

Policies and Procedures

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SECTION 1 INTRODUCTION

1.1 Understanding our Policies, Compensation Plan, and Independent Ambassador Agreement

Welcome to the Boisset Collection! We are thrilled to have you as part of our community of Independent Ambassadors. As an Ambassador, you can CULTIVATE a business in the world of wine, CURATE incredible wines as a personal concierge, and CELEBRATE your achievements with perks and rewards. These Policies and Procedures ("P&Ps") were designed as a guide to the operation of your Ambassador business and ensure that there is a fair playing field for all Ambassadors. These Policies and Procedures ("P&Ps"), in their present and future forms, may be amended by Boisset Collection (hereafter "Boisset Collection" or the "Company") from time to time; they are incorporated into and form a material part of the Boisset Collection Independent Ambassador Agreement ("Ambassador Agreement"). It is the responsibility of each Independent Ambassador ("Ambassador") to read, understand, adhere to, and ensure full compliance with the most current version of these Policies and Procedures. Throughout this document, when the term "Agreement" is used, it collectively refers to the Ambassador Agreement, these Policies and Procedures, and the Boisset Collection Ambassador Compensation Plan ("Compensation Plan"). These documents are incorporated by reference into the Ambassador Agreement (all in their current form and such as may be amended by Boisset Collection).

1.2 Changes to the Agreement

Boisset Collection reserves the right to amend or modify the Agreement, including these Policies and Procedures, the Compensation Plan, and its prices, at its sole and absolute discretion. By executing the Ambassador Agreement, an Ambassador agrees to abide by all amendments or modifications that Boisset Collection elects to make. Substantive amendments or modifications shall be effective thirty (30) days after publication of notice of any amendments or modifications. Amendments or modifications shall not apply retroactively to conduct or occurrences prior to the effective date of the amendment. Notification of amendments shall be published by one or more of the following methods: posting in the Ambassadors Back Office Portal and/or in the Ambassador Weekly Buzz email, or via other email communications. The continuation of an Ambassador's business, the acceptance of any benefits under the Agreement, or an Ambassador's acceptance of bonuses or commissions constitutes acceptance of all amendments.

SECTION 2 ENROLLING AS AN AMBASSADOR

2.1 Basic Requirements to Become an Ambassador

To become an Ambassador, your application must be completed and accepted by the company. Each applicant must::

- Be at least 21 years of age.
- Have no prior DUI's in past 5 years.
- No prior felony convictions.
- Be a permanent resident of the United States.
- Have a valid Social Security number or Federal Taxpayer Identification number.
- Enroll and maintain membership to the company's Cellar Suite technology business platform.
- Complete the online enrollment and agree to the Ambassador terms.
- Have a valid email address that does not include Boisset trademarks in the handle.
- Have a valid credit card.
- Activate and manage your Boisset Pay portal to receive commissions and 1099 tax.
- Submit a minimum 1,000 PV in a calendar year, starting the first full calendar after joining.
- Agree to protect and use company assets with care, and in accordance with these policies.

Boisset reserves the right to reject any new enrollee for any reason.

Any proprietorship doing business under an assumed name (DBA) must also submit a copy of its certificate of DBA. A business entity (i.e., a corporation, limited liability company (LLC), partnership, or trust) applying to become an Ambassador must submit a copy of their corporate resolution along with a Business Entity Registration Form and comply with the requirements of Section 3.6.

2.2 Independent Contractor Status

Ambassadors are self-employed, non-exclusive independent contractors who promote Boisset wines to their personal networks in person and online in accordance with federal and state alcohol guidelines and Boisset Collection policies. Ambassadors earn commissions on orders accepted and approved by the company via online transactions through their unique my.boissetcollection.com/xxxxxx website which are managed and controlled by the company. Ambassadors are not, and shall not represent themselves to be, employees,

agents, or representatives of Boisset Collection or purchasers of a franchise or a business. The Ambassador Agreement does not create an employer/employee relationship, agency, partnership, or joint venture between Boisset Collection and such Ambassadors. Ambassadors shall not be treated as employees of Boisset Collection for any purpose including, without limitation, for federal, state, or local tax purposes. Ambassadors have no authority (expressed or implied), and shall not represent that they have any authority, to bind Boisset Collection to any obligation. Ambassadors shall establish their own goals and hours and are solely responsible for all decisions made within the policy framework and are responsible for all costs incurred with respect to their Boisset Collection Ambassadorship. All Ambassadors assume all entrepreneurial and business risk in connection with their Independent Ambassadorship business.

2.3 Ambassador Benefits

Once a new Ambassador has enrolled and agreed to the Ambassador Agreement, the benefits of the Compensation Plan and the Ambassador Agreement are available to the new Ambassador. These benefits include the ability of the Ambassador to:

- Receive twice monthly commission payments from the Company for orders placed through their my.boissetcollection.com website as outlined in the published Compensation Plan.
- Build a team and progress through the Compensation Plan.
- Personalize and/or change their unique website URL, which is a subdomain of my.boissetcollection.com.
- Have a limited right to use the Boisset Collection Independent Ambassador logo and order business cards
- Participate in Boisset Collection promotional and incentive contests for Ambassadors.
- Participate in Ambassador events.
- Promote their website and announce their Boisset Independent Ambassador business

2.4 Term and Renewal of the Ambassador Agreement

The term of the Ambassador Agreement is one (1) year from the date of its acceptance by Boisset Collection. The agreement automatically renews if the Ambassador continues to meet the minimum of 1000PV in their first full calendar year, and maintains a paid subscription to the Cellar Suite platform (see section 3.3 for subscription dues). Terminations from the program will be effective January 1st for the previous year if the 1000PV is not met by December 31st of the calendar year at the discretion of the company.

SECTION 3 GENERAL GUIDELINES

All Independent Ambassadors must understand the strict guidelines Boisset Collection and their Ambassadors must abide by in each state they will be promoting Boisset wines. Direct shipping permits are issued to wineries that meet the state's individual requirements of compliance, label registration and reporting annually. Permits are the sole responsibility of Boisset Collection however Independent Ambassadors must know the rules and volume limitations by state. Boisset uses compliance software to manage every approved wine transactions and submits all required sales and tax reporting to each individual state. Because rules and permits change annually, Ambassadors must review currently approved direct shipping states regularly which can be found online <u>https://my.boissetcollection.com/states-operation</u>.

3.1 General Guidelines

Ambassadors CAN:

- Host small private, in-home or private wine tastings where there is a closed guest list, is not promoted to the general public, or involve ticket or entrance fee. Responsible pouring and alcohol consumption must be followed.
- Market the wines and merchandise offered in the Boisset Ambassador program to wine consumers in the "Shop" section of the Ambassador website in the states of operation.
- Facilitate customer order requests through their unique Boisset Collection url/ website.
- Enroll customers in Ambassador Wine Society membership/auto-ship program.
- Enroll new Ambassadors on their teams
- Promote their businesses on Facebook, Twitter, and other social media outlets as an Independent Wine Ambassador. Please see section 10 for proper advertising and promotion policies. You may not use Boisset Collection or trademarks in social media page names.
- Leverage the company-sanctioned incentive programs. Ambassadors may not offer additional incentives such as "free gifts" or raffles of alchol which are often prohibilited by state laws.
- Conduct local team meetings in your private residence or a private meeting room.
- Promote responsible consumption of wine. Use measured pourers to limit tastings to loz.

Ambassador CANNOT:

- Sell personal inventory of wine or merchandise to consumers.
- Use their personal credit card to purchase wine for others or pass along Ambassador savings.
- Purchase wine on behalf of a host or another customer.
- Abuse the use of tasting flights or host discounts. Discounted tasting flights and rewards are for legitimate wine tastings only.
- Charge for a tasting (i.e., sell tickets) or charge for your time at a wine tasting.
- Give free gifts or promotional items to entice sales of wine.
- Pour wine in public venues such as conventions, home shows, trade shows, farmers markets, etc.
- Offer products or services at a discount unless approved by the Company.
- Offer free shipping or any other incentive not specifically offered by the Company.
- Enroll customers in the Wine Society auto-shipment program without explaining the program or enroll those that do not intend to take ongoing shipments.
- Engage in mass media or public relations opportunities or interviews without express consent by the Company.
- Serve minors alcohol or over-serve guests at a tasting.
- Put themselves in a situation that may put them or the company at risk.
- Market wines and other merchandise as a Boisset Ambassador that is not approved by the Company.

3.2 Adherence to the Compensation Plan & Boisset Pay Portal

Ambassadors must adhere to the terms of the Compensation Plan as outlined in official Boisset Collection literature. Ambassadors shall not offer the Boisset Collection opportunity through or in combination with any other website, program, sales tool, or method of marketing other than that specifically outlined in official Boisset Collection literature, unless approved by the Company. Ambassadors must activate their Boisset Pay portal, part of the Cellar Suite business platform, in order to receive commission payments.

3.3 Required Subscription to Cellar Suite

Ambassadors are required to subscribe to the Cellar Suite digital platform, which includes the <u>my.boissetcollection.com</u> e-commerce replicated website, access to the Back Office Ambassador portal, Boisset Pay to receive commissions, and e-marketing tools. Cellar Suite is included for free for the first 90 days after Ambassador enrollment. After that the Ambassador will be charged the applicable rate of \$14 per month or \$120 annually. Annual payments are non-refundable. Ambassadors will be automatically charged to their credit card on file unless otherwise indicated. After 30 days of non-payment, the Ambassador website will be removed from public view. After 60 additional days of non-payment, the Ambassador will be deactivated and converted to a customer account. All terms of deactivation will apply including reassignment of team members and customers. Pricing and terms are subject to change by the Company.

3.4 Single Ambassador Account

Each Ambassador may be a party to only one (1) Ambassador Agreement. A person may not hold, directly or indirectly, any interest in any additional Ambassador Agreements, including an Ambassador Agreement operated by a Business Entity. As such, you may not have an Ambassador account and a separate Business Entity Ambassador account.

3.5 Spouses & Co-Applicants

To maintain the integrity of the Compensation Plan, spouses or couples (collectively "spouses") who wish to become Ambassadors must be jointly sponsored as one (1) Ambassador business with a designated "primary" Ambassador. The "primary" Ambassador will receive commissions and recognition unless specifically requested that we recognize spouses together, however only one incentive/recognition prize is given per Ambassador business. The co-applicant or "secondary" Ambassador may attend company retreats and in case of a complimentary leadership event there may be a fee for the co-applicant. In general Ambassadors who have two people on their account must register separately for events. In case of a split, the primary Ambassador may request that the secondary be removed from the system.

