

# **BOMB PARTY™**

## **Policies**

Effective June 1, 2023

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## **SECTION 1: INTRODUCTION AND ABOUT POLICIES**

### **1.1 - Policies and Independent Bomb Party Representative Agreement**

These Policies (the “Policies”), in their present form govern the relationship between you, as a Bomb Party Independent Party Rep (hereafter “Party Rep”), and Ring Bomb Party, LLC (hereafter “Bomb Party” or the “Company”). These Policies, together with the Bomb Party Compensation Plan, the Privacy Policy, and the Party Rep Agreement make up the Contract between you and Bomb Party. Therefore, as used in this document, the term “Contract” collectively refers to these Policies, the Bomb Party Compensation Plan, the Privacy Policy, and the Party Rep Agreement, in their current form and as may be amended in the future at the Company’s discretion. It is the responsibility of each Party Rep to read, understand, adhere to, and ensure that they are aware of and operating under the most current version of these Policies. Any promises, representations, offers, or other communications not expressly set forth in the Contract are of no force or effect.

Bomb Party and its Party Reps operate under a direct sales model. Party Reps are not employees of Bomb Party but Enroll as independent sales representatives to purchase Products from Bomb Party at wholesale or discounted prices and thereafter sell the Products directly to Customers at a pre-determined markup. Sales to Customers may be through a Party Rep’s replicated web site (Replicated Site), through in-person transactions, or as arranged in other Party Rep-to-Customer interactions. Purchased Products are typically revealed live to Customers through Party Rep-hosted parties either online or in person. As Party Reps purchase inventory, complete sales, and/or Sponsor individuals to become new Party Reps (thus joining the Sponsoring Party Rep’s Team), they are compensated based on the Bomb Party Compensation Plan. A “Team” is defined as an organization of Party Reps that shares a common Advisor, directly or indirectly, typically including Party Reps on Downline Levels 1 through 4. “Product” is typically defined as articles or jewelry sold by Bomb Party, that are manufactured or created with the intent to sell or resell. Product may include but is not limited to rings or ring bombs, earrings, necklaces, bracelets, or additional commissionable goods.

### **1.2 - Changes to the Contract**

Bomb Party reserves the right to amend the Contract at any time (whether in part or in its entirety) and at its sole and absolute discretion. By executing the Contract, a Party Rep agrees to abide by all amendments or modifications that Bomb Party makes to the Contract. Such amendments are effective 30 calendar days after publication of notice or later as specifically noted.

### **1.3 - Policies and Provisions Severable**

If any provision of the Contract, in its current form or as amended, is held void or unenforceable, only the void or unenforceable portion(s) of the provision shall be severed from the Contract and the remaining provisions shall remain in effect. The severed provision shall be reformed so that it is in compliance with the law and reflects the purpose of the original provision as closely as possible. The existence of any claim or cause of action of a Party Rep against Bomb Party shall not constitute a defense to Bomb Party’s enforcement of any term or provision of the Contract.

### **1.4 - Waiver**

The Company does not waive its right to insist on compliance with the Contract and with the applicable laws governing the Contract and the relationship of the parties hereto. No failure of Bomb Party to exercise any right or power under the Contract or to insist upon strict compliance by a Party Rep with any obligation or provision of the Contract, and no custom or practice of the parties at variance with the terms of the Contract, will constitute a waiver of Bomb Party’s right to demand exact compliance with the

Contract. The existence of any claim or cause of action of a Party Rep against Bomb Party will not constitute a defense to Bomb Party's enforcement of any term or provision of the Contract.

### **1.5 - Official Bomb Party Social Media Page(s)**

Bomb Party has official, public-facing Company Social Media pages, groups, and properties. Party Reps may not place linking information to their own or any other external website on any of Bomb Party's Social Media platforms, nor may they post any pricing, promotions, marketing material, sales, advertisements, or announcements relating to their Bomb Party Rep Account (the "BP Rep Account" as further defined below) on any of the Company's Social Media pages (including in comments on posts, photos, lives, or elsewhere). Bomb Party reserves the right to remove any messages posted on official Company Social Media pages as determined at its sole discretion.

In Social Media groups which are sponsored and run by Bomb Party, which made available only to Independent Party Reps, and not made available to the general public, including, but not limited to, Bomb Party Official Active Rep Group, Gemstone Journey, Sparkle Up, Bomb Party New Rep Fast Start, Bomb Party Leaders Group, and event-specific groups, Party Reps may not solicit other potential Party Reps, nor should they post specific or potentially sensitive information about their own, or other Party Reps' commissions, Team activity, potential violation, or content which is not relevant to the member of the entire group. Party Reps are also prohibited from attempting to recruit customers or potential Party Rep Team members through another Party Rep's events, Social Media groups, Social Media pages, or social channels. Such activities negatively impact the Party Rep to Party Rep culture; such activities are considered poaching and may warrant disciplinary action. Specific questions or concerns should always be directed to the appropriate person or department at Bomb Party Support ("BP Support").

## **SECTION 2: PARTY REP REQUIREMENTS**

### **2.1 - Requirements to Become a Party Rep**

In order to become a Bomb Party Independent Party Rep, each applicant must:

- Be the age of majority in their state or province of residence;
- Reside in the United States, U.S. territory, or country that Bomb Party has officially announced is open for business in its direct selling business model;
- Provide Bomb Party with their valid Social Security or Federal Tax ID number that matches the legal name on record with the Social Security Administration and/or the Internal Revenue Service; and
- Submit a properly completed Contract to Bomb Party in online format.
- Purchase a Starter Kit, which is a set of materials and/or Products arranged by the Company to assist a Party Rep in beginning their selling efforts.

Bomb Party may provide the Social Security numbers, or Federal Tax ID numbers, of Party Reps to government agencies as required by law.

### **2.2 - Independent Contractor Status**

Party Reps are independent contractors, responsible for determining their own activities without substantial direction or control by the Company. Party Reps set their own hours and determine how to conduct business, so long as they comply with the terms of the Contract and Policies. Party Reps are not employees, joint ventures, partners, agents, legal representatives, or franchisees of Bomb Party. The Contract between Bomb Party and Party Reps does not create an employee/employer relationship. The

Party Rep has no authority to bind the company to any obligation. Party Reps are solely responsible for their own liability, health, disability, and workers' compensation insurance and for paying all expenses they incur, including but not limited to travel, food, lodging, secretarial, office, telephone, and other business expenses. PARTY REPS SHALL NOT BE TREATED AS A BOMB PARTY EMPLOYEES FOR FEDERAL OR STATE TAX PURPOSES. Bomb Party is not responsible for withholding and shall not withhold or deduct FICA, or taxes of any kind from Party Reps' compensation. Party Reps are not entitled to workers' compensation or unemployment security benefits of any kind from Bomb Party.

### **2.3 - One Bomb Party Rep Account Per Party Rep and Per Household**

An individual may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one BP Rep Account, and there may be only one BP Rep Account in a Household.

