please see click to view the [Privacy Policy](#) or login to your FTR Global portal for more information.

**9.2.2 - Information Collection and Use** — We may collect information from several different points on our website or the Distributor websites when you make a purchase from one of our Distributors or have other interactions where personal data is provided. Information includes, but is not limited to name, address, telephone number, and email address, as well as, demographic personal information such as income level, gender, and other personal information that may be provided by the Distributor on an optional basis. FTR Global is the owner of all information collected on its websites. We will not share or rent this personal information with or to anyone else in any way that is different from what is disclosed in the Privacy Policy.

### 9.3 - INTELLECTUAL PROPERTY

FTR Global does not allow the use of its trade names, trademarks, designs, or symbols outside of corporate produced and approved sales aids by any person, including FTR Global Distributors, without prior written authorization from FTR Global. Furthermore, Distributors may not use, publish, reproduce, advertise, sell, or display in any manner the name, picture or likeness, or voice of another Distributor without prior written consent from the named Distributor. This consent must be on file with FTR Global' Compliance department prior to any use. Questions about the approval process can be sent to [reactionftrglobal@gmail.com](mailto:reactionftrglobal@gmail.com).

### 9.4 - INTERNATIONAL SALES

Distributors may sell FTR Global products and promote the FTR Global opportunity or recruit or enroll any potential Distributor or Customer only in countries in which FTR Global is authorized to do business. Distributors are strictly forbidden from selling FTR Global products in another country. If a Distributor conducts business in a country other than the one in which they are a Distributor, he/ she shall be solely responsible for the consequences of selling products from one country to another and shall indemnify the Company for any adverse consequences. Distributors who choose to sponsor internationally may do so only in countries in which FTR Global is registered to operate its business and must comply fully with the FTR Global Rules of Operation in that country. Any violations of this policy constitute a material breach of the Agreement and Policies and is grounds for immediate corrective action or termination of the Distributor position.

### 9.5 - SPAM

FTR Global has a strict Anti-spam policy with which Distributors are required to comply. FTR Global strictly prohibits Distributors to send unsolicited emails unless such emails strictly comply with applicable laws and regulations, including without limitation, the federal CANSpam Act of 2003 which applies to emails, text messages and any other form of direct electronic messaging (e.g. direct messaging through social media). Messages that promote FTR Global or the Distributor are subject to this policy. FTR Global also considers spam to include a message that advertises goods or services posted to a message board, sent to someone without prior express consent, or sent in the absence of a previous relationship. Prohibited examples of spam include:

A. Email or text messages sent to people a Distributor doesn't know who have not provided their consent as set out above;  
B. Emails sent to people Distributors know, but who haven't provided their consent as set out above to receive a solicitation from a Distributor;  
C. Off-topic or excessive messages posted to Usenet news groups and message boards; and  
D. Solicitations posted to chat rooms, or individuals via Internet Relay Chat or "Instant Messaging." FTR Global strictly prohibits its Distributors from sending spam and all other forms of internet abuse to seek referrals. Any email sent by a Distributor that promotes FTR Global, or the FTR Global opportunity, or FTR Global services, must comply with the following:

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

## 9.6 - TELEMARKETING

Telemarketing is strictly prohibited. The Federal Trade Commission and 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 FTR Global does not consider Independent Distributors to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that an Distributor's inadvertent action of calling someone whose telephone number is listed on the federal "Do Not Call" registry could cause the Distributor to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties. Therefore, Distributors must not engage in telemarketing in the operation of their FTR Global business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of FTR Global products or service or to recruit them for the FTR Global opportunity. "Cold calls" made to prospective Distributors or Customers that promote either FTR Global products or services or the FTR Global opportunity constitute telemarketing and are prohibited. However, a telephone call placed to a prospective Customer or Distributor (a "prospect") is permissible under the following situations:

A. Where the party called is a family member, friend, or acquaintance of the telemarketer;  
B. A Distributor has an established business relationship with the prospect. An "established business relationship" is a relationship between and Distributor and a prospect based on the prospect's purchase of products from the Distributor within the eighteen (18) months immediately preceding the date of the telephone call to induce the prospect's purchase of a product; or, the prospect's personal inquiry or application regarding a product or service offered by the Distributor happens within the three (3) months immediately preceding the date of such a call; and  
C. If the Distributor receives written and signed permission from the prospect authorizing the Distributor to call. The authorization must specify the telephone number(s) which the Distributor is authorized to call.