3.6 Business Entities

An Ambassador may choose to enroll through a registered Business Entity. If doing so the COMPANY NAME field must be filled out in the Ambassador Profile and EIN verified when registering for Boisset Pay portal. Ambassadors using a business entity must immediately notify Boisset Collection of (a) any changes to the type of Business Entity she or he utilizes in operating her or his businesses or (b) the addition or removal of any affiliated parties. In the event that an Ambassadorship operating as a Business Entity undergoes a change of control, arrangements must be made to ensure that the Ambassador, the upline, and the downline team of Ambassadors are not adversely affected. In order to inform Boisset Collection of any pertinent changes regarding a Business Entity, an Ambassador must email fielddevelopment@boisset.com. A "change of control" means the acquisition by any other person, entity, or group of persons or entities, through any transaction or series of related transactions, or control of majority ownership of the Business Entity through

which the Ambassador operates. If Boisset Collection determines in its sole discretion that such a change of control will adversely affect the Ambassador, other Ambassadors, or Boisset Collection, the Company may terminate the Business Entity's Ambassador Agreement. Upon any change of control, the surviving Business Entity must continue to meet each of the requirements for Business Entities outlined in the Ambassador Agreement. Failure to notify Boisset Collection within thirty (30) days of any change to a Business Entity may result in the termination of the Ambassador account.

3.7 No Enrolling Household Members

Ambassadors may not enroll anyone in their household, including a spouse, in their "downline" organization. If any member of an Ambassador's immediate household is enrolled by an Ambassador, both may be terminated from the program and/or all earned upline commissions and title recognitions will be clawed back from future commission payments.

3.8 International Marketing Prohibited

Ambassadors are authorized to market Boisset Collection products and services and enroll customers and Ambassadors only in the approved states of operation within the United States and the District of Columbia. Boisset Collection products or sales aids may not be shipped into or sold in any foreign country, including, but not limited to, the U.S. Virgin Islands, Canada, and Mexico. No Ambassador may in any unauthorized country: (a) conduct sales, enrollment, or training meetings; (b) enroll or attempt to enroll potential customers or Ambassadors; or (c) conduct any other activity for the purpose of marketing Boisset Collection products, establishing a marketing organization, or promoting the Boisset Collection opportunity.

3.9 Personal Orders for Qualification Prohibited

Bonus Buying relates to activity or mechanism whereby strategic purchases or enrollments are made to maximize commissions, bonuses, incentive points, or career progression. Bonus Buying is strictly prohibited. "Bonus Buying" activities include, but are not limited to, the following examples: (a) the enrollment of individuals or entities without knowledge and/or execution of the Ambassador Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an Ambassador; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Ambassadors; (d) the use of a credit card by or on behalf of an Ambassador when the Ambassador is not the account holder of such credit card; (e) purchasing Boisset Collection products or services on behalf of another Ambassador, or under another Ambassador; (f) timing personal purchases to coincide with achieving specific thresholds; and (g) enrollment for a Wine Society membership to redeem a discount on one single shipment. In addition, purchasing products from another Ambassador is strictly prohibited

Example 1: Sarah needs 400PV to qualify as a "Director." During the month, Sarah submits 300PV of sales to customers. Three days before the end of the month, Sarah submits a personal order for 100PV of products, bringing her total PV to 400, solely for qualification purposes. Sarah will be flagged for further investigation into Bonus Buying, since without that personal order, she would not have qualified to earn commissions at her Director pay level. Example 2: Mary needs 400 PV to qualify as a "Director." During the month, Mary submits 300PV of sales to customers. Three days before the end of the month, Mary submits a personal order for 100PV of product. But on the last day of the month, she places another customer order for 50PV. Mary's month-end PV is now 450. Despite her personal purchase, Mary had more than enough sales to customers to exclude her from Bonus Buying investigation.

Participating in Bonus Buying may result in the immediate Termination of an Ambassador Agreement.

3.10 Income Taxes

Each Ambassador is responsible for paying local, state, and federal taxes on any income derived from the sale of Boisset Collection products and any payments or other non-monetary compensation under this Agreement. Boisset Collection is not authorized to provide an Ambassador with personal tax advice. Ambassadors should consult their tax accountant, tax attorney, or other tax professional. Every year, Boisset Collection will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who had earnings of more than six hundred dollars (\$600) in the previous calendar year.

3.11 Adherence to Laws and Ordinances

Ambassadors shall comply with all federal, state, and local laws regarding alcohol and regulations in the conduct of their businesses. It's important to note that many cities and counties have laws regulating certain home-based businesses, and it's your responsibility to become educated about and ensure compliance with these laws. Ambassadors

3.12 Visiting Boisset Properties

Enrolled Ambassadors who are not Wine Society members may schedule appointments but do not receive discounts or complimentary tastings. Before visiting any Boisset winery or property, the Ambassador must first review the current Ambassador Visitation policies available in the Ambassador's Back Office. Each

property has different experiences, operating hours, and pricing for tastings and experiences. It is recommended that Ambassadors visit during the week rather on weekend. Ambassadors must present and leave a Boisset business card and must be on their best behavior and not over-consumer while on property. Ambassadors do not receive commissions or credit for sales made at the tasting rooms, but since our tasting rooms are hosting and work often on commissions, purchasing and tipping are encouraged to build a strong relationship between our properties and Independent Ambassadors. Ambassadors may not self-host or tour their guest in areas of the wineries not approved or reserved. Ambassadors must always be professional and courteous to tasting room staff. Bad behavior in the tasting rooms can result in immediate termination from the Ambassador program.

3.13 States of Operation

Each state has different laws <u>pertaining to</u> the amount of wine that can be direct shipped to consumers. It is the Ambassador's responsibility to know the shipping limitations of the states in which they will be active before accepting order requests on behalf of Boisset. For the most updated list of states in which the Company offers the Ambassador program and direct to consumer shipping, please go here: <u>https://my.boissetcollection.com/states-operation</u>. For a comprehensive list of direct shipping state laws, visit the Wine Institute website: <u>https://www.wineinstitute.org/initiatives/stateshippinglaws</u>.

SECTION 4 AMBASSADOR BUSINESS PRACTICES

4.1 Code of Ethics

Ambassadors are expected to uphold the highest standards of business ethics while affiliated with Boisset Collection. Boisset Collection will take every measure to ensure a safe, ethical, moral, and profitable opportunity for all. Unethical practices by any Ambassador will be grounds for immediate suspension with a possible termination from Boisset Collection. While being unethical is open to wide interpretation, the following should serve as a guideline for what is not acceptable to Boisset Collection. Violations of the Code of Ethics include but are not limited to the following:

- Soliciting <u>and/or</u> enticing potential Ambassadors to join one's team while knowing she or he is already working with another Ambassador. It is strictly prohibited to solicit <u>and/or</u> entice an existing Ambassador to join your team.
- Placing sales on another Ambassador's replicated website (other than one's own) for purposes of <u>obtaining an Ambassador title promotion. or to meet</u> sales goals or contest guidelines for personal or team requirements (this is considered fraudulent). Boisset Collection reserves the right to cancel such orders and void all other benefits, such as Ambassador title increases, commission, etc. Violations of this policy may result in immediate termination of the Ambassador Agreement.
- Knowingly soliciting an existing customer or member of a Boisset Collection winery, encouraging them to quit or change memberships, or soliciting the specific customer of another Independent Ambassador.
- Creating, perpetuating, or distributing any and all rumors, false accusations, hearsay, vilification, tort, defamation, or libel about Boisset Collection, Boisset Collection properties, Boisset Collection officers and staff, products, competitors, or any Ambassadors, whether the Ambassador believes such rhetoric to be true or not. <u>This</u> includes, but is not limited to, all communication via online social media, email, and mobile devices.
- Purchasing or marketing Boisset Collection products from a non-Boisset Collection approved website.
- Soliciting retail, wholesale, private clubs, airlines, cruise ships, or any entity that holds an existing liquor license.
- Serving wine at public events or selling tickets to any tasting. See section 4.12 titled "Trade Shows, Expositions and Other Sales Forums" for more information.
- Boisset Collection is a proud member of the Direct Selling Association and adhere to (DSA) Code of Ethics. Please review by downloading at <u>https://www.dsa.org/docs/default-</u> source/ethics/codeofethics-fulltext.pdf

4.2 Change of Address, Telephone Numbers, and Email Addresses

It is the sole responsibility of the Ambassador to maintain accurate information <u>pertaining to</u> all personal data, including, but not limited to, credit card billing information, phone numbers, address, and email addresses. It is important that Boisset Collection's files are current, not only for commissions and tax reporting <u>purposes</u>, but also to ensure timely delivery of products and support materials. Changes may be made by logging into the Ambassador web portal and updating this personal information.

4.3 Indemnification

An Ambassador is fully responsible for all of her or his verbal and written statements made regarding Boisset Collection products, services, and the Compensation Plan that are not expressly contained in official Boisset Collection materials. This includes statements and representations made through all sources of

communication media, including, but not limited to, person-to-person, group meetings, radio, television, print, online webinars, social media, or any other means of communication. Ambassadors agree to indemnify Boisset Collection, Boisset Collection properties, and Boisset Collection's directors, officers, employees, and agents, and hold them harmless from all liability, including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by Boisset Collection as a result of the Ambassador's unauthorized representations or actions. This provision shall survive the Termination of the Ambassador Agreement.

4.4 Providing Documentation to Applicants

Ambassadors must provide the most current version of these Policies and Procedures and the Compensation Plan Summary to individuals that are considering becoming an Ambassador, or must ensure that they have online access to these materials, before the applicant signs an Ambassador Agreement. It is important to note that any other materials located in the Back Office are confidential, and should not be distributed to a non-Ambassador.

4.5 Income & Health Claims Prohibited

Ambassadors shall not make claims or representations of potential or guaranteed income or profits in connection with the Boisset Collection Ambassador program. The Federal Trade Commission and various states have laws and/or regulations that prohibit certain types of income and health claims and testimonials by persons engaging in direct selling or network marketing. While Ambassadors may believe it beneficial to tell other Ambassadors and potential Ambassadors about their earnings or the earnings of others, such claims may have legal consequences and adversely impact Boisset Collection as well as the Ambassadors making the claims, unless appropriate disclosure required by law is also made contemporaneously with the income claim. Because Ambassadors generally do not have the information necessary to comply with such legal requirements, Ambassadors may not make any projections, claims, or estimates regarding such other Ambassador's potential or guaranteed income, or disclose their own income by showing checks, copies of checks, bank statements, tax records, or other such documents in any presentation, in collateral material, in person, or in any online medium. Additionally, Ambassadors must ensure that they do not make claims about their business that could be false, misleading, or otherwise violate the law. It is illegal to make health claims or specific health statements in conjuction with wine and other alcohol products.