In order to maintain the integrity of the Bomb Party Compensation Plan and Contract, husbands and wives, partners, or common-law couples (collectively "spouses") who wish to become Party Reps will constitute one BP Rep Account, although only one individual may be named on the account as the "recognized" or acting Party Rep. All communications, potential recognition, publications, etc., will be in that recognized Party Rep's name only, and only that one recognized Party Rep will be eligible to participate in Bomb Party events, receive Bomb Party gifts, or join Bomb Party-sponsored Social Media groups.

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

If any member of a Party Rep's Household, or any partner, shareholder, member, or other individual with any ownership or management capacity (collectively "Affiliate Party") in a corporation, partnership, LLC, trust, or other entity (each, a "Business Entity") violates the Contract, such actions(s) will be deemed a violation by the Business Entity and each Affiliated Party, and Bomb Party may take disciplinary action jointly and severally against the Business Entity and/or each Affiliated Party.

### **2.5 - Business Entities**

A corporation, partnership, LLC, or trust (collectively referred to as a "Business Entity") may apply to be a Party Rep by submitting a Bomb Party Independent Party Rep Agreement along with a properly completed IRS Form W-9 or government form. Bomb Party must receive an application, and, depending on the form of entity, a Certificate of Incorporation, Articles of Organization, a Partnership Agreement, or appropriate Trust documents. All documents should be sent to [compliance@bombparty.com](mailto:compliance@bombparty.com). Bomb Party approval or disapproval will be directly communicated with the requesting Business Entity via email. There will be no approval without the express written notice from the Company to the Business Entity.

The Business entity, as well as all shareholders, members, managers, partners, trustees, or other parties with any ownership interest in, or management responsibilities for, the Business Entity (collectively "Affiliated Parties") are individually, jointly, and severally liable for any indebtedness to Bomb Party, compliance with the Policies, the Contract, and other obligations to Bomb Party.

### **2.6 - Income Taxes**

As a Bomb Party Independent Party Rep, each Party Rep is responsible for paying local, state/provincial, and federal taxes on any income generated as a Party Rep. Party Reps will not be treated as franchisees, owners, employees, or agents of the Company for federal or state tax purposes including with respect to the Internal Revenue Code, Social Security Act, federal unemployment acts, or any other federal, state, or local statute, ordinance, rule, or regulations.

## **SECTION 3: REQUIREMENTS TO REMAIN ACTIVE, RESPONSIBILITIES OF A PARTY REP**

### **3.1 - Adherence to Policies Set Forth Herein**

To remain a Party Rep in Good Standing, a Party Rep must comply with all terms of the Contract (including these Policies), as well as personal performance/activity requirements outlined in the Bomb Party Compensation Plan.

### **3.2 - Adherence to Laws and Ordinances**

Party Reps agree to comply with all federal, state/provincial, and local laws and regulations in the conduct of their BP Rep Account, sales and promotions of the Product, training of their Team, and all activities and communications related thereto. Many cities and counties have laws regulating certain home-based businesses. It is a Party Rep's responsibility and obligation to make themselves aware of laws and regulations in their area; they are to conduct their own research to find which local laws apply to them and to follow such ordinances.

### **3.3 - Party Rep Code of Ethics**

Bomb Party is committed to providing an outstanding experience for Party Reps and Customers. Party Reps are directly and highly influential representatives for Bomb Party and its reputation, and as such, Party Reps are expected to comply with the following:

- Manage their Party Rep Account in an honest and ethical manner;
- Provide support to Customers to ensure a positive customer experience;
- Avoid making any kind of disparaging remarks about other Party Reps, non-Bomb Party products, services, or companies. Reps shall not denigrate, bully, or harass the activities or character of Party Reps; do not make statements that disparage, libel, slander, demean, or negatively reflect upon third parties, other Party Reps, Bomb Party, or its employees;
- Avoid inappropriate or vulgar language while promoting Bomb Party and its Products, whether written or verbal, regardless of the medium;
- Ensure that their content, communications, and promotions are truthful and accurate, and delivered in a deliberately professional manner;
- Party Reps agree to promptly, thoroughly, and accurately report to the Bomb Party Compliance department any actual or potential violation of these Policies. This provision includes a duty to self-report violations if they occur. Party Reps who misuse the Compliance process in order to inappropriately or unfairly denigrate another Party Rep may be subject to disciplinary action. Party Reps should report violations using the name and email on file with the Company; all identifying information will be kept strictly confidential.

### **3.4 - Term and Renewal of Your Bomb Party Rep Account**

The Term of the Contract is one year from the date of its acceptance by Bomb Party or until March 31 annually (the deadline for the annual renewal process), whichever comes first, unless otherwise terminated as provided for under the Contract (the "Term"). Each year in March, all Party Reps in good standing will have the opportunity to renew their Contract for a successive one-year period, unless either the Party Rep or Bomb Party provides written notice of termination to the other as set forth in Section 10 below. After the annual-renewal deadline passes, Bomb Party will terminate the BP Rep Accounts for Party Reps who choose not to renew their Contract.

### **3.5 - Bomb Party Technology Fee**



All Party Reps are required to pay a low, monthly Technology Fee which provides Party Reps access to the online resources and business tools which are fundamental to the professional operation of a BP Rep Account. The Technology Fee is not optional and must be paid by automatic payment on a set date (typically the Party Rep's Enrollment day-of-month), beginning the month following Enrollment. Failure to keep current on the Technology Fee payments may result in a Party Rep's account status changing to "paused". A paused account status limits the functionality of the Party Rep's web-based account management portal (Back Office) and the Replicated Site will be deactivated until all applicable issues have been resolved. Paused Party Reps should work with BP Support to become current on any outstanding payments. Failing timely resolution of non-payment for the Technology Fee, including any back month payments owed, may result in termination due to the failure to meet the Personal Volume quota as defined in Section 10.2.

### **3.6 - Change of Address, Telephone, and Email Addresses**

Party Reps whose contact information changes must amend their contact information through the Account Update form in the Resources Library within 30 calendar days of the change. If this option is unavailable, Party Reps must amend their contact information by emailing [support@bombparty.com](mailto:support@bombparty.com) within 30 calendar days of the change. Party Reps acknowledge that updating contact information is their responsibility, and that failure to do so may result in missed communications, commission payments, Product deliveries, recognition, event announcements, or failure to meet other requirements with consequences up to and including termination.

### **3.7 - Party Rep/Inventory Order Shipping Address**

Any Products a Party Rep orders via the Back Office must ship to the Party Rep's address on record. Party Reps may not direct Inventory Orders to Customers, hosts, other Party Reps, or any friend, family member, or other individual. Doing so may void any personal volume associated with the order. Exceptions may occasionally be granted to this policy in cases such as vendor events. To request an exception, a Party Rep may contact BP Support. The Party Rep's exception must be granted in writing or through digital communication from Bomb Party before an alternate shipping address(es) can be used.

### **3.8 - Party Rep/Inventory Ordering and Appropriate Credit Card Use**

Party Reps agree to not allow other Party Reps, or Customers, to use their credit or debit card to Enroll or to make purchases from the Company.

