



AGREEMENT TERMS AND CONDITIONS

CANADA

EFFECTIVE: JULY 2020

As an IBO, I AGREE THAT I have carefully read and agree to comply with the Cerule Policies and Procedures, the Cerule Pay Plan, and the Code of Ethics all of which are incorporated into and made a part of these Terms and Conditions ("Agreement"):

Cerule Canada Ltd ("Cerule") Believes That Its Independent Business Owners (IBO's) Should Subscribe To The Principles Of Fairness, Honesty, Integrity, And Service. The Relationship Of Cerule To The IBO, The IBO To The Customer, And The IBO To Others Should Be Preserved, Protected, And Promoted In Accordance With The Highest Standards Of Conduct. Therefore, The IBO Agrees To Abide By And Subscribe To The Code Of Professional Ethics (The "Code Of Ethics").

- 1. Authorization and Contract.** By executing the Cerule Independent Business Owner Agreement ("IBO Agreement"), you apply for legal authorization to become a Cerule Independent Business Owner ("IBO") and enter into contract with Cerule Canada Ltd, hereinafter "Cerule" or merely the "Company." You acknowledge that prior to signing you have received, read and understood the Cerule Income Disclosure Statement, that you have read and understood the Cerule Policies and Procedures, which are incorporated into this Agreement and made part of it as if restated in full, as posted on www.cerule.com, and that you have read and agree to all terms set forth in this Agreement. Cerule reserves the right to reject any application for any reason within thirty (30) days of receipt.
- 2. Expiration, Renewal, and Termination.** The term of this Agreement is one year (subject to prior cancellation or disqualification as provided in the Policies and Procedures). If you fail to annually renew your Cerule business, or if it is canceled or terminated for any reason, you understand that you will permanently lose all rights as an IBO. You shall not be eligible to sell Cerule products and services nor shall you be eligible to receive royalties, bonuses, or other income resulting from the activities of your former downline sales organization. In the event of cancellation, termination or nonrenewal, you waive all rights you have, including but not limited to property rights, to your former downline organization and to any bonuses, commissions or other remuneration derived through the sales and other activities of your former downline organization. Cerule reserves the right to terminate all IBO Agreements upon thirty (30) days' notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via direct selling channels. You may cancel this Agreement at any time, and for any reason, upon written notice to the Company at its principal business address.

Cerule may cancel this Agreement for any reason upon thirty (30) days' advance written notice to IBO. The Company may also take actions short of termination of the Agreement, if an IBO breaches any of the provisions found in this Agreement or the Policies and Procedures.

3. **Independent Contractor Status.** You agree this authorization does not make you an employee, agent, or legal representative of Cerule or your Sponsoring IBO. As a self-employed independent contractor, you will be operating your own independent business, buying and selling products available through the Company on your own account. You have complete freedom in determining the number of hours that you will devote to your business, and you have the sole discretion of scheduling such hours. You will receive CRA form T4A reflecting the amount of income paid to you during the calendar year (if the income received is more than \$500). By agreeing to these terms, you agree to receive the T4A form electronically. It will be your sole responsibility to account for such income on your individual income tax returns.
4. **Refunds and Product Returns.** You agree that if you resell Product directly to a customer, you will adhere to Cerule's 100% satisfaction guarantee policy and shall provide the customer a full refund of all monies paid if the customer returns the product to you within thirty (30) days of the sales transaction. If you are not 100% satisfied with our products, you may return the items for a refund within thirty (30) days of the sales transaction. Shipping and handling charges incurred will not be refunded. Upon either voluntary or involuntary termination, an IBO may return any unsold inventory in resalable condition (as defined in the Policies and Procedures) purchased within the previous twelve (12) months for a refund.
5. **Presenting the Plan.** You agree when presenting the Cerule Compensation Plan to present it in its entirety as outlined in official Company materials, emphasizing that sales to end consumers are required to receive compensation in the form of bonuses on downline volume. In presenting the plan to prospects, you agree not to utilize any literature, materials or aids not produced or specifically authorized in writing by Cerule. You agree to instruct all prospective IBOs to review the Company Income Disclosure Statement.
6. **Selling Product.** You agree to sell products available through Cerule only in authorized territories. You further agree to make no representations or claims about any products beyond those shown on product labels and/or in official Company literature. Moreover, claims (which include personal testimonials) as to therapeutic, curative, or beneficial properties of any products offered by Cerule may not be made except those contained in official Company materials and literature. In particular, you may not make any claim that Cerule products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as unapproved medical or drug claims. Not only do such claims violate the Company's policies, but also may potentially violate federal laws and regulations.