4.6 Ethical Marketing

Ambassadors shall safeguard and promote the good reputation of Boisset Collection. Ambassadors shall at all times conduct their Boisset Collection business activities in a manner that reflects favorably on Boisset Collection products and the good name, goodwill, and reputation of Boisset Collection. Ambassadors shall not engage in deceptive, misleading, or unethical conduct or practices that are or might be detrimental to Boisset Collection, its products or properties, or the public, including, without limitation, disparagement of Boisset Collection or other Ambassadors. Ambassadors shall comply with all laws, rules, regulations, and governmental requirements applicable to the operation of their Boisset Collection business, including the marketing, promotion, and sale of Boisset Collection products. In addition, Ambassadors shall: (i) not publish or use any misleading or deceptive advertising material regarding Boisset Collection; (ii) not make any statements, representations, guarantees, or warranties regarding Boisset Collection products or the Compensation Plan that are inconsistent with those set forth in the Ambassador Agreement and Boisset Collection marketing materials; (iii) distribute the Boisset Collection products only as shipped by Boisset Collection, unopened and with all documentation, packaging, and other supplemental materials intact; and (iv) not alter or modify any Boisset Collection product or packaging, or take any action that affects or could affect the appearance, quality, content, or performance of any Boisset Collection product. Ambassadors may affix a personalized sticker with contact information to packaging, as long as existing labels or text, graphics, or other material on the product packaging is not covered.

4.7 Non-disparagement

Boisset Collection welcomes constructive input from Ambassadors, which can be sent to fielddevelopment@boisset.com; however, publically communicated negative comments and remarks by Ambassadors about Boisset Collection, Boisset Collection properties, Boisset Collection products, or other Ambassadors serve no purpose other than to undermine the enthusiasm of other Ambassadors. For this reason, Ambassadors must not disparage Boisset Collection (or any of its employees, officers, or directors), Boisset Collection products, or other Ambassadors. Violation of this provision shall constitute a material breach of the Ambassador Agreement. Ambassadors agree that this non-disparagement restriction shall survive the termination or expiration of the Ambassador's Account for a period of one (1) year. The Ambassador recognizes and agrees that this restriction is fair, equitable, and reasonable and is designed to protect the legitimate business interests of the Company.

4.8 Reporting Policy Violations

Ambassadors who become aware that another Ambassador has violated one or more provisions of the Ambassador Agreement must promptly notify the corporate office at fielddevelopment@boisset.com. Details of the incident, such as dates, number of occurrences, and persons involved, along with any supporting documentation, should be included in the report to the extent available.

4.9 Security

All Ambassadors must adopt, implement, and maintain appropriate administrative, technical, and physical safeguards to protect against threats or hazards to the security of confidential information and customer data. Appropriate safeguards for electronic and paper records may include, but are not limited to: (i) encrypting data before electronically transmitting it; (ii) storing records in a secure location; and (iii) password-protecting computer files or locking up physical files containing confidential information or customer data. Ambassadors must keep customer data and other confidential information secure from all persons who do not have legitimate business needs to see or use such information. If Ambassadors dispose of any paper or electronic record containing customer data and other confidential information, Ambassador shall do so by taking all reasonable steps to destroy the information by: (i) shredding; (ii) permanently erasing and deleting; or (iii) otherwise modifying the customer data and other confidential information in those records to make it unreadable, un-reconstructible, and indecipherable through any means. Upon request, the Ambassador will certify to Boisset Collection that all forms of the requested personal information have been destroyed and will describe any exceptions.

4.10 Reporting Security Breaches

Ambassadors must comply with all applicable privacy and data security laws, including security breach notification laws. Without limitation of the preceding sentence, in the event of an actual or suspected security breach affecting customer data, the applicable Ambassador shall promptly notify the affected customers and Boisset Collection's corporate office at <u>customercare@boisset.com</u> in writing after becoming aware of such security breach, specifying the extent to which customer data was or was suspected to be disclosed or compromised, and shall promptly comply with all applicable information security breach disclosure laws. Ambassadors, at their expense, shall cooperate with Boisset Collection and applicable customers and use their best efforts to mitigate any potential damage caused by a security breach, including by sending notice to the affected individuals, state agencies, and consumer reporting agencies if such notification is required by law.

4.11 Commercial Outlets Prohibited

Boisset Collection Ambassador program is a direct to consumer marketing channel and therefore the sale, display, or distribution of Boisset Collection products in retail establishments is not permitted. This includes wine shops, grocery stores, restaurants, private clubs, department stores, mall booths, kiosks, specialty gift shops, or any other business or commercial establishment that is open or available to the general public. This means that all purchases must be made through an Ambassador's replicated website so that the financial transaction and shipping is handled by the Company. Ambassadors may not market to retail establishments with the intention of the establishment of re-selling the product.

4.13 Territory Restrictions

There are no exclusive territories granted to any Ambassador. Each Ambassador <u>is granted</u> the opportunity to build a business, customers, and teams in all current states of operation. Please refer to the website for a current list.

4.14 Non-Compete, Conflicts of Interest, Non-Solicitation

As an independent contractor with Boisset Collection, Ambassadors are free to participate in other business ventures or network marketing opportunities as long as Boisset Collection information or assets is not used in a competing manner, approved by the company, or as outlined in this provision. If an Ambassador is engaged in any non-Boisset Collection direct sales, party plan, or network marketing program, it is the responsibility of the Ambassador to ensure that her or his Boisset Collection business is operated entirely separate and apart from any other program, and company assets are not shared with competitors. The Ambassador shall not display or promote Boisset Collection promotional materials, sales aids, products, or services in the same location or online together. Ambassadors may not offer or promote any non-Boisset Collection, webinar, teleconference, or other event.

4.15 Confidential Information

As used in these Policies and Procedures, "Confidential Information" includes, but is not limited to all information in the Ambassador Cellar Suite Back Office, names of other Ambassadors, customers, reports, recognition documents, call recordings, training documents, and company assets not distributed to the public. Confidential Information is often password-protected and constitutes proprietary information and business trade secrets of Boisset Collection. Such Confidential Information is provided to Ambassadors in the strictest confidence and is made available to Ambassadors for the sole purpose of assisting them in the operation of their Boisset Collection business. Ambassadors are prohibited from (i) using Confidential Information for any purpose other than developing and supporting their Boisset Collection business, and (ii) directly or indirectly disclosing any Confidential Information to any third party for any purpose whatsoever. This obligation to protect and not disclose Confidential Information shall survive any cancellation or termination of the Ambassador Agreement and be effective and binding upon any former Ambassador for a

period of two (2) years following termination of the Ambassador Agreement. Ambassadors agree that this restriction is fair, equitable, and reasonable and is designed to protect the legitimate business interests of the Company.

SECTION 5 AMBASSADOR SPONSORING AND TRAINING

5.1 Ambassador Sponsor Responsibilities

An Ambassador Sponsor is defined as an Ambassador who has other Ambassadors on his/her team (personally enrolled, assigned, or inherited). An Ambassador may only accept the enrollment or assignment of another Ambassador onto his/her team if he/she is willing to assume a personal level of responsibility for a person or group, nurturing, supporting, and coaching them to success. Sponsors must always represent Boisset Collection in a manner that complies with the Ambassador Agreement, including these Policies and Procedures. Sponsors are responsible for assisting, motivating, supporting, and training their teams in the following ways:

- Welcome new Ambassador to the team within 24 hours of enrollment.
- Help new Ambassadors successfully launch their new business in a timely manner, including, but not limited to, (a) being available to answer questions promptly during the first week of enrollment; (b) reviewing the Compensation Plan, BackOffice, ordering, and payment process; and (c) assisting new Ambassadors in booking and holding tasting events.
- Provide ongoing education & support to her/his team on new Boisset Collection product offerings, services, promotions, and Policies & Procedures.
- Conduct or assist in the organization and facilitation of regular team or individual meetings, in order to provide tips and suggestions for personal and business growth.
- Be available and accessible to the team. Return phone calls, texts, or emails within two (2) business days unless you have pre-notified the team of a vacation or other circumstance during which he/she will be unavailable.
- Regularly recognize team members for efforts and achievements through personal notes, phone calls, or team forums.
- Exemplify the core values of Boisset Collection as outlined in these Policies and Procedures.

5.2 Applicant Rights

For reasons of sponsoring ethics, Boisset Collection strongly encourages new Ambassadors to enroll under the Ambassador who initially introduced them to Boisset Collection. However, it's every Ambassador's right to choose who their Sponsor will be. As such, if an individual asks to be registered under another Sponsor prior to submitting the Ambassador Agreement, Boisset Collection will honor the request. If two Ambassadors both claim to be the Sponsor of a new applicant, Boisset Collection shall defer to the newly enrolling Ambassador to determine whom their Sponsor will be. The newly enrolled Ambassador has up to 48 hours to make a decision, after which time the Boisset Collection Field Development team will assign the new Ambassador using their best judgment of the situation. After 48 hours, no further changes will be made.

5.3 Change of Sponsor

Boisset Collection does not permit as a practice an Ambassador changing their Sponsor following enrollment. Accordingly, the transfer of a Boisset Collection Ambassador Business from one Sponsor to another is not permitted. If there is a good reason for a change of sponsor, this request must be submitted in writing to the <u>fielddevelopment@boisset.com</u> and must include the reason for the transfer request. Transfers will only be considered in the following two circumstances:

5.3.1 Misplacement

In cases in which a new Ambassador sponsored by someone other than the individual she or he was led to believe would be her or his Sponsor, the new Ambassador may request that she or he be transferred to another Organization. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within five (5) business days from the date of enrollment. Boisset Collection reserves the right to grant or deny a transfer request in its sole discretion.

5.3.2 Termination and Re-application

Except for a transfer request made pursuant to Section 5.3.1 above, an Ambassador wishing to change her or his Sponsor may do so only if she or he voluntarily terminates her or his Ambassador Agreement by giving written notice to Boisset Collection and does not participate in the Boisset Collection program in any capacity (e.g., no purchases of Boisset Collection products for resale, no sales of Boisset Collection products, no sponsor, no attendance at any Boisset Collection functions, no participation in any other form as an Ambassador, no operation of any other Boisset Collection business) for a period of six (6) consecutive calendar months. Following the six (6) month period of inactivity, the former Ambassador may reapply under a new Sponsor; however, the former Ambassador's team will remain under her or his original sponsor.