Only the Party Rep's personal credit card may be used to purchase Product orders in the Back Office. Personal Volume for Product orders by a Party Rep using any other credit card (including other Party Reps, Customers, family, or friends) are subject to removal from Party Rep's monthly Personal Volume totals. If a credit card from another Party Rep is used, the Personal Volume earned from that order may be transferred to the Party Rep whose credit card was used on the order.

### **3.9 - Sales Taxes**

Party Reps will collect sales tax when their Product inventory is sold in a sales-tax eligible transaction, according to applicable tax rates in the jurisdiction to which the shipment is destined.

### **3.10 - Ongoing Sales Responsibilities**

Regardless of their level of achievement, Party Reps have an ongoing obligation to continue to personally promote Product sales through newly generated Customers and through professionally servicing existing Customers. Failure to remit qualifying and truthful Product sales minimums may result in termination of the Contract by Bomb Party.

## **SECTION 4: BENEFITS OF BEING A PARTY REP**

### **4.1 - Party Rep Benefits Overview**

Once an eligible Party Rep has agreed to the terms of the Contract, the benefits of the Bomb Party Compensation Plan and the Contract are available to the new Party Rep. These benefits include the right to the following:

- Purchase Bomb Party Products at Party Rep prices;
- Sell and solicit orders for official Bomb Party Products (e.g. rings, necklaces, earrings, and bracelets)(the “Products”);
- Participate in the “Bomb Party Compensation Plan” (e.g., become eligible to receive Product sales-related bonuses and commissions);
- Enroll other individuals as Party Reps into their Team;
- Receive periodic Bomb Party literature and other Bomb Party communications;
- Participate in Bomb Party-sponsored support, service, training, motivational, and recognition functions, upon qualification and/or payment of appropriate charges, if applicable;
- Participate in promotional and incentive contests and programs sponsored by Bomb Party for Party Reps;
- Have a Replicated Site for the purpose of selling Product direct to Customers, Enrolling new Team members, and promoting their BP Rep Account; and
- Join Bomb Party’s private Social Media group for community building, support, and training. Bomb Party may operate multiple groups for Party Reps at different titles or statuses and reserves the right to mute or remove any Party Rep from a group for posts or other conduct that Bomb Party considers to be inappropriate.

### **4.2 - Confidential Information**

Party Reps will have access to Confidential Information, which includes, but is not limited to, the identities and contact information of Bomb Party Customers and Party Reps, Party Reps’ Personal and/or Team Sales Volumes, and Party Rep Title and/or achievement levels. Confidential Information includes information made available to Party Reps in their respective Back Office. Party Rep access to such Confidential Information is password-protected, and Party Reps hereby acknowledge and agree that Confidential Information constitutes proprietary business trade secrets belonging solely to Bomb Party. Party Reps have no claim, right, or title to any Confidential Information. Such Confidential Information is provided to Party Reps in strictest confidence and is made available to Party Reps for the sole purpose of assisting Party Reps in working with their respective sales Teams in the development of their BP Rep Account. Party Reps and Bomb Party agree that, but for this obligation of confidentiality and nondisclosure, Bomb Party would not provide Confidential Information to the Party Rep.

Party Reps are required to take reasonable measures to protect Confidential Information, such as keeping computers or laptops password protected, keeping confidential materials in locked drawers, avoiding public-use computers for activities relating to their Bomb Party efforts, and so on. In addition to other reasonable protective measures Party Reps hereby agree to take, in order to further protect Confidential Information, Party Reps further agree to not to do any of the following, on their own behalf, or on behalf of any other person, or Business Entity:

- Directly or indirectly disclose any Confidential Information to any third party, including but not limited to Party Reps outside of their Team or Advisor, vendors, Customers, or family members;

- Directly or indirectly disclose the password or other access code to their Back Office to any third party;
- Use any Confidential Information to compete with Bomb Party or to recruit any Party Rep or Customer, or for any purpose other than to promote their BP Rep Account;
- Recruit or solicit any Party Rep or Customer of Bomb Party listed on any report or in the Back Office, or in any manner attempt to influence or induce any Party Rep or Customer to alter their professional relationship with Bomb Party; or
- Use or disclose to any person or Business Entity any Confidential Information.

Each Party Rep agrees that if they violate the terms of this confidentiality provision, Bomb Party may be irreparably harmed. Party Rep therefore further agrees that Bomb Party will be entitled to immediate temporary, preliminary, and permanent injunctive relief to enforce the terms of this provision, prevent the use and/or disclosure of Confidential Information, and otherwise seek relief to protect its Confidential Information.

Upon cancelation, expiration, or termination of the Contract, Party Reps must discontinue use of Confidential Information. The provisions of this Section will survive termination of the Contract.

#### **4.3 - Participation in the Bomb Party Compensation Plan**

All Party Reps in Good Standing may participate in the benefits of the Compensation Plan. The Compensation Plan may be updated from time to time and/or vary by market at the discretion of the Company.

#### **4.4 - Adjustments for Returned Products**

Party Reps receive bonuses and commissions based on commissionable Product orders. When a Product is returned or repurchased by Bomb Party, or when a chargeback occurs, either of the following may occur at the Company's discretion: (i) the bonuses and commissions attributable to the returned, repurchased, or charged back Product(s) will be deducted from the upline Party Reps who received bonuses and commissions on the refunded product; deductions will take place in the month in which the refund is processed; or (ii) the upline Party Reps who earned commissions based on the sale of the returned Products will have the corresponding volume deducted from their Level and/or Downline Volumes in the month in which the refund is given, and all subsequent months until it is completely recovered.

If the Contract is canceled, any remaining uncollected bonuses and commissions attributable to the returned, repurchased, or charged back Products, will be offset from any amounts owed the Party Rep. Bomb Party reserves the right to withhold or reduce any Party Rep's compensation as it deems necessary to comply with any garnishment or court order directing Bomb Party to retain, hold, or redirect such compensation to a third party.

#### **4.5 - Reports**

All information provided by Bomb Party in activity reports, including, but not limited to Personal Volume, Level Volumes, Downline Volume (or any part thereof), and Team Sponsoring activity is believed to be accurate and reliable. Refer to the Bomb Party Compensation Plan for definitions of each aforementioned term. Nevertheless, due to various factors (including, but not limited to the inherent possibility of human, digital, and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned Products; or credit card and electronic check chargebacks), the information is not guaranteed by Bomb Party or any persons creating or transmitting the information.

ALL PERSONAL AND DOWNLINE VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION, THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, BOMB PARTY AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY PARTY REP 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 DOWNLINE SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF BOMB PARTY OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, BOMB PARTY OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS CONTRACT OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of Bomb Party's reporting services and a Party Rep's reliance upon such information is at the Party Rep's own risk. All such information is provided "as is." If a Party Rep is dissatisfied with the accuracy or quality of the information, the sole and exclusive remedy is to discontinue use of and access to Bomb Party's reporting services and the Party Rep's reliance upon such information.