7. **Cerule's Proprietary Information and Trade Secrets.** You recognize and agree that, as further set forth in the Policies and Procedures, information compiled by or maintained by Cerule, including Line of Sponsorship (LOS) information (i.e., information that discloses or relates to all or part of the specific arrangement of sponsorship within the Cerule business including, without limitation, IBO lists, sponsorship trees, and all Cerule IBO information generated there from, in its present or future forms), constitutes a commercially advantageous, unique and proprietary trade secret of Cerule, which it keeps as proprietary and confidential and treats as a trade secret. During the term of your contract with Cerule, the Company grants you a personal, non-exclusive, non-transferable and revocable right to use trade secret, confidential, and proprietary business information (Proprietary Information), which includes, without limitation, LOS information, business reports, manufacturing and product developments, and IBO sales, earnings and other financial reports to facilitate your Cerule business.
8. **Non-Competition Agreement.** In accordance with the Policies and Procedures, you agree that during the period while you are an IBO, and for six (6) months following resignation, non-renewal, or termination of your business, you will not compete with Cerule. This covenant shall survive the expiration or termination of your authorization and contract with the Company.
9. **Non-Solicitation Agreement.** In accordance with the Policies and Procedures, you agree that during the period while you are an IBO, and for one (1) calendar year following resignation, non-renewal, or termination of your business, you will not encourage, solicit, or otherwise attempt to recruit or persuade any other Cerule IBO to compete with the Company.
10. **Images / Recordings / Consents.** You agree to permit Cerule to obtain photographs, videos, and other recorded media of you or your likeness. You acknowledge and agree to allow any such recorded media to be used by the Company for any lawful purpose, and without compensation.
11. **Modification of Terms.** With the exception of the dispute resolution section in Policies and Procedures, which can only be modified by way of mutual consent, the terms of this Agreement may be modified as specified in Rule 1 in the Policies and Procedures.
12. **Jurisdiction and Governing Law.** The formation, construction, interpretation, and enforceability of your contract with Cerule as set forth in this IBO Agreement and any incorporated documents shall be governed by and interpreted in all respects under the laws of the Province of British Columbia without regard to conflict of law provisions.
13. **Dispute Resolution.** All disputes and claims relating to Cerule, its products and services, the rights and obligations of an IBO and the Company, or any other claims or causes of action relating to the performance of either an IBO or the Company under the Agreement or the Company Policies and Procedures shall be settled totally and finally by arbitration as enumerated in the Policies and Procedures in Vancouver, British Columbia, or such other

location as the Company prescribes, in accordance with the Commercial Arbitration Act and the Commercial Arbitration Rules of the Canadian Arbitration Association. Additionally, you agree not to initiate or participate in any class action proceeding against Cerule, whether in a judicial or mediation or arbitration proceeding, and you waive all rights to become a member of any certified class in any lawsuit or proceeding. This agreement to arbitrate shall survive any termination or expiration of the Agreement. Nothing in the Agreement shall prevent Cerule from applying to and obtaining from any court having jurisdiction a writ of attachment, garnishment, temporary injunction, preliminary injunction, permanent injunction or other equitable relief available to safeguard and protect its interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

14. **Time Limitation.** If an IBO wishes to bring an action against Cerule for any act or omission relating to or arising from the Agreement, such action must be brought within one (1) year from the date of the alleged conduct giving rise to the cause of action. IBO waives all claims that any other statutes of limitations apply.
15. **Miscellaneous.** If any provision of the Agreement is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable and the balance of the Agreement will remain in full force and effect. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one instrument. The provisions of this Agreement, including all documents incorporated herein by reference, embody the whole agreement between you and Cerule Canada Ltd and supersedes any prior agreements, understandings and obligations between you and the Company concerning the subject matter of your contract with us.
16. **Notice of Cancellation.** Should you choose to cancel your Cerule business, mail or deliver written notice to Cerule Canada, 317-255 Newport Drive, Port Moody, BC V3H5C7 Canada, or email the Company at CaringCrewCA@cerule.com

Once you have reviewed the Policies, and if you agree to abide by them, please click the "I agree" box located below and continue with your application to become an IBO. PLEASE NOTE THAT BY CLICKING "I AGREE" YOU INDICATE THAT YOU HAVE READ AND UNDERSTAND THE POLICIES AND AGREE TO BE BOUND BY THEM.

I AGREE to the terms and conditions of the IBO Agreement and the Policies and Procedures.