5.3.3 Waiver of Claims

In cases in which the appropriate sponsor change procedures have not been followed and a Team Organization has been developed by an Ambassador, Boisset Collection reserves the sole and exclusive right to determine the final disposition of the Team Organization. Resolving conflicts over the proper placement of a downline Team that has developed under an Ambassador who has improperly switched sponsors is often extremely difficult. Therefore, ambassadors waive any and all claims against Boisset Collection, its officers, directors, owners, employees, and agents that relate to or arise from Boisset Collection's decision regarding the placement and disposition of any team Organization that develops below an Ambassador that has improperly switched sponsors.

5.3.4 Placement of Ambassadors Without a Sponsor

New Ambassadors who have not selected a Sponsor upon enrollment will be placed with a qualified Ambassador's team selected by Boisset Collection at its sole discretion. Sponsors will have twenty-four (24) hours from the time of placement of the new Ambassador in their Organization to make contact with the new Ambassador. If the Sponsor fails to contact the new Ambassador within this time frame, Boisset Collection reserves the right to move the new Ambassador under another Sponsor.

5.3.5 Placement of Leads

New Ambassador leads will be distributed to qualified Ambassadors solely at the discretion of Boisset Collection and typically for those reaching a certain recognized title or sales achievements.

SECTION 6 TASTINGS, EVENTS, ORDERS & WINE SOCIETY POLICIES

6.1 Tasting Guidelines

Ambassadors may conduct TASTING EXPERIENCES in private residences or non-public locations by following the approved process & procedures:

- All tastings must take place in a private, non-public location that would require special permitting.
- All tastings must have a designated HOST who purchases the experience and wine flight directly from Boisset Collection prior to the tasting. The current tasting experiences are available to purchase on the Ambassador's replicated website or may be purchased by-the-bottle.
- Orders placed before 10am Pacific will ship the same business day, typically UPS Ground. Please allow a minimum of 3-10 business days depending on location (all orders are shipped from Napa, CA). In hot weather or for last minute tastings, longer lead times are required for temp control and additional fees may apply for cool packs and expedited delivery.
- A person 21 or older must be present to sign for the wine. Please check weather and upgrade shipping with temp control
- The Ambassador should review the TASTING checklist, script, and wine notes prior to conducting a TASTING EXPERIENCE, as well as host
- Do appropriate planning with your host in advance to make it successful. Review training materials.
- Use Boisset Collection approved branded materials such as tasting menus, brochures, order forms, and business cards. Ambassadors may order additional business supplies in addition to the initial supply provided in the businesss kit through the Cellar Suite backoffice.
- Host rewards programs must be company issues. Ambassadors may gift alcohol, but never incentivize or entice the purchase of alcohol.

6.1.1 Wine Serving Restrictions & Guidelines

- Ambassadors must practice responsible serving and consumption. It is recommended that wine tasting pours are limited to 1oz pours and that Ambassadors use a measured pourer which can be purchased from Boisset Collection.
- Any unused wines at a tasting can be left with the Host who purchased the wines for their guests. The Company is not responsible for the consumption of alcohol by the Ambassador, the host, or their guests. Everyone should practice responsible consumption.

6.2 Trade Shows, Expositions Insurance Certificates and Other Sales Forums

Ambassadors may display and take orders for Boisset Collection products at trade shows and professional expositions under the following guidelines:

- Ambassadors must register for the event and always refer to and represent themselves as an Independent Boisset Collection Ambassador. You may not use a different name including the Boisset name, other than Independent Boisset Ambassador.
- At public trade shows and professional events, Ambassadors may display product only but not pour

or taste wines. Refer to Section 6.7 Public Wine Tasting Events.

- The first Ambassador to register for an event has the right to conduct that event. A second Ambassador may need to withdraw if the first registered Ambassador does not want double participation. It is a good business practice to check with the event sponsor in regards to this before registering for the event.
- The booth or table must be staffed at all times and must not be shared by another business. Only Boisset Collection products may <u>be marketed</u> at said booth. Only approved Company marketing materials may be used when attending a trade show, exposition, or other sales forum.
- Participation in any specific event must have a duration of no more than one (1) week in a calendar year.
- Boisset Collection does not provide the Company's licenses, sales/use tax registration information, or insurance certification directly to an Ambassador. Ambassadors may obtain their own general liability business insurance at their own expense.
- Boisset Collection does not endorse public events and is not responsible for subsequent participation outcomes. As an Ambassador, you are responsible for your decision to participate in such an event. The business agreement made between you and the event planner is at your sole discretion and does not involve Boisset Collection.
- Boisset Collection strongly advises Ambassadors to evaluate every business decision thoroughly.

6.3 Pubic Events & Charitable Fundraisers

Ambassadors may only participate at public events if they are displaying only (no wine is being poured) and may take order requests for Boisset wines and accessories, as long as such public events are limited in duration and present an environment that is appropriate for promoting Boisset's brand integrity. Pouring wine at any public event, whether ticketed or free, such as wine festivals, art walks, etc. is not allowed without explicit approval from the Company. Ambassadors requesting such approval must be recognized as Sr. Director or above and contact <u>fielddevelopment@boisset.com</u>. Please note any requests for insurance certificates will not be provided by Boisset Collection. Boisset will also not provide the Company Tax Identification Number or Winery Licenses for any event, and will not consign products, marketing materials, or other types of merchandise or materials for display, use, or sale at any event.

Local charities and fundraisers are opportunities to promote Boisset wines and grow your customer base, however, it is up to the Ambassador's own discretion to make donations (consult your tax advisor). 501c3 organizations can acquire one-day event and alcohol permit that allow them to hold events and sell tickets without a permanent alcohol permit. 501c3 can conduct fundraising activities such as raffles, experiences, food and wine events with such permits. It is the organization's responsibility to apply for permits and know what they are allowed to do. Independent Ambassador can, at their discretion, offer fundraisers opportunities such as:

- In person or virtual wine tastings that the charity sells tickets as part of a fundraising event
- Donation of silent auction such as a private, in-home wine tasting
- Donation of wine for a raffle
- VIP perks (special area or table that includes wines and other benefits)
- Ambassadors may not solicit Boisset Collection, it's executives or employees for donations

6.4 ORDERS

6.4.1 Customer orders

6.Customer orders can be placed multiple ways including online, by phone, or completing an Order Request form. If you need additional forms please order from your business supply center in the Cellar Suite back office. Online orders may be placed on the Ambassador Program company website 24 hours a day, 7 days per week at <u>https://my.boissetcollection.com</u>. Phone orders may be placed Monday-Friday 9am-5pmPacific time.

6.4.2 Personal Wine Orders

Ambassadors receive commissions on their own personal purchases in lieu of upfront discounts unless the Ambassador has enrolled in the Wine Society or other membership program. All orders, including personal order, are also counted towards mothly incentives and compensation plan bonus gates, the same as customer orders. Ambassadors are invited and encouraged to enroll in Wine Society or the JCB Collector membership programs to receive a 20% member discount in addition to receiving commissions on any personal orders. Business supplies, tasting flights, and business kits are not eligible for commissions.

6.4.3 Ambassador & Customer Support

Boisset Collection has a dedicated support team to support our Ambassadors and their customers M-F 9-5pm Pacific and limited support on the weekends. Customer Care can be reached at <u>customercare@boisset.com</u> or by calling 1-855-233-5155. Live chat is also available during regular weekday business hours. It is recommended that Ambassadors encourage customers to use the website whenever possible because it is more secure than a paper order form. Order confirmations and tracking information are sent electronically and customer order history is available electronically by logging into Cellar Suite backoffice.

6.4.4 Incorrect Orders

If a Customer accidentally places an order under the wrong Ambassador, Boisset Collection's Customer Care department (<u>customercare@boisset.com</u>) must be contacted within two business day of the purchase in order to move that purchase to the correct Ambassador. This time frame is due to the schedule of commission payouts. In addition, if there is incorrect billing or shipping information entered, orders are processed and shipped immediately. The customer may be charged for return shipping if the order was shipped due to customer error.

6.4.5 Order Deadlines

All orders must be successfully submitted before 11:59 P.M. Pacific Time on the last calendar day of the month in order to be included in an Ambassador's Personal Volume (PV) for that month and to be counted for sales contests, incentives, etc. Boisset Collection reserves the right to require different order deadlines for special order types. It is strongly recommended that Ambassadors submit orders within twenty four-hours (24) of receiving them. Waiting until the end of the month to submit orders is strongly discouraged. Ambassadors acknowledge and agree that the Boisset Collection website may be shut down from time to time for maintenance or for reasons beyond Boisset Collection's control. Boisset Collection disclaims any liability to Ambassadors for any damages they may incur because of any website shut down, internet transmission delays, delay in order processing time, or inability to access the Boisset Collection website or their own Back Office for any reason.

6.4.6 Sales Receipts

All transactions must be made online through my boissetcollection.com websites. Receipts are automatically generated to the billing email address and copied to the Independent Ambassador. Contact <u>customercare@boisset.com</u> if you need an additional copy. These receipts set forth the Customer Satisfaction Guarantee as well as any consumer protection rights afforded by federal or state law. Official order forms are available for purchase in the Back Office. Ambassadors may not provide a sales receipt separate from the official Boisset Collection emailed receipt. Consolidated invoices and receipts for bulk orders may be obtained from the company.

6.5 Holding Orders

Ambassadors must not encourage customers to place orders or hold orders to benefit the Ambassador commissions or incentive qualifications. The following practices are strictly prohibited:

- Changing an order date for the purpose of manipulating contest, incentive, or promotion results.
- Holding, combining, or adjusting orders to distort the Host benefit program beyond its intended use.
- Holding orders for more than forty-eight (48) hours after funds have been received or the payment has cleared.

6.6 Enrolling, Skipping, and Cancelling Wine Society Members

SECTION 7 SHIPPING

7.1 General

After Boisset Collection has accepted and processed an order, it will use reasonable efforts to ship the order to the address specified in the order using a carrier chosen by Boisset Collection. Risk of loss or damage will pass to the ordering Ambassador or customer upon the carrier's confirmation of delivery to the specified address. Boisset Collection handles all claim issues with the carriers. If an Ambassador claims they did not receive a shipment and Boisset Collection has received confirmation that it was delivered, Boisset Collection may, at its own discretion, require receipt of signature at the Ambassador's expense for any reshipment. Boisset Collection will use reasonable efforts to fill Ambassador and customer orders, but will not be liable for any damages arising from any failure to fill orders or any delay in delivery.