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

## 9.7 - MEDIATION & ARBITRATION

All unresolved disputes and claims relating to FTR Global, the Compensation Plan, its products, services, the rights and obligations of its Distributors and FTR Global, or any other claim or cause of action relating to product purchase(s) or performance, either of a Distributor or of FTR Global under the Agreement, shall first be put before a mediator acceptable to both parties for resolution. Each party to the arbitration shall be responsible for their costs including legal, filing and attorney fees and expenses. Should mediation fail to resolve the dispute, it shall be settled by confidential arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. All arbitration proceedings shall be held in Mecklenburg County, North Carolina. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Distributors waive all rights to trial by jury or to any court. Each party to the arbitration shall be responsible for their own costs, including legal, filing, and attorney fees and expenses. This agreement to mediate and, failing

mediation, arbitrate, will survive any cancellation or expiration of the Agreement. Nothing in these Policies and Procedures shall prevent FTR Global from applying to and obtaining from any court having jurisdiction a writ of attachment, temporary injunction, preliminary injunction, permanent injunction, or other available relief to safeguard and protect the interest of FTR Global prior to, during, or following the filing of any arbitration or other proceeding, or pending the rendering of a decision or award in connection with any arbitration or other proceeding. The existence of any Distributor claims or cause of action against FTR Global does not preclude FTR Global from enforcing the Distributors covenants and agreements contained in the Agreement. No class action, or other representative action, or private attorney general action, or joinder, or consolidation of any claim with a claim of another person, or class of claimants is allowed.

## 9.8 - GOVERNING LAW, JURISDICTION & VENUE

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

## GLOSSARY

**ACTIVE-** To be considered an Active Distributor one must generate a minimum of 150 BV (Business Volume) Simple Ship within the calendar month.

**ACTIVE Distributor-** For purposes of this compensation plan, a Distributor is considered Active on a specific day if he/she has obtained at least 150 BV in the prior 30 days

**AGREEMENT-** The contract between the Company and each Distributor; includes the Distributor Agreement, the FTR Global Policies and Procedures, and the FTR Global Compensation Plan, all in their current form and as amended by FTR Global at its sole discretion. These documents are collectively referred to as the "Agreement."

**Distributor SUPPORT-** The team that assists Distributors with all aspects of their business and FTR Global products; assists Customers with their orders.

**BINARY COMMISSIONS-** For the purposes of this compensation plan, these are the payments Distributors receive for a minimum of 600BV on their strong leg and an equal 600BV on their lesser leg. A Distributor can increase commissions by achieving up to a maximum of 5000BV on their strong and lesser leg on a weekly basis per Business Development center (BDC)

**BONUS VOLUME-** See Business Volume

**(BDC) - BUSINESS DEVELOPMENT CENTER-** Your place of business in the computer system at FTR Global. You will receive your own FTR Global I.D. number followed by a three-digit extension. Example 1465432-001 the three-digit number is the number of each of your BDC's. The BDC (Business Development Center) is also the Bank for your BV.

**(BV) - BUSINESS VOLUME-** Refers to business volume generated from both Distributor and VIP customers in your downline. BV (Business Volume) can be placed in BDC's of individuals anywhere in your downline that you personally sponsored. All BV is what commissions are paid on.

**CANCEL-** The voluntary termination of the Distributor's Agreement. Cancellation may be either voluntary or through non-renewal. See cancellation policy for further explanation.

**COMMISSION CYCLE-** Weekly runs from Monday to Sunday. Monthly runs per Payout Calendar found in each Distributor's Back Office.