## **SECTION 5: ADVERTISING AND BRANDING YOUR BOMB PARTY REP ACCOUNT**

### **5.1 - General Advertising and Branding Guidelines**

All Party Reps agree to safeguard and promote the good reputation of Bomb Party and its Products. The marketing and promotion of Bomb Party, the Opportunity, the Bomb Party Compensation Plan, and Products must comply with Company guidelines and these Policies, including, but not limited to: never engaging in any discourteous, deceptive, misleading, unethical, profane, or immoral conduct or practices, including, but not limited to, misleading income claims, placements in the genealogy tree of the Bomb Party Compensation Plan, suggestions of future Product orders not generated by such Party Rep, promises to achieve a certain compensation, Title, etc., or commingling their BP Rep Account with any other business competitive, complementary, or tangential, that may be confusing to Customers.

### **5.2 - Party Rep-Created Promotional Assets**

Party Rep-created advertising must represent the Bomb Party Opportunity and Products in a clear and truthful manner, without infringement on any other person, Business Entities, or owned content.

All advertising must clearly state "Bomb Party Independent Party Rep" so as not to suggest the ad, offer, promotion, or asset is produced or offered by the Company.

Permission for Party Rep-created ads, coupons, videos, photos, etc. shared on Social Media or distributed to Customers is not required, however, failure to adhere to foregoing content Policies will result in a request from Bomb Party to cease and desist/remove the ad, post, video, or photo, and activities generated from any false or misleading advertising may be removed from Party Rep's account at the discretion of Bomb Party. Party Reps waive all claims for damages or remuneration arising from or relating to such rescission. All

advertising/posts that include a “Personal Promotion” must be posted in a closed/private setting only. (See “Personal Promotions, Incentives, and Discounting” Policy 5.6)

Party Reps may make Sales Tools available to other Party Reps free of charge. Party Reps may not sell Sales Tools or any other form of training, coaching, consulting, or business advice or marketing support to other Party Reps.

### **5.3 - Trademarks and Copyrights**

The name “Bomb Party”, “Ring Bomb Party”, and other names and trade dress as announced in the past, present, or future may be adopted by Bomb Party, and are proprietary trade names, trademarks, and service marks of Bomb Party. As such, these marks are of great value to Bomb Party and are licensed for their use by Party Reps only in an expressly authorized manner. Bomb Party will not allow the use of its trade names, trademarks, designs, or symbols, or any derivatives of such marks, by any person, including Party Reps, in any unauthorized manner without its prior, written permission.

The content of all Company-sponsored events and publications is copyrighted material, including but not limited to audio, visual, video, and photographic assets, product or product reveals, presentations, instructional materials, class materials, displays, and setups. Party Reps may not produce for sale or distribution any recorded Company events and speeches without written permission from Bomb Party, nor may Party Reps reproduce for sale or for personal use any recording of Company-produced audio or video presentations. Live streaming, recorded video, or audio recording by any Party Rep or guest attending an event are strictly prohibited.

Party Reps may not use the trademarked names referenced above or other marks yet to be identified by Bomb Party as proprietary in any form in their Team name, a tagline, an External Website URL or extension, in a personal email address, in any blog title or address, in any Social Media title or address (except as set forth in this policy), or as a personal name or a nickname.

Upon cancelation of a Party Rep’s Contract for any reason, the license to use Bomb Party marks shall expire, and the Party Rep shall immediately discontinue all use of the Company’s marks.

### **5.4 - Domain Names, Email Addresses, and Online Aliases**

Except as specifically otherwise allowed herein, a Party Rep is not allowed to use or register any of the trademarked names referenced in Policy 5.3 for any internet domain name (URL or extension) or personal email address. Additionally, Party Reps cannot use or register internet domain names, personal email addresses, and/or online aliases that, in the sole discretion of Bomb Party, could cause harm to Bomb Party’s reputation, cause confusion, be misleading, be deceptive, or cause individuals to believe or assume the communication is from, or is the property of or authorized by Bomb Party.

### **5.5 - Party Rep Replicated Sites vs. Personal Websites**

Party Reps are provided with a branded, Replicated Site by Bomb Party with their paid Technology Fee, where Customers may place retail Product orders and/or Enroll as a new Party Rep. Except as otherwise provided in these Policies, Party Reps may use only the Replicated Site provided by Bomb Party to transact their BP Rep Account online. Party Reps may not sell Products online to Customers via any online retail store, e-commerce site, or other website (including, but not limited to, Social Media, self-created websites, apps, blogs, etc.).

Party Reps wishing to have a personal website (non-Social Media website of their own), may do so. It may not offer Bomb Party Product for sale, look similar to a Replicated Site, nor offer any type of promotion, discount, coupon, or enticement that is publicly visible. It may include videos, calendar and upcoming events, information about the Bomb Party Opportunity, personal experiences or testimonials about Bomb Party experiences (as long as there are no income claims or other statements as prohibited by the Contract), and personal photos or videos, and products shown at Bomb Party's then-current manufacturer's suggested retail price ("MSRP"), etc.

A Replicated Site URL is either [store name].bombparty.com or www.bombparty.com/[store name]. A Party Rep may choose their store name, provided, however, that such Replicate Site URL cannot:

- Cause confusion with other pages of the Bomb Party corporate website;
- Confuse a reasonable person into thinking they have landed on a Bomb Party corporate page;
- Be confused with any names owned or controlled by Bomb Party;
- Contain any discourteous, misleading, or off-color words or phrases that may damage the Bomb Party reputation; or
- Use the terms "Bomb Party" or any derivative of the terms listed in Section 5.3.

Bomb Party reserves the right to reject a Party Rep's choice of Replicated Site URL names at any time. If a Party Rep's site name or URL is rejected, it will be the responsibility of the Party Rep to choose a new name and work with BP Support to establish new credentials as needed.

#### **5.6 - Personal Promotions, Incentives, and Discounting**

Party Reps are permitted to promote their BP Rep Account by offering incentives unique to them. These offers may never be construed as endorsed or backed by Bomb Party's corporate office, nor any other Party Rep. Bomb Party will not enforce nor "make good" the fulfillment of any Party Rep-created incentive to Customers or Team members. However, if Bomb Party receives complaints or observes that a Party Rep-created incentive or promotion has not been honored as promised, Bomb Party reserves the right to investigate whether the Party Rep is conducting fraudulent or misleading activities, which may lead to disciplinary action up to and including termination.

Retail prices are set by Bomb Party; however, any Party Rep may create a promotion offering a discount on a Product, a free item with specific behavior (e.g., buying a certain size order, etc.), or a "buy this, get that" offer so long as the promotion of the offer is confined to a private, closed-group setting. Under no circumstances may any Party Rep offer any form of an incentive (e.g., cash, bonus, preferential Downline placement, cash equivalents, etc.) for the Enrollment of a new Team member.

Party Reps are encouraged to promote Bomb Party-offered Customer promotion(s), and honor the same at Customer request, provided the request meets all criteria for the promotion.

#### **5.7 - Online Retailing and Product Price Listing**

Party Reps may not sell Bomb Party Products on any online retail store or ecommerce site (with the exception of their Replicated Site). However, Party Reps may list Bomb Party's then-current manufacturer's suggested retail price ("MSRP") on their external or personal website(s).