7.2 Managing Weather Issues

Boisset Collection makes every effort to minimize weather impact . Ambassadors must know the shipping options available and make appropriate recommendations for upgraded shipping, cool packs, or temperature

control which can cost extra. Boisset Collection products should not be subjected to extreme temperatures. Should there be adverse effects on the wine during shipping, Boisset will replace the wine at no additional charge. Wines that have cork taint will also be replaced at no charge.

7.3 Shipment to APO/FPO/P.O. Boxes

Most Boisset Collection products may not be shipped to P.O. Box addresses since a signature of someone 21 years of age or older is required for all wine deliveries. Some UPS and similar stores offer drop boxes as an alternative, or UPS/FedEx will hold shipments at their locations upon request. It is illegal to ship wine through the United States Postal Service.

7.4 Shipment to Alaska and Hawaii

Most Boisset Collection products can be shipped to Alaska and Hawaii, but some restrictions apply, and additional shipping and handling charges and shipping times may apply. Ground shipping is not available. Some priority shipping methods (overnight or second-day service) are not available for certain locations in Alaska or Hawaii.

7.5 Non-Deliverable Orders & Reships

In some cases, an order may be returned to Boisset Collection if the carrier is unable to deliver it to the specified shipping address. This may happen because:

- The Ambassador or Customer did not accept the order when it was delivered by the carrier.
- The Ambassador or Customer was unavailable to accept delivery for orders that require a signature upon delivery, or the Ambassador or Customer provided invalid or incorrect shipping information.
- Boisset Collection will refund orders shipped less the cost of shipping OR reship the order for an additional fee as outlined on the company website depending on the customer's request.
- Neither the Ambassador nor the Ambassador's upline will receive any credit for the order if refunded. If the order has already been credited to the Ambassador's sales volume, the credit (and any associated commissions or bonuses) will be canceled and clawed back in the next commission cycle. Requests for reshipping of processed orders resulting from the input of an invalid address may result in additional shipping fees.

7.6 Missing Items

When an item is missing from an order, the Ambassador or Customer is requested to contact Boisset Collection Customer Service within five (5) days of receipt (delivery date) of order. If Boisset Collection determines that the item was not shipped with the original order, it will use reasonable efforts to ship the missing item to the address specified by the Ambassador or Customer at no charge within three (3) to five (5) business days. Out-of-stock items may require additional time or the issuance of a refund at the Company's discretion.

7.7 Backorders, Out-of-Stock Merchandise and Sold Out Wines

Due to the limited production quantities of Boisset wines, Boisset reserves the right to substitute a new vintage, or a wine of similar varietal, quality, and value, if the wine that was ordered has sold out. Boisset Collection's inventory control procedures are intended to ensure that shortages of Boisset Collection products rarely occur and that Ambassadors are notified of limited inventory in the "Last Call" category of the online store. Boisset Collection will make every effort to announce product shortages and vintage changes prior to reaching sold-out status.

7.7 Discontinued Wines & Merchandise

Boisset Collection may at any time discontinue the production and/or sale of any Boisset Collection products, or make changes in their respective prices, quality, performance, standards, grades, contents, place of origin, or otherwise, at its sole discretion. Boisset Collection will have no liability to any Ambassador based on any such discontinuation or change. When an item is discontinued, orders will no longer be accepted for such items. Boisset Collection will use reasonable efforts to notify Ambassadors of the date of discontinuance.

SECTION 8 COMMISSIONS AND BONUSES

8.1 Monthly Commission and Boisset Pay Portal

An Ambassador must be in good standing and in compliance with the Ambassador Agreement to qualify for Commissions and Bonuses. As long as an Ambassador complies with the terms of the Ambassador Agreement, Boisset Collection shall pay Commissions and Bonuses to the Ambassador in accordance with the Compensation Plan. Commissions are paid twice per month through the Boisset Pay portal, which allows Ambassadors to transfer funds onto a pre-paid debit card or into a checking account. When you first join you will receive an activation email for your Boisset Pay account. To active or login go to https://boisset.hyperwallet.com. Beginning 3/1/17, Boisset Collection will not issue checks for commission. An Ambassador's Commissions and Bonuses constitute the entire consideration for the Ambassador's efforts in generating customer orders and all activities related to generating orders (including building and sponsoring a team). Boisset Collection does not advance cash or any portion of Commissions and Bonuses relating to: cash prizes, cash payouts, trip programs, contests, etc.

• Calendar period: A business month refers to the time period beginning at 12:00 A.M. Pacific Time (PT) on the first (1st) day of the month and extending until 11:59 P.M Pacific Time (PT) on the last day of the month. Boisset Collection's office is open Monday through Friday, with the exception of most national holidays.

8.2 Adjustments to Commissions and Bonuses

8.2.1 Adjustments for Returned Products

Ambassadors receive Commissions or Bonuses based on the actual sales of products to end consumers. When a product is returned to Boisset Collection for a refund or is repurchased by Boisset Collection, any of the following may occur at Boisset Collection's discretion: (1) the Commissions, Bonuses, or contest points attributable to the returned or repurchased product(s) will be deducted from payments due to the Ambassador and her or his Upline. The Ambassador who received Commissions, Bonuses, or contest points on the sales of the refunded product(s) in the month in which the refund is given will see adjustments which will continue every pay period thereafter until the Commission or Bonus is recovered (contest points are onetime deductions); (2) the Ambassador or Upline Ambassador who earned Commissions or Bonuses based on the sale of the refunded product(s) will see an adjustment in their Personal Volume in the next month and all subsequent months until the Commission or Bonus is completely recovered; or (3) the Commissions or Bonuses attributable to the returned or repurchased product(s) may be deducted from any refunds or credits to the Ambassador who received the Commissions or Bonuses on the sales of the refunded product(s). returned product(s) will have the corresponding month.

8.2.2 Commission Periods & Payments

There are two payment periods for commissions: the 1st-14th of the month and the 15th-last calendar day of the month. Commissions resulting from accepted sales orders are auto-deposited into your Boisset Pay account within ten business days following the end of the respective pay period. Ambassadors must activate their pay portal and have a valid tax ID to receive commissions. Commissions are based on the Commissionable Volume (CV) of the products sold. Please see the Compensation Guide for specific commission rates. The first pay period does not include bonuses or team commissions. The second pay period, or End-of-Month payout, includes bonus commissions. Commissions earned by achieving certain PV levels, title qualifications, and bonuses are determined at the end of the month. There are no requirements for the Ambassador to make personal purchases in order to qualify for commissions or titles. Qualifying orders include both customer orders and Ambassador personal purchases, and all orders may qualify for commissions including the Ambassador's personal purchases.

- Personal Volume (PV) is based on the retail sales amount of the products after discounts (the purchase price) and is used for qualification for title and monthly incentives.
- Commissionable Volume (CV) is the amount of the product sales that is eligible for commission. For wine, the CV is 75% of the purchase price. For non-wine accessories, CV is typically 50% of the purchase price. For Ambassador business supplies and host rewards, there is no eligible CV.
- Purchases made by an Ambassador are not discounted unless the Ambassador is also a Wine Society member. In that case, the Ambassador receives the member discount on the purchases and will also receive a commission on those purchases, just as they would for a customer order.
- From time to time, the Company may put items on sale as a promotional discount. These special sale items qualify for Personal and Commissionable Volume based on the sale price of the item. This provision includes ongoing discounts given to Wine Society Members, Hosts, and Ambassadors.
- Career Plan Promotions occur after the first of the month following the month when all qualifications are met.
- If you have any issues or discrepancies with your commission report, they must be reported by the end of the calendar month following the month for which the commission was earned and issued.
- Commissions are issued to Ambassadors in their name only and cannot be paid to businesses, trusts, etc. unless they have a registered business EIN.
- If overpayments are made, excess amounts will be deducted from future payouts.
- Each January 31st, Boisset Collection makes available Tax Forms 1099 for the previous year through Boisset Pay portal. A 1099 will be issued for each non-employee who has earned commission checks, incentives, prizes, etc. totaling \$600 or more. Commissions and other earnings must be claimed as income in your tax filings each year. 1099s are issued by Jean-Claude Boisset USA DBA Boisset Collection.

• Ambassadors who do not activate, withdraw or use funds from their Boisset Pay portal account after three months forfeit commissions.

8.2.3 Errors or Questions

If an Ambassador has questions about or believes any errors have been made regarding Commissions, Bonuses, or charges, the Ambassador must notify Boisset Collection's Customer Care (<u>customercare@boisset.com</u>) in writing within thirty (30) days of the date of the purported error or incident in question. Boisset Collection will not be responsible for any errors, omissions, or problems not reported to Boisset Collection within thirty (30) days.

8.3 Reports

All information provided by Boisset Collection in activity reporting, including, but not limited to, Personal and Organization Volume (or any part thereof), is believed to be accurate and reliable. Nevertheless, due to various factors including, but not limited to, the inherent possibility of human, digital, or mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card payments; returned products; and credit card and electronic check charge-backs, the information is not guaranteed by Boisset Collection or any persons creating or transmitting the information. All personal and team volume information is provided "as is" without warranties, express or implied, or representations of any kind whatsoever. In particular, but without limitation, there shall be no warranties of merchantability, fitness for a particular use, or noninfringements. To the fullest extent permissible under applicable law, Boisset Collection and/or other persons creating or transmitting the information will in no event be liable to any Ambassador or anyone else for any direct, indirect, consequential, incidental, special, or punitive damages that arise out of the use of or access to personal and/or team volume information (including, but not limited to, lost profits, bonuses, or commissions; loss of opportunity; and damages that may result from inaccuracy, incompleteness, inconvenience, delay, or loss of the use of the information), even if Boisset Collection or other persons creating or transmitting the information shall have been advised of the possibility of such damages. To the fullest extent permitted by law, Boisset Collection or other persons creating or transmitting the information shall have no responsibility or liability to ambassadors or anyone else under any tort, contract, negligence, strict liability, products liability, or other theory with respect to any subject matter of this agreement or terms and conditions related thereto. Access to and use of Boisset Collection's online reporting services and an Ambassador's reliance upon such information is at one's own risk. If an Ambassador is dissatisfied with the accuracy or quality of the information, her or his sole and exclusive remedy is to discontinue use of and access to Boisset Collection online and telephone reporting services and her or his reliance upon the information.

SECTION 9 PRODUCT GUARANTEES AND RETURNS

9.1 Product Guarantee

All Boisset Collection products are covered by a guarantee against product defects including cork taint, weather-related shipping issues, and production defects.

9.2 Ambassador Business Kits

When an Ambassador first receives her or his Ambassador Business Kit, she or he should check it carefully to make sure everything is as expected and that no items are missing or damaged, as there is a limited time period in which to request an exchange or replacement. It is important to note that exchange requests must be made for the same item and will only be exchanged for the same purchased item.