**COMPENSATION PLAN-** The guidelines and referenced literature for describing how Distributors can generate commissions and bonuses through our aggressive binary compensation plan.

**DIRECT SALES REFERRAL-**The Distributor to whom a Retail Sale is attributed to based on the referral name listed on an Order for Product.

**DOWNLINE-** This term refers to the Distributors below a particular Distributor in a sponsorship line down from the Company.

**FLUSH VOLUME-** Unpaid BV in an Distributors left or right leg that can accumulate for future Binary Commissions.

**GROSS RETAIL PROFIT-** The profit a Distributor receives from sales to their Retail Customers \*see Retail Profits definition below.

**LESSER LEG-** The total BV that accumulates in either an Distributors left or right leg whichever is lesser.

**LINE OF SPONSORSHIP- (LOS)** A report generated by FTR Global that provides critical data relating to the identities of Distributors, sales information, and enrollment activity of each Distributor's organization. This report contains confidential and trade secret information which is proprietary to FTR Global.

**MANAGEMENT BONUS-** A Distributor is paid this bonus when a personally enrolled Distributor completes a BV Commission cycle at the highest level of 5,000 BV both in their strong and lesser leg in the same week as the enrolling Distributor

**MLS FTR Global** is a (MLM)- (Multi-Level Marketing) system for selling goods or services through a network of distributors.

**OFFICIAL FTR Global MATERIAL-** Literature, audio or video tapes, and other materials developed, printed, published, and distributed by FTR Global to Distributors. **ORGANIZATION-** The VIP Customers and Distributors placed below in a downline of a particular Distributor.

**PERSONAL SALES ORGANIZATION-** As a Distributor these are all Distributors you have personally enrolled

**PERSONALLY ENROLLED-** Refers to someone you personally sponsored and signed up to be either a Distributor and/or VIP Member. You place them in your personal downline. They pay the \$24.99 annual fee along with purchasing their monthly Simple Ship.

**PLACEMENT-** Your position inside your Sponsor's organization.

**QUALIFIED Distributors-** To be a Qualified Distributor one must generate a minimum of 150 BV (business volume) within the calendar month. You must personally sponsor one Distributor and/or VIP Member on the RT leg and personally sponsor one Distributor and/or VIP Member on the LT leg generating their minimum personal business volume within the calendar month.

**RANK INCENTIVES-** Different bonuses are paid based on an Distributors rank

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

**RETAIL CUSTOMERS-** A Customer who purchases our industries leading FTR Global Full Spectrum Extract Products at Retail Prices and does not engage in building a business or selling the service. Distributors can earn the difference between the Distributor Price and Retail Price when selling to Retail Customers.

**RETAIL PROFITS-** We will pay our Distributors the difference between the Price paid by a Retail Customer and the published MLS Distributor Wholesale Price on all Direct Sales Referrals attributable to that Active Distributor on a monthly basis.

**REWARD RECOGNITION PROGRAM-** Based on an Distributors rank, different rewards are given within the compensation plan

**FTR Global INDEPENDENT Distributor (Distributor)-** An individual, who purchases product, generates sales and business building commissions.

**SPONSOR-** A Distributor who enrolls another Distributor or VIP Member into FTR Global and is listed as the Sponsor on the Distributor Agreement. The act of enrolling others and training them to become Distributors is called "sponsoring."

**STRONG LEG-** The total BV that accumulates in either an Distributors left or right leg whichever is greater

**TERMINATION-** The involuntary cancellation of the Distributor's Agreement as a result of a violation of any of the terms and conditions of the Distributor Agreement, Policies & Procedures, or any illegal, fraudulent, deceptive, or unethical business conduct by a Distributor.

**UPLINE-** This term refers to the Distributor or Distributors above a particular Distributor in the Sponsorship line of the Company. It is the line of Sponsors that links any particular Distributor to the Company.

**VIP MEMBERS-** Pay on a monthly Simple Ship Program and receive VIP Pricing which is up to 15% off. Also, they will have an opportunity to earn FREE Products for referring others. See the FTR Global FREE with "3" Bonus Program.