#### **5.8 - Promotion of Non-Bomb Party Products**

It is expected that Party Reps will safeguard the good reputation and clear brand of Bomb Party by refraining from mixing other competitive products (any type of rings, necklaces, earrings, or bracelets) and

businesses or the promotion of the same with their BP Rep Account. Competitive products are considered any type of jewelry including but not limited to rings, necklaces, earrings, or bracelets, regardless of price point, quality, or intended purchasing audience. Competitive companies include any person, organization, entity, joint venture, or partnership which includes the sale of jewelry or other products offered in any type of undisclosed or surprise reveal.

While Party Reps are permitted to have other direct sales and non-direct sales businesses that are deemed by the Company to be non-competitive (contact Bomb Party to determine if a company is deemed to be competitive), Party Reps still may not use the good name of Bomb Party to elevate other businesses or potentially cause Customer confusion by blending them. Whether or not this has happened will be determined by the Company, in its sole discretion.

### **5.9 - Party Rep Logo**

If a Bomb Party logo is used in any promotion, Social Media page, or photo, Party Reps are required to use the Independent Party Rep version of the Bomb Party Logo.

### **5.10 - Sponsored Links/Pay-Per-Click (PPC) Ads/Paid Search**

With regards to a Party Rep's personal efforts in Bomb Party sales, sponsored links or pay-per-click ads ("PPC") are acceptable only as described herein. The destination and display URL must be the same. The destination of the PPC must be an External Website, not your Replicated Site, and must not portray any URL that could lead the user to believe they are being directed to a Bomb Party owned or controlled website or be inappropriate or misleading in any way. Party Reps will not utilize any of the Company's trademarks, trade names, and service marks, including, but not limited to, those trademarked names referenced in Policy 5.3, including, but not limited to, advertising on Google™ AdWords, Yahoo!® Advertising, and Facebook.

### **5.11 - Banner Advertising**

Party Reps may place banner advertisements on their External Websites or third-party websites (as described herein below). Any Bomb Party-related banner advertisements on External Websites must link back directly to the Party Rep's Replicated Site.

### **5.12 - Media and Media Inquiries**

Party Reps may advertise in local publications, but must make sure their ads are accurate, professional, and not misleading in any way, and in compliance with all other advertising and branding Policies herein.

Party Reps must first obtain written permission from Bomb Party before approaching or responding to inquiries from any media outlet (e.g., television, radio, and internet media sites). This requirement is designed to assure that accurate and consistent information is provided to the public as well as allowing the Company to maintain its desired public image. In the event the Company grants permission for the use of such media, the Company shall have final authority on the production process including, without limitation, full rights to all recordings.

### **5.13 - Customer Contact**

All Customer information, data, contact information, and financial records are considered strictly confidential. Party Reps understand they do not "own" the Customer relationship, and that upon exit from the Company, the Party Rep relinquishes all rights to access, or use said Customer data for any purpose. The Party Rep will also be required to treat all Customer information and Confidential Information in accordance with Policy 4.2 and the Bomb Party Privacy Policy, available at bombparty.com. The Customer

may shop with multiple Party Reps or with Bomb Party directly, and hence, share data non-exclusively. No Party Rep has a right to “claim” a Customer; conversely, if a Customer has a pre-existing relationship with a Party Rep, each Party Rep agrees to not affirmatively reach out or solicit by email, Social Media post, live interaction, or other means, the established Customer of another Party Rep.

#### **5.14 - Unsolicited Communications**

Party Reps may not send unsolicited emails, faxes, telephone communications, text messages, or other electronic communications to advertise, promote, or attempt to sell Bomb Party products. Party Reps may ask individuals for their consent to receive electronic marketing communications, and, if consent is granted, Party Reps may only send communication, in the mode specified, to the consenting person. Party Reps may send electronic communications to family members, personal friends, or any other person with whom they have established a business relationship. Party Reps may not use pre-recorded messages (“robocalls”).

### **SECTION 6: SELLING ACTIVITIES AND CUSTOMER MANAGEMENT**

#### **6.1 - Personal Use vs. Reselling**

Party Reps are permitted to order inventory Product from Bomb Party for the purpose of reselling said Products to Customers at retail price (or via other pricing/promotion plans that follow the Personal Promotions, Incentives, and Discounting Policy, see Section 5.6). Party Reps may also purchase Products intended for “personal use,” which can include individual consumption of Products for personal use, gifts, etc. and not for resale.

There are no limits as to the quantity or value of Products a Party Rep may personally consume, however, Bomb Party reserves the right to request evidence of personal use by the Party Rep and may place limits on the future purchases of Party Reps suspected of participating in Bonus Buying. Products personally consumed by Party Rep or gifted to others may not be resold, traded, etc., by Party Rep or any other party in possession of such Product.

Party Reps are required to submit personal use transactions in their Back Office for products purchased for themselves. The personal use transaction will decrement the items from the Party Rep’s inventory and accrue a sales tax liability to their e-wallet, using the then-current Party Rep price of the item as the basis for sales tax calculation. If a Contract is Canceled, the remaining inventory as stated in the Party Rep’s inventory, reduced by Products repurchased by Bomb Party, will be classified as personal use, and sales tax will be accrued as described in this Section 6.1.

#### **6.2 - Reveal and Shipping of Bomb Party Product**

Purchased Products are typically revealed live to Customers through Party Rep-hosted parties either online or in person. Reveals may include opening packaging and/or “fizzing” ring bombs. “Revealed Product” is Product that has been removed from its original packaging—or fizzed in the case of bombs—to the extent that Product qualities, stones, metals, value, or information can be determined. To preserve the element of surprise associated with Bomb Party Products, Party Reps may only sell unrevealed merchandise, regardless of the venue, method, or platform utilized. Once the Product sale to a Customer is complete, a Party Rep may reveal the Product. Product reveals must be random and blind, and any attempt to discover the character of the Product through weighing or by any other means is prohibited. Party Reps may not imply or suggest to Customer the nature of the Product before its reveal.



Party Reps are not permitted to buy, sell, trade, adopt, etc., Revealed Product on any online retail store, e-commerce site, Social Media platform, or other website, including, but not limited to, Social Media, self-created websites, apps, blogs, etc.

When Party Reps ship revealed jewelry to Customers, rings must be shipped inside a ring box. Other jewelry pieces (e.g., necklaces, earrings, bracelets/Stacks) must be shipped in original Bomb Party packaging, other than packaging elements removed for reveals, such as shrink wrap. All products must be shipped in secure, padded packages, and mailed within five days of purchase or reveal, whichever is later.

### **6.3 - Bonus Buying**

Bonus Buying is strictly prohibited. Bonus Buying includes any mechanism or artifice to qualify for Title advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide Product purchases by end user consumers of the selling Party Rep. Bonus Buying includes, but is not limited to, purchasing Products through a straw man or other artifice. Any other use of a different credit card on a Party Rep's account may be construed as potential Bonus Buying, Title manipulation, or Passive Stacking activity and said orders/purchases will be voided from Party Rep's account, as well as any bonuses, Titles, or recognition that may have been due as part of said orders.

Any Party Rep who manipulates orders of a Downline Team member or Customer for the purpose of Title advancement, incentive qualification/points, recognition, or commissions increases is considered in violation of the Policies, having breached the Contract and is subject to immediate Cancellation as a Party Rep.