9.3 Customer Returns

In a circumstance in which a product arrives damaged or is defective, a Customer may return the product to Boisset Collection Customer Care by contacting <u>customercare@boisset.com</u> or 1-855-233-5155 x2 for a replacement item or full refund. Customers, or Ambassadors making a claim on behalf of their Customers, who make a damaged or defective claim more than three (3) times in a six (6) month period may be asked to return or photograph the defective product and/or may have their account flagged and monitored for fraud.

9.4 Return Shipping Fees

Boisset may charge a return shipping fee if the product is being returned for reasons other than a product defect, such as missed delivery attempts and orders cancelled once they have already left the warehouse.

SECTION 10 ADVERTISING AND USE OF BOISSET COLLECTION TRADEMARKS

10.1 General Advertising & Promotion Policies

Boisset Collection provides its Ambassadors with tools to promote their business. To protect Boisset Collection's brand (and the image of all Boisset Collection Ambassadors), and to promote both our products

and services and the opportunity Boisset Collection offers, the following policies have been developed to govern the manner in which an Ambassador can advertise and market her or his business.

- All Ambassadors shall safeguard and promote the reputation of Boisset Collection and its products. The marketing and promotion of Boisset Collection and the Boisset Collection opportunity, the Compensation Plan, and Boisset Collection products must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices.
- Ambassadors are prohibited from purchasing "online ads," including, but not limited to, Facebook Ads, search engine optimization ("SEO") strategies, Google Ads, Banner Ads, Keyword Search, AdWords, PPC (Pay Per Click) Conversion, and others that result in direct search competition with Boisset Collection, can be confused with Boisset Collection HQ advertisements, or that unlevel the playing field among Ambassadors. In short, if you have to pay for it, it is not in compliance.
- Ambassadors may not offer blanket discounts, free shipping, or other specials that are not offered by the Company through their site or any online, e-commerce, or social media site.
- Any other variation of an offer that serves to undercut the retail price of Boisset Collection is restricted. (For information on what is approved in a small group to incentivize customer purchases, see section 10.13, "Giveaways.")
- The advertisement of any non-Boisset Collection items (items that are not available for purchase from Boisset Collection) is prohibited in conjunction with Boisset Collection advertisements.
- Boisset Collection has carefully designed its products, product labels, Compensation Plan, and promotional materials to ensure they are promoted in a fair and truthful manner, that they are substantiated, and that the materials comply with the legal requirements of federal and state laws. Ambassadors are not allowed to make reproductions or photocopies of original material.
- Ambassadors may not change any imagery on any materials provided by Boisset Collection.
- Boisset Collection has expended great efforts in designing and developing training materials that educate and enhance each Ambassador's ability to grow a team business. Ambassadors are encouraged to use the materials provided by the Company as they are in compliance with the Boisset Collection Policies and Procedures, as well as the mission, philosophy, and vision. Ambassadors may not create their own training materials; however, inspirational and motivational materials are allowed and encouraged as long as the Leader creating them is clear they are not created by Boisset Collection.
- Ambassadors may not modify any collateral or marketing materials of any kind (photographs, press releases, invitations, newsletters, email blasts, etc.) at any time.
- Ambassadors may not issue a press release on behalf of Boisset Collection or write a press release in such a way that may cause confusion or somehow suggest that the press release is supported, created, or authorized by Boisset Collection.

10.2 Protecting the Boisset Collection Brand Image

Ambassadors will not use the Boisset Collection or any affiliated brand names or images in any unauthorized manner, misrepresent her or his relationship verbally or in writing, offer any promotion or enter into any endorsement in the name of Boisset Collection, or advertise in any medium under the name of Boisset Collection.

10.3 Advertising Material

The Boisset Collection corporate team is here to support the business of each Ambassador and welcomes recommendations of additional methods of support. If a certain form of media does not exist in the "Resource Library" section of the Back Office and is warranted, please send suggestions to Boisset Collection Customer Care. Please allow ten to fourteen (10-14) business days for a response. If, after that time, the Ambassador has not received a response, the submission was noted but not approved.

10.4 Approved Business Supplies and Vendors

In order to maintain brand consistency, customizable business card templates will be available for order via our third-party providers. Links to the vendor websites are available through the Back Office. Ambassadors cannot make their own clothing or business or promotional items (business cards, t-shirts, buttons, pins, banners, team logos, etc.) utilizing the Boisset Collection logo. However, Ambassadors may create their own items using the approved graphics provided by Boisset Collection corporate, if such items are approved in advance by our Customer Care department. Submissions for designs may be made to <u>customercare@boisset.com</u>. Promotional items will be available through Boisset Collection and preferred third-party vendors. Boisset Collection's business relationships with its vendors and suppliers are confidential. An Ambassador shall not contact, directly or indirectly, any representative of any supplier or vendor of Boisset Collection except to order pre-approved supplies or merchandise, or if the Ambassador requires

10.5 Flyers and Print Ads

Boisset Collection advertises on a national and regional level on behalf of all Ambassadors. Therefore, Ambassadors are not allowed to advertise on a national or regional level without approval. Ambassadors may advertise in local publications, provided the ad is professional, accurate, is not misleading in any way; and adheres to the following guidelines for advertising:

- Altering marketing materials provided in the Back Office is strictly prohibited.
- Ambassadors must always represent themselves as Independent Ambassadors.
- If an Ambassador chooses to create her or his own print ads or flyers, such collateral must include either the Boisset Collection website address or the Ambassador's official Replicated Website address.
- The ad or flyer must use only those images provided by the Company, and the Ambassador must represent herself or himself as an Independent Ambassador so there is no confusion between her or his ad and corporate advertising. Please submit all flyers to customercare@boisset.com before submission for print or publishing.

10.6 Trademarks and Trade Names

The name "Boisset Collection" and other names used by Boisset Collection are proprietary trade names, trademarks, and service marks of Boisset Collection (collectively "Marks"). As such, these Marks are of great value to Boisset Collection and are supplied to active Ambassadors for their use only in an expressly authorized manner. Boisset Collection will not allow the use of its trade names, trademarks, designs, or symbols, or any derivatives of such Marks, by any person, including Boisset Collection Ambassadors, in any unauthorized manner without the prior written permission of Boisset Collection. This includes using trademarks in email addresses, meta-tags, keywords, and/or Search Engine Optimization (SEO) strategies. Below is a sample list of Boisset Collection's current proprietary terms. These and other Boisset Collection protected terms may not be used in Ambassador's URLs, email addresses, and tag lines. Please note that the below list may be amended or added to without notice by the Company. As set forth in the Ambassador Agreement, Ambassadors may not use or attempt to register the above terms or any other Boisset Collection trade names, trademarks, service names, service marks, product names, the Boisset Collection name, properties, brands, or any derivative of those Marks for any Internet domain name, email address, social media name or address, or online aliases. Additionally, an Ambassador cannot use or register domain names, email addresses, and/or online aliases that could cause confusion or be misleading or deceptive in that they cause individuals to believe or assume the communication is from, or is the property of, Boisset Collection or any other brand entity. Ambassadors may submit a URL or email address for approval prior to use by emailing Customer Care. Ambassadors are not permitted to use the Boisset Collection or related company trade names or any of its trademarks/service marks on personal or business checking accounts. However, an Ambassador may imprint her or his checks with "Independent Ambassador with Boisset Collection". An Ambassador may use the Boisset Collection name in the following manner when referring to herself or himself:

Ambassador's first and last name Boisset Collection Independent Ambassador Ambassador Recognized Title *Example*: Alice Smith, Boisset Collection Independent Ambassador, Senior Director

Ambassadors may not use the name Boisset Collection or any of its subsidiaries in any form in their team name, a tagline, an external website name, a personal website address or extension, an email address, or as a personal name or nickname. For example, an Ambassador may not secure the domain name www.BuyBoissetWine.com, nor may an Ambassador create an email address such as JCBAmbassador@hotmail.com. An Ambassador who infringes upon any Boisset Collection Marks or any other Boisset Collection intellectual property or does not conform to the standards listed above may be liable for monetary damages to Boisset Collection for unauthorized use of the Marks and/or subject to disciplinary action by Boisset Collection. In addition, Boisset Collection may require any Internet domain name that contains any Boisset Collection Marks or any derivative thereof to be transferred to Boisset Collection.

10.7 Copyrights

The content of all Boisset Collection sponsored training events is copyrighted material. Ambassadors may not produce for sale or distribution any recorded Boisset Collection training events or speeches without written permission from Boisset Collection, nor may Ambassadors reproduce for sale or distribution any recording of Boisset Collection produced audio or video presentations.

10.8 Media Inquiries & Press Releases

Boisset Collection Corporate Team initiates all regional, national, or international press opportunities on behalf of all Ambassadors. This includes, but is not limited to, TV, radio, newspaper, Internet, gifting suites, award shows, partnerships, press releases, and magazine features. Ambassadors must direct any questions or media opportunities of this nature to the Marketing Department via Customer Care and should include full contact details for the referring media outlet. Corporate will review the requests on an individual basis and will respond accordingly. It is a violation of this policy to provide any information to the media without prior approval from corporate, regardless of the nature of the information or whether the information is positive or negative, accurate or inaccurate. All inquiries from any form of media representative must be immediately referred to Boisset Collection's Customer Care team for approval.

10.9 Television and Radio: Advertising/Appearances

Ambassadors may not advertise or appear on television and/or radio broadcasts representing Boisset Collection. Only approved Boisset Collection corporate representatives who are media trained will be considered for potential broadcast opportunities.

10.10 Unsolicited Email

Boisset Collection does not permit Ambassadors to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including without limitation to, the federal CAN SPAM Act. Any email sent by an Ambassador that promotes Boisset Collection, the Boisset Collection opportunity, or Boisset Collection products and services must comply with the following:

- There must be a functioning return email address to the sender.
- There must be a notice in the email that advises the recipient that she or he may reply to the email via the functioning return email address, to request that future email solicitations or correspondence not be sent to her or him (a functioning "opt-out" notice).
- The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- The use of deceptive subject lines and/or false header information is prohibited.
- All opt-out requests, whether received by email or regular mail, must be honored. If an Ambassador receives an opt-out request from a recipient of an email, the Ambassador must forward the opt-out request to the Customer Care team.

Boisset Collection may periodically send emails to Customers on behalf of Ambassadors. By agreeing to the terms of the Ambassador Agreement, the Ambassador agrees that Boisset Collection may send such emails and that the Ambassador's email address will be included in such emails as outlined above. Ambassadors shall honor opt-out requests generated as a result of such emails sent by Boisset Collection.

10.11 Telemarketing

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although Boisset Collection does not consider Ambassadors to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" such that the inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause the Ambassador to violate the law. Moreover, these regulations must not be taken lightly as they carry significant penalties. Therefore, Ambassadors must not engage in telemarketing in the operation of their Boisset Collection businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Boisset Collection product or service or to recruit them for the Boisset Collection opportunity. "Cold calls" made to prospective Customers or Ambassadors that promote either Boisset Collection services or the Boisset Collection opportunity constitute telemarketing and are prohibited. However, Ambassadors may call prospective Customers or Ambassadors or guests who have attended Boisset Collection events, including Tastings, or indicated their interest in the Boisset Collection opportunity.

10.12 Online & Print Directory Listings

An Ambassador may list her or his business in the following manner:

Ambassador's first and last name Boisset Collection Independent Ambassador Address Phone Number

No Ambassador may place print or online directory display ads using Boisset Collection's name or logo other than outlined above. The name Boisset Collection or any variation may not be used in telephone numbers, for

example: 1-800-BOISSET is not to be used or reserved by an Ambassador. Ambassadors may not answer the telephone by saying "Boisset Collection" or "Boisset Collection Incorporated" or in any other manner that would lead the caller to believe that she or he has reached Boisset Collection corporate.

10.13 Giveaways Prohibited

The offering of wine giveaways, contests, and/or prizes by Ambassadors to the public is against the law. Only charities with the proper 501(c)(3) permits for fundraisers may hold such raffles with wine or alcohol at their events or throughout the year. Ambassadors may offer a non-alcohol related item as long as the giveaway is not tied to the purchase of wine and does not incentivize the purchase of wine or a wine tasting. For instance, an offer whereby a customer would purchase \$50 worth of wine and receive a free corkscrew would be considered Illegal.

10.14 Online Advertisements & Classifieds

Ambassadors may not use online classifieds (including Craigslist) to list, sell, or retail Boisset Collection products or product bundles. The use of classifieds (including Craigslist) for prospecting, recruiting, and informing the public about the Boisset Collection opportunity is allowed per the terms of the website provider, Boisset Collection-approved templates/images are used and no earnings claims are made Ambassadors must also identify themselves as Independent Ambassadors with Boisset Collection. If a web link or URL is provided, it must link to the Independent Ambassador's Replicated Website.

10.14.1 eBay/Online Auctions

Boisset Collection's products and services may not be listed on external websites (including, but not limited to, eBay and Amazon) or other online auctions, nor may Ambassadors enlist or knowingly allow a third party to sell Boisset Collection products on such websites or other online auctions. An active Ambassador or former Ambassador (whether Termination was voluntary or involuntary) may not liquidate unsold products on such websites or any other online clearinghouse or online/offline auction.

10.14.2 Online Retailing

Ambassadors may not list or directly sell Boisset Collection products on any online retail store or ecommerce site (including, but not limited to, any social media sites), nor may they enlist or knowingly allow a third party (including, but not limited to, members of their household) to sell Boisset Collection products on any online retail store or e-commerce site. Ambassadors may not offer or use coupons, blanket discounts, or specials on any online, e-commerce, or social media site including Groupon, Livingsocial, etc.

10.14.3 Digital Media Submission (YouTube, iTunes, Vimeo, etc.)

Ambassadors may upload, submit, or publish Boisset Collection related video, audio, or photo content that they develop and create as long as it is professional, aligns with Boisset Collection values, contributes to the Boisset Collection community in a positive way, and is in compliance with Boisset Collection Policies and Procedures. If videos, audio, or photos contain instructional or training content, Ambassadors must receive prior written approval before uploading for public viewing. All submissions must clearly identify the poster as an Independent Ambassador in the content itself and in the content description tag, must comply with all copyright/legal requirements, and must state that the Ambassador is solely responsible for this content. Ambassadors may not upload, submit, or publish any content (video, audio, presentations, or any computer files) received from Boisset Collection or captured at official Boisset Collection events or in buildings owned or operated by Boisset Collection without prior written permission.

10.15 - Confidential Access to Back Office

The Ambassador Back Office is the online repository where Ambassadors can access sales information, support documents, educational information, business tools, and more. Boisset Collection makes the online Back Office available to its Ambassadors. This provides Ambassadors access to confidential and proprietary information that may be used solely and exclusively to promote the development of an Ambassador's business and to increase sales of Boisset Collection products. Boisset Collection reserves the right to deny Ambassadors access to the Back Office at its sole discretion. All Ambassadors have a duty to protect the Company's Confidential Information in accordance with Section 4.15.

10.16 Personal Replicated Website Branding

Each Ambassador will receive a Replicated Website from Boisset Collection to facilitate the online buying experience for their customers and to enable enrollments for new Ambassador prospects. An Ambassador may choose her or his own Replicated Website URL naming convention. If, for any reason, Boisset Collection finds the name to be confusing, offensive, or misleading, Boisset Collection reserves the right, at any time, to request that the Ambassador change her or his URL address. An Ambassador should choose a uniquely identifiable website name that cannot:

- Be confused with other portions of the corporate website.
- Confuse a reasonable person into thinking she or he has landed on a corporate page i.e., use of a city, state or country name.

- Be confused with any Boisset Collection name brand or property.
- Contain any discourteous, misleading, or offensive words or phrases that may damage Boisset Collection's image.

Boisset reserves the right to discontinue allowing an external website at any time with written notice; such sites must be removed within 24 hours from the time of notification.

10.17 Social Media

We encourage Ambassadors to use Social Media to share information about Boisset Collection. Ambassadors who elect to use Social Media must adhere to these Policies and Procedures in all respects. Ambassadors must not post on the Boisset Collection Facebook page any of the following (though not limited to these items): recruiting opportunities to solicit business, a sign-up form for new Ambassadors, a link to drive traffic to one's Personal Replicated Website or Facebook page, confidential information or Ambassador-exclusive information, or any negative or disparaging comments. Ambassadors are prohibited from using any of Boisset Collection's trademarked terms (which may be found in Section 10.6), or misspellings or derivatives thereof, in the URL of any third-party websites or Personal Websites. When using personal Social Media networks to promote the Ambassador's business with friends, family, customers, leads, and other potential business connections, Ambassadors must adhere to the following policies and procedures when referencing Boisset Collection, Boisset Collection products and properties, and the Boisset Collection opportunity. If Boisset Collection is discussed or mentioned, social media posts must clearly identify the Ambassador as an Independent Ambassador, and when an Ambassador participates in those online communities, Ambassadors must avoid inappropriate conversations, comments, images, video, audio, and applications. The determination of what is inappropriate is at Boisset Collection's sole discretion, and offending Ambassadors will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from Boisset Collection's approved Resource Library in the Ambassador Back Office. If a link is provided, it must link to the posting Ambassador's Personal Replicated Website. Furthermore:

- Ambassadors may not use blog spam or any other mass-replicated methods to leave comments.
- Comments that Ambassadors create or leave must be useful, unique, relevant, and specific to the blog's article.
- An Ambassador's Facebook heading/title MUST clearly state that she/he is a Boisset Collection Independent Ambassador.

Ambassadors are permitted and encouraged to do the following:

- Share imagery on social networking sites (via applications such as Facebook, Pinterest, and Instagram, among others)
- Share Boisset Collection Facebook posts and add them to one's personal Facebook page(s)
- Tweet or retweet corporate's Twitter feeds
- Post event invitations or post one's own positive comments about upcoming Boisset Collection events
- Share stories of success and post pictures of tastings and Boisset Collection events (with the customer's permission)
- Share news about new and/or best-selling products based on one's personal experiences
- Post Boisset Collection newsletters and/or other newsworthy items like press clippings or celebrity images, provided they comply with Boisset Collection guidelines
- Post current promotions, incentives, and other Boisset Collection-created programs

10.17.1 Deceptive Postings

Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the Boisset Collection opportunity, products, properties, services, and/or one's biographical information and credentials. Postings that fall under this heading will immediately be removed without prior notice. Ambassadors creating postings that fall under this heading may be terminated.

10.17.2 Boisset Collection Ambassador Identification

An Ambassador must disclose her or his full name or legally registered business name on all Social Media postings and identify herself or himself as an Independent Ambassador. Anonymous postings or use of an alias is prohibited.

10.17.3 Social Media as a Sales and Promotion Forum

Social Media sites are relationship-building sites. While building relationships is an important part of the sales process, Social Media sites may not be used as a direct medium for generating sales. Online sales may be generated only from an Ambassador's Replicated Website. Ambassadors are permitted to include links to their Replicated Website on Social Media sites, including, but not limited to, Pinterest, Twitter, LinkedIn, and Facebook. However, posting this information to the official Boisset Collection pages on these sites is prohibited.

10.17.4 Respecting Privacy

Always respect the privacy of others in postings. Ambassadors must not engage in gossip or advance rumors about any individual, Boisset Collection, or competitive products or services. Ambassadors may not list the names of other individuals or entities on their postings unless they have the written permission of the individual or entity that is the subject of their posting.

10.17.5 Online Professionalism

Ambassadors must ensure that their postings are truthful and accurate. This requires that the Ambassador fact-check all material posted online. Ambassadors should also carefully check their postings for spelling, punctuation, and grammatical errors. Use of offensive language is prohibited.

10.17.6 Prohibited Online Postings

Ambassadors may not make any posting, or link to any posting or other material, that:

- Is sexually explicit, obscene, or pornographic
- Is offensive, profane, hateful, threatening, harmful, defamatory, libelous, harassing, or discriminatory (whether based on race, ethnicity, creed, religion, gender, sexual orientation, physical disability, or otherwise)
- Is graphically violent, including any violent video game images
- Is solicitous of any unlawful behavior
- Engages in personal attacks on any individual, group, or entity
- Is in violation of any intellectual property rights of the Boisset Collection or any third party

10.17.7 Responding to Negative Posts

An Ambassador must not converse with one who places a negative post against her or him, another Ambassador, or Boisset Collection. Boisset Collection asks that the Ambassador report negative posts to Customer Care. Responding to such negative posts often simply fuels a discussion with someone carrying a grudge that does not hold herself or himself to the same high standards as Boisset Collection, and therefore damages the reputation and goodwill of Boisset Collection.

10.17.8 Cancellation of an Ambassador Business

If an Ambassador's business is cancelled or terminated for any reason, she or he must discontinue using the Boisset Collection name and all of Boisset Collection's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that she or he utilizes. If she or he continues to utilize any Social Media site on which she or he has previously identified herself or himself as an Ambassador, she or he must delete the Ambassador page and references to being an Ambassador.