Party Reps may not entice, request, encourage, or require another Party Rep or Customer to order Products and then "reimburse" the order under any circumstances. Doing so may be construed as potential Bonus Buying, Title manipulation, or Passive Stacking activity, and said orders/purchases will be voided from Party Rep's account, as well as any bonuses, Titles, or recognition that may have been due as part of said orders.

The practice of "De-Stashing" may also be considered a form of Bonus Buying and occurs when a Party Rep has significant Product on hand and attempts to sell large quantities to other Party Reps or Customers, typically after intentionally purchasing said Product for Title, recognition, commission, or other incentive qualification. De-Stashing is prohibited, regardless of price offered. Party Reps may not intentionally buy Product with the intention of charging a premium price to other Party Reps or Customers after the Product is no longer available for sale by the Company.

### **6.4 - Excess Inventory**

Party Reps must never purchase more Products than they can reasonably use or sell to Customers within a rolling month's timeline and must not influence or attempt to influence any other Party Rep to buy more Products than they can reasonably use or sell to Customers in a month.

### **6.5 - Selling Products to Other Party Reps**

Party Reps may sell or purchase unrevealed Bomb Party Products from other Party Reps. All Party Rep-to-Party Rep transactions are subject to the following policies and violations may result in disciplinary action:

- Transactions made in an effort to affect Title advancement, incentives, prizes, commissions, or bonuses are considered Bonus Buying and are strictly prohibited. Product being sold from one

Party Rep to another Party Rep that was originally purchased in an attempt to achieve a certain Title, incentive, prize, commission, or bonus is considered Bonus Buying.

- Bomb Party regularly monitors the frequency and value of Party Rep-to-Party Rep transactions. Large quantities of Product and or structuring Products purchased and sold in this manner may be deemed suspicious and Bomb Party reserves the right to investigate transactions of a questionable nature.
- Party Rep-to-Party Rep transactions are required to be recorded using the Replicated Site or the Back Office.
- Party Reps may only sell or transfer unrevealed Product to other Party Reps and must comply with Section 6.2 of these Policies. Party Reps are not permitted to buy, sell, trade, adopt, transfer, etc., Revealed Product to other Party Reps.

In compliance with the preceding criteria, permitted Party Rep-to-Party Rep transactions include (i) Product purchased by a Party Rep as a customer on another Party Rep's Replicated Site for the purpose of personal use and (ii) Product transferred from the selling Party Rep's inventory to the purchasing Party Rep's inventory for the purpose of reselling to Customers.

- (i) Party Reps who desire to collect and personally use certain Products may purchase from another Party Rep. The purchasing Party Rep agrees to purchase the Product at the retail price or as listed by the selling Party Rep. The transaction must be recorded using the Replicated Site or by other methods as authorized by Bomb Party. The purchasing Party Rep may not resell Product purchased using this method.
- (ii) Party Reps may purchase unrevealed Products to resell at the sole discretion of the selling Party Rep using a Party Rep-to-Party Rep transaction in the Back Office. Product may not be sold or purchased at more than 10% off the Party Rep price, and the selling Party Rep may optionally add a credit card processing fee using the current rate charged to Party Reps by Bomb Party. This Product may be resold to Customers by the purchasing Party Rep.

#### **6.6 - Fixed Retail Outlets**

Except as set forth in this Section 6, a Party Rep may not (i) sell or deliver or store Bomb Party Products at a fixed retail outlet or the surrounding premises, or (ii) sell or provide Bomb Party Products to someone who the Party Rep has reason to believe will sell or deliver such Products at a retail outlet or the surrounding premises. For definition purposes, "fixed retail outlet" is any storefront, kiosk, or booth with a sales front that is established for 14 or more calendar days. Shorter-term sales forums, such as fairs, expos, and trade shows are not considered fixed retail outlets. Party Reps may place displays in fixed retail outlets for marketing and advertising purposes only, not for making on-premises sales.

#### **6.7 - Trade Shows and Other Sales Forums**

Party Reps may display and/or sell Bomb Party Products at a trade show or Pop-Up Shop. A "trade show" is an organized event of a relatively large number of vendors held at a specific location which does not last more than 14 calendar days over any consecutive 60 calendar day period, at which various products and/or services are displayed, sold, or otherwise marketed to attendees. A "Pop-Up Shop" is a sales event lasting half a day or less, free to attendees, and where the general public may attend and make purchases. Trade shows and Pop-Up Shops are available to Party Reps on a first-to-register basis. Generally, multiple Party Reps are not allowed at a single trade show or Pop-Up Shop regardless of its scope or size as this can create Customer confusion and competition; provided, however, that, to the extent permitted by the trade show or Pop-Up Shop administrator(s), one or more Party Reps may, by mutual agreement, share a single booth at a trade show (for example, rotating days or time blocks within a day).

Party Reps selling products, goods, or services other than Bomb Party Products in the same trade show space must showcase the Bomb Party Product in a distinct, defined, and labeled area of the booth. Competing product (such as other jewelry or surprise-reveal products) may not be sold in the same booth.

### **6.8 - Sales Receipts**

All Party Reps who sell merchandise from their inventory must provide their Customers with a copy of an official Bomb Party sales receipt at the time of the sale, whether hard copy and/or electronic. These receipts set forth the Customer satisfaction guarantee as well as any consumer protection rights afforded by federal or state/provincial law. Party Reps must maintain all retail sales receipts for a period of two years and must be prepared to furnish them to Bomb Party at the Company's request.

### **6.9 - Refund Policy**

All sales of Products to Customers and Party Reps are final except as provided in Section 6. Product returns can be requested through BP Support. If Bomb Party authorizes a Product return, the Product must be returned to Bomb Party in undamaged, unrevealed, and unused condition, in its original packaging. Shipping and/or handling charges will not be refunded. Upon the Company's timely receipt of returned goods and confirmation that they are in currently Resalable condition, the Party Rep will be reimbursed 90% of the net cost of the price the Party Rep paid, or its current selling price, whichever is lower.

If a customer wishes to cancel their order before it has been revealed—or if they wish to have unrevealed product shipped to them—the Party Rep must accommodate the request. Customers have a legal right to cancel any sale made in person or through direct contact within 5 business days, or before the Product is revealed.

Party Reps who have been authorized by Bomb Party to return unsold Product, without Cancellation of their BP Rep Account, must abide by the following guidelines:

- Product must be in excellent, Resalable condition, unopened and in original packaging;
- Product may not be discontinued or retired;
- Product must be shipped back to the Company at the Party Rep's expense. No refund for the amount of original shipping is available;
- All PV or commissions generated from the original order will be removed and adjusted on the Party Rep's account as well as the accounts of uplines or sponsors who may have received volume, bonuses, or commissions on the sales;
- Returns are subject to a 10% restocking fee, based on the original price paid;
- Refund price will be based on the price sold to Party Reps or its current selling price (Party Rep price), whichever is lower; and
- Refunds on returned Product will be made after Product is restocked, and will be calculated based on the value less restocking fee and any commissions, bonuses, or other incentives offered based on the original order.

All Products to be returned must have a Return Merchandise Authorization (RMA) Number, which can be obtained by contacting BP Support. This RMA Number must be written each packing slip or order.

### **6.10 - Damaged or Defective Items**

A Party Rep or Customer has the right to report damaged or defective Product for up to 30 calendar days following the original purchase. Damaged or defective Products must have a clear defect that is clearly a

manufacturer or shipping error, not Customer misuse. If the stone of a jewelry item falls out within 120 days of receipt, the product shall be deemed damaged or defective and a replacement of the same item, a similar item, or an item of similar purchase price will be shipped to the customer or Party Rep. Product received by Customers or Party Reps in damaged condition will be replaced by Bomb Party within 30 calendar days of notification, including the cost of shipping. Bomb Party reserves the right to replace damaged Product immediately using photographic evidence of damage or defect, or upon return of the damaged Product to the Company.

Certain damaged items must be returned and received by the Company before a replacement will be issued. Bomb Party Products purchased from sellers other than Bomb Party authorized sellers are not returnable under this policy or any other guarantee or warranty.

In the event that during the reveal of a customer's purchase, (i) an incorrect sized ring is revealed, (ii) the product package contains no jewelry, (iii) the item revealed does not match the color or collection listed on the Party Rep's order, (iv) or if the bomb fizz is more than 50% cracked or missing, the Party Rep shall reveal a new product for the customer at no charge and may submit a support ticket to BP Support to receive a replacement product.

#### **6.11 - Chargebacks**

When a bank forcibly reverses a credit card transaction, returning funds to the cardholder, it is known as a Chargeback. Chargebacks take place when fraudulent or unauthorized charges have been made on a person's credit card, and may happen in the case of a Party Rep requesting a Chargeback from Bomb Party, or a Customer requesting a Chargeback from a Party Rep.

In order to prevent further fraudulent or unauthorized activity, any account (whether Customer or Party Rep) may be suspended when a Chargeback notice is received. The BP Rep account may be suspended for Customer Chargebacks, and all related services in the account may be deactivated until the issue is resolved to the satisfaction of Bomb Party. Bomb Party will seek full compensation for any costs associated with a Chargeback (e.g., lost product, lost revenue, and any fees associated with the charge).

Chargebacks must be handled as ethically as possible by all parties. In cases where a Customer has requested a Chargeback from a Party Rep, it is the full responsibility of the Party Rep to work with Bomb Party to resolve the issue to the satisfaction of all parties in a timely manner. Failure to engage in the resolution process by the Party Rep may result in disciplinary action, up to and including termination of their BP Rep Account.

#### **6.12 - Return of Starter Kits by Sales Reps upon Cancellation**

Within 30 days from the cancellation or termination of their Party Rep Agreement, the Party Rep may return Products, their Starter Kit, and sales tools that they personally purchased from Bomb Party during the 12-month period preceding the date of cancellation or termination for a refund, so long as the goods are in currently Resalable condition. Upon the Company's timely receipt of returned goods and confirmation that they are in currently Resalable condition, the Party Rep will be reimbursed 90% of the net cost of the original purchase price(s). Shipping and handling costs will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. Goods are in "currently Resalable condition" if they are unopened and unused, and if packaging and labeling has not been altered or damaged. Merchandise that is clearly identified at the time of sale as nonreturnable, closeout, discontinued, or as a seasonal item, or merchandise that has passed its commercially reasonable usable or

shelf-life, is not in currently Resalable condition. Technology Fees are not refundable except as may be required under applicable state law.

The refundable value is based on either the price sold to the Party Rep or its current selling price (Party Rep price), whichever is lower, and may also result in an adjustment of commissions and bonuses paid on all levels affected. Within 30 calendar days of the submission of Cancellation of the Party Rep Agreement, a Party Rep may return inventory, Starter Kit, or sales aids that they personally purchased from Bomb Party (purchases from other Party Reps or third parties are not subject to refund) that are in Resalable condition and which have been purchased within the previous 12 months prior to the date of Cancellation to the following address, with return shipping paid for by the Party Rep:

Bomb Party Support  
2025 Berry Chase Place  
Montgomery, AL 36117

All inventory, Starter Kits, and sales aids return requirements must be in keeping with the return policy requirements outlined above. Inventory and Starter Kits must be returned whole, not partial components only. Inventory return is the only acceptable method of disposing excess inventory above 500 PV for an exiting Party Rep within 30 calendar days of submission of Cancellation notice. If a Party Rep De-Stashes, or any posts are made on Social Media simply indicating intent to do so, this will constitute sufficient evidence of intent to Cancel, even if a notice of Cancellation has yet to be submitted. De-Stashing is grounds for termination and immediate suspension of Party Rep's account. Under no circumstances is a former Party Rep authorized to resell Bomb Party Products they have on hand in any forum, to any Customer, at any price; they may gift or assign the same to others.

Starter Kits will be deemed "Resalable" if each of the following conditions are satisfied:

- They are unopened and unused;
- Packaging and labeling has not been altered or damaged;
- They are in a condition such that it is a commercially reasonable practice within the trade to sell the Product at full price; and
- It is returned to Bomb Party within 12 months of purchase.

Any Product that is clearly identified at the time of sale as non-returnable, discontinued, or as a seasonal item, shall not be Resalable. Any fees incurred from the previous 30 days, including for shipping and operation of the Party Rep's Replicated Site will be refundable upon request. The refund is limited to fees incurred within the previous 30 calendar days.

### **6.13 - Montana Residents**

A Montana resident may cancel their Party Rep Agreement within 15 days from the date on which the Party Rep Application was submitted and may return their Starter Kit and initial inventory pack within such time for a full refund of the purchase price for the Starter Kit and initial inventory pack and for any other consideration they paid within such time period to participate in the Bomb Party program.

### **6.14 - Louisiana, Massachusetts, and Wyoming Residents**

If a resident of Louisiana, Massachusetts, or Wyoming cancels their Party Rep Agreement, upon the Company's receipt of such canceling Party Rep's request, Bomb Party will refund 90% of the costs incurred by such Party Rep to participate in the Bomb Party program during the one-year period immediately preceding the date of the cancellation.

### **6.15 - Maryland Residents**

A Party Rep who resides in Maryland may cancel their Party Rep Agreement for any reason within three months after the date of receipt of goods or services first ordered. Upon cancellation, Bomb Party shall repurchase the goods and the repurchase price shall be at least 90% of the original price paid by the Party Rep.

### **6.16 - Puerto Rico Residents**

A Puerto Rico resident may cancel their Party Rep Agreement at any time within 90 days from the Effective Date, or at any time upon showing the Company's noncompliance with any of the essential obligations of the distribution contract or any act or omission by Bomb Party adversely affecting the interests of the Party Rep in the development of the market of the properties or services. Such cancellation must be sent to Bomb Party in writing and sent via registered mail. If a Puerto Rico resident cancels under these conditions, Bomb Party shall: (a) Reacquire the total of the products that the Party Rep purchased from the Company which are in the Party Rep's possession and in good condition at a price of not less than 90% of their original net cost; (b) Return to the canceling Party Rep not less than 90% of the original net cost of any services that he or she acquired from Bomb Party; (c) Return 90% of any sum paid by the canceling Party Rep for the purpose of participating in the business.

### **6.17 - Guam Residents**

A Party Rep who resides in Guam may cancel their Party Rep Agreement for any reason within 30 days from the date on which the Party Rep received their Starter Kit for a full refund of the kit to the Bomb Party Corporate Office. The refund will be issued upon the receipt of the kit by such representative and need not be in re-sellable or currently Resalable condition. For residents of Guam, the refund will be issued once the kit has been delivered to the carrier for shipment, so long as Bomb Party is provided with proof of shipment (e.g., tracking information).

### **6.18 - Selling Product Kits**

If a Party Rep creates a "kit" or bundle of Products and includes a price for the bundle, the price shown must reflect then-current aggregated MSRP. Additionally, Party Reps may not: (i) enlist or knowingly allow a third party to sell Bomb Party Products on any online retail store or ecommerce site or (ii) sell or gift Products to a third party that the Party Rep has reason to believe will sell such Products on any online retail store or ecommerce site.

### **6.19 - Online Marketplaces for Product**

Party Reps are prohibited from holding public live auctions of Bomb Party Products. This includes, but is not limited to, posting photos of items for sale or holding live video auctions/sales of Products on any website, Social Media service, etc. Sales of Products "to the first responder" or similar online sales events that are publicly visible are strictly prohibited by the Policies.

## **SECTION 7: ENROLLING AND TEAM LEADERSHIP**

### **7.1 - Party Rep-Created Recruiting Methods and Tools**

Party Reps must adhere to the terms of the Bomb Party Independent Party Rep Agreement, Policies, Privacy Policy, and Compensation Plan as set forth in official Bomb Party literature. Party Reps are prohibited from offering the Bomb Party opportunity through, or in combination with, any other non-Bomb Party system, program, sales tools, or method of marketing. Party Reps will not require or encourage other current or prospective Party Reps to execute any agreement or contract other than official Bomb Party Agreements and Contracts to become a Party Rep. Similarly, Party Reps will not require nor encourage other current or

prospective Party Reps to make any purchase from, or payment to, any individual or other entity to participate in the Bomb Party Compensation Plan other than those purchases or payments identified as recommended or required by Bomb Party. Party Reps may not offer incentives, payments, gifts, or other offers to prospective Team members for Enrolling as a new Party Rep.

#### **7.2 - Enrolling Online**

When enrolling a new Party Rep through the online Enrollment process, the Sponsor may assist the new applicant in filling out the Enrollment materials. However, the applicant must personally review and agree to the Party Rep Agreement, the Policies, the Privacy Policy, and the Bomb Party Compensation Plan. The Sponsor may not fill out any portion of the online Contract on behalf of the applicant and agree to these materials on behalf of the applicant. THE SUBMISSION OF AN ONLINE APPLICATION, WHETHER BY THE NEW APPLICANT, THE SPONSOR, OR ANYONE ACTING UNDER THE DIRECTION OF EITHER OF THEM, CONSTITUTES ACCEPTANCE OF AND BINDING AGREEMENT BY THE NEW APPLICANT TO ALL TERMS AND OBLIGATIONS OF THE CONTRACT. Payment for Enrollment and other materials may only be made by the applicant using a credit card in their name, or in the name of a member of their Household (used with full permission from the cardholder).

#### **7.3 - Providing Documentation to Applicants**

Party Reps must provide the most current version of the Policies and the Compensation Plan to individuals whom they are Enrolling to become Party Reps before such applicant signs a Contract or ensure that they have online access to these materials.

#### **7.4 - Passive Stacking Prohibited**

Passive Stacking is the practice of intentionally placing or manipulating Team Enrollments for the purpose of Title advancement, incentive or recognition, compensation bonus, or commission payment. This may be considered another form of Bonus Buying, when a Passively Stacked Party Rep places orders that generate Title advancement or Downline Volume qualifications and will be subject to the same disciplinary action(s). New Team members are required to select their original Sponsor of their own free will and choice. A Party Rep may not choose for, force, or require a new Team member to Enroll under someone of that Party Rep's choosing. Any activity resulting from such placement may be considered fraudulent and the Sponsor will be reassigned.

A Party Rep should never post, promote, or solicit sales or Recruiting activity that then will be "given" to another Party Rep. One Party Rep must never leverage their brand for the purpose of creating or expanding a different Party Rep's brand.

#### **7.5 - Change of Sponsor or Advisor**

The transfer of a Party Rep from one Sponsor or Advisor to another is not permitted, except in the case where a new Party Rep has accidentally enrolled under an incorrectly chosen Sponsor. Requests for change of Sponsor will be granted only for this reason. In rare or extenuating circumstances, Bomb Party reserves the right to make or consider changing a Party Rep's Sponsor or Advisor. If a Party Rep requests a change of Sponsor or Advisor and the circumstances do not fall within this policy or the change is not granted by Bomb Party, the Party Rep may resign and enroll under a different Sponsor of their choosing, after a period of six months.

#### **7.6 - Misplacement**

In cases in which a new Party Rep is sponsored by someone other than the individual they were led to believe would be their Sponsor, a Party Rep may request that they be transferred to another Sponsor.

Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within 15 calendar days of the date of Enrollment. The newly enrolled Party Rep requesting the change has the burden of proving that they were placed beneath the incorrect Sponsor. It is up to Bomb Party's sole discretion whether the requested change will be granted. Whether any additional Party Reps in the Sponsor's Team will also be moved shall be up to the sole discretion of the Company and will be evaluated on a case-by-case basis.

If an established Party Rep enrolls a new Team member under anyone other than themselves (i.e., placing a new Party Rep under a Team member or someone on their Downline in order to strategically affect rank advancements), this is considered Passive Stacking and is a violation of Section 7.4.

SPONSORS AND ADVISORS WAIVE ALL CLAIMS AGAINST BOMB PARTY, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS REGARDING THE COMPANY'S DECISION WHETHER OR NOT TO ALLOW A PARTY REP TO CHANGE SPONSORS.

#### **7.7 - Waiver of Claims Regarding Change of Sponsor**

In cases wherein the appropriate Sponsor change procedures have not been followed, and a Sponsor develops a Team under a second Sponsor without following the proper Sponsor change procedures, Bomb Party reserves the sole and exclusive right to determine the final disposition of the Team. Resolving conflicts over the proper placement of a Team that has developed under a Party Rep that has improperly switched Sponsors is often extremely difficult. Therefore, PARTY REPS WAIVE ANY AND ALL CLAIMS AGAINST BOMB PARTY, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM BOMB PARTY'S DECISION REGARDING THE DISPOSITION OF ANY TEAM THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSOR.

#### **7.8 - No Advisor**

With respect to any Party Rep who has no Advisor or whose Advisor is the Company (i.e., a Party Rep who is on a Level directly below the Company), such Party Rep agrees that the Company, at its sole discretion, has the right at any time to transfer such Party Rep and such Party Rep's Team to a position beneath an Advisor as selected by the Company.

Party Reps whose Advisor is the Company may contact BP Support to see if they are eligible to be assigned an Advisor