SECTION 11 TRANSFERRING, SELLING, OR ASSIGNING A BOISSET AMBASSADOR BUSINESS

11.1 Sale of a Boisset Ambassador Business Prohibited

An Ambassador may not sell, give away, assign, or otherwise transfer their Boisset Collection business or any rights or obligations under the Ambassador Agreement.

11.2 All Other Transfers Prohibited

Except as expressly permitted by this section (Section 11) and with Boisset Collection's prior written approval, Ambassador shall not assign, sell, transfer, delegate, or otherwise dispose of, whether voluntarily or involuntarily, by operation of law or otherwise, the Ambassador Agreement or any rights or obligations under the Ambassador Agreement. Any purported assignment, sale, transfer, delegation, or other disposition, except as expressly permitted by Section 12, will be null and void.

SECTION 12 DISPUTE RESOLUTION & DISCIPLINARY ACTION

12.1 Disciplinary Action

Any violation by an Ambassador of the Ambassador Agreement, including these Policies and Procedures, or a violation of any common law duty including, but not limited to, any illegal, fraudulent, deceptive, or unethical business conduct; or any act or omission by an Ambassador that in the sole discretion of Boisset Collection may damage its reputation or goodwill (noting that such damaging act or omission need not be related to the Ambassador's business), may result, at Boisset Collection's discretion, in one or more of the following disciplinary measures:

Issuance of a written warning requiring the Ambassador to take immediate corrective measures; the
Boisset Collection Independent Ambassador Policies & Procedures
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Ambassador will have the opportunity to provide additional information and/or request additional coaching

- Cancellation of an Ambassador's agreement with Boisset immediately or after more than two (2) written warnings
- In situations deemed appropriate by Boisset Collection, Boisset Collection may institute legal proceedings for monetary and/or equitable relief.

12.2 Grievances and Complaints

When an Ambassador has a grievance or complaint with another Ambassador regarding any practice or conduct related to her or his respective Boisset Collection business, the complaining Ambassador should first report the problem to her or his sponsor, who should review the matter and try to resolve it with the other party's Upline Sponsor. If the matter involves interpretation or violation of the Ambassador Agreement, including any Boisset Collection policy, it must be reported in writing to <u>customercare@boisset.com</u> to review the facts and attempt to resolve the issue.

SECTION 13 SALES TAX

Boisset Collection collects sales tax on purchases made through the corporate website (including Ambassador's Replicated Websites) based on the suggested retail price of Boisset Collection products. Sales tax collected by Boisset Collection is calculated based on the tax rate of the state, jurisdiction, province, or parish to which the order is shipped. Boisset Collection submits sales tax collected to the appropriate agency on behalf of each Ambassador. Ambassadors should compute and collect sales tax on their retail sales to offset the sales tax paid by the Ambassador upon initial purchase of the products from Boisset Collection. If an Ambassador has submitted, and Boisset Collection has accepted, a current Sales Tax Exemption (Resale) Certificate, albeit permanent or temporary, and a Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be the responsibility of the Ambassador. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by Boisset Collection is not retroactive.

SECTION 14 AMBASSADOR RESCISSION AND TERMINATION PERIOD

14.1 Rescission Period

An Ambassador may cancel her or his Ambassador Agreement, without penalty or obligation, within three (3) business days (five [5] days for Alaska residents), from her or his enrollment date. If an Ambassador cancels, any payments made by her or him under the Ambassador Agreement will be returned within ten (10) business days following receipt of the Ambassador's cancellation notice by Boisset Collection. If an Ambassador cancels, she or he must make available to Boisset Collection, in substantially as good condition as when received, any goods delivered to the Ambassador under the Ambassador Agreement. To cancel the transaction, the Ambassador must email, mail, or deliver a signed and dated copy of the Notice of Cancellation to customer care no later than midnight of the third (3rd) business day after the submission date. To cancel, email <u>customercare@boisset.com</u>.

14.2 Termination of the Ambassador Agreement

As long as an Ambassador remains active and complies with the terms of the Ambassador Agreement, including these Policies and Procedures, Boisset Collection shall pay Commissions to such Ambassador in accordance with the current Compensation Plan. Following a Ambassador's nonrenewal of her or his Ambassador Agreement, Termination due to inactivity, or voluntary or involuntary Termination of an Ambassador Agreement (all of these methods are collectively referred to as "Termination"), the former Ambassador shall have no right, title, claim, or interest to the marketing Organization/Team which she or he operated, or any commission or bonus from the sales generated by the Organization. An Ambassador whose business is terminated will lose all rights as an Ambassador. This includes the right to market Boisset Collection products and services and the right to receive future Commissions, Bonuses, or other income resulting from the sales and other activities of the Ambassador's former Team Sales Organization. In the event of Termination, Ambassador agrees to waive all rights they may have, including, but not limited to, property rights to their former Team Organization and any Bonuses, Commissions, or other remuneration derived from the sales and other activities of her or his former Team Organization. Following the Termination of an Ambassador Agreement, the former Ambassador may not hold herself or himself out as an Ambassador and shall not have the right to market Boisset Collection products or services. Boisset Collection has the right to offset any amounts owed by an Ambassador to Boisset Collection from Commissions or other compensation due to the Ambassador. Boisset Collection will honor statutory buyback requirements of every jurisdiction (please check with your state's Department of

Revenue for additional information). An Ambassador whose business is canceled or Terminated shall receive Commissions and Bonuses only for the last full pay period during which she or he was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

Upon Termination (voluntary or involuntary), the Ambassador:

- Must immediately cease all activities as an Ambassador, including removing and permanently discontinuing the use of Boisset Collection trademarks, service marks, trade names, and any signs, labels, stationery, or advertising referring to or relating to any Boisset Collection product, plan, or program.
- Loses rights to all of her or his Team and position in the Compensation Plan and all future Commissions and earnings resulting therefrom.
- Must take all action reasonably required by Boisset Collection relating to its materials and protection of its confidential information and intellectual property.
- Must return all unused products purchased from Boisset Collection. If products are not returned and Boisset Collection becomes aware of a Terminated Ambassador participating in the sale of such products, Boisset Collection reserves the right to take legal action to protect the integrity of Boisset Collection.
- May not solicit or recruit any current or active Ambassador, prospective Ambassador, or Customer to participate in any other direct sales, party plan, or network marketing business for a period of six (6) months thereafter. She or he may not utilize or disclose to any party any proprietary data, processes, or Boisset Collection Confidential Information, including, but not limited to, Team Organization Reports, the identity and contact information of Boisset Collection Customers and Ambassadors, Ambassador Personal and Team Volumes, and Ambassador Title and/or achievement levels.

14.2.1 Termination for Inactivity

If an Ambassador fails to personally generate 1000PV (Personal Volume) during a rolling twelve (12) month period after enrollment, or does not maintain their monthly Cellar Suite business platform subscription, her or his Ambassador Agreement may be terminated due to inactivity, and that Ambassador will no longer be considered an Active Ambassador. Ambassadors who become inactive will be reclassified as Customers and will: (i) no longer be able to market Boisset Collection products; and (ii) no longer receive Team Sales Commissions (as the team will roll up to their sponsor). For more information, see Section 14.2. In the event of a personal or family illness or emergency, the Ambassador can contact customer care and request a waiver (which will be evaluated on a case-by-case basis by Boisset Collection) to be considered for an extension of the account active status via "approved leave." Waivers must be requested at the time the hardship occurs. Extensions will not be granted retroactively. Upon receipt by Boisset Collection of appropriate documentation from the Ambassador, her or his status will immediately be reactivated.

14.2.2 Voluntary Termination

An Ambassador has the right to terminate her or his Ambassador Agreement at any time, regardless of reason. Ambassadors must contact customercare@boisset.com in writing. The email or written notice must include the Ambassador's, printed name, address, and Ambassador ID Number.

14.2.3 Involuntary Termination

Involuntary Termination shall be effective on the date on which written notice is mailed, emailed, faxed, or delivered by an express courier, to the Ambassador's last known email address, fax number, or mailing address on file with Boisset Collection, or when the Ambassador receives actual notice of Termination, whichever occurs first. An Ambassador who is terminated involuntarily is not eligible to later re-apply to become an Ambassador again.

14.2.4 Miscellaneous Termination Provisions

An Ambassador who terminates (either voluntarily or involuntarily) remains responsible for fulfilling all outstanding obligations (including, but not limited to, any products or refunds due to Customers) before her or his status will be officially canceled and terminated. Boisset Collection reserves the right to terminate all Ambassador Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

SECTION 15 Special Hiatus

Boisset Collection understands that from time to time special circumstances, such as medical conditions, family needs, or military deployments, arise that may require an Ambassador to focus her or his full attention on these situations. If that becomes the case, the Ambassador may contact the Company to request a medical, maternity, or military hiatus and discuss the special circumstances with Boisset. The Ambassador may be required to supply supporting documentation at the Company's request.

SECTION 16 MISCELLANEOUS

16.1 Severability

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

16.2 Waivers

Boisset Collection retains its right to insist upon compliance with the Ambassador Agreement and with the applicable laws governing the conduct of a business. No failure of Boisset Collection to exercise any right or power under the Agreement or to insist upon strict compliance by an Ambassador with any obligation or provision of the Agreement shall constitute a waiver of Boisset Collection's right to demand exact compliance with the Agreement. The existence of any claim or cause of action of an Ambassador against Boisset Collection shall not constitute a defense to Boisset Collection's enforcement of any term or provision of the Agreement.

16.3 Entire Agreement

The Ambassador Agreement including these Policies and Procedures constitutes the entire Agreement between the parties with respect to its subject matter. The Ambassador Agreement supersedes all previous, contemporaneous, or inconsistent agreements, negotiations, representations, and promises between the parties, written or oral, regarding the subject matter of the Agreement. There are no oral or written collateral representations, agreements, or understandings except as specifically outlined in the Ambassador Agreement.

16.4 Notices

Except as otherwise expressly outlined in the Ambassador Agreement, all notices required or permitted by the Ambassador Agreement shall be in writing, and shall be sent to the party to be notified by registered or certified mail, or delivered in person, and shall be deemed effective upon receipt. Notices to an Ambassador shall be sent to the address submitted on the Ambassador Agreement or updated Ambassador profile. Notices to Boisset Collection shall be sent to Boisset Collection shall be sent to Boisset Collection shall be sent to Boisset Collection State Collection State Collection Ambassador Program, Attn: Customer Care, 849 Zinfandel Lane, St. Helena, CA 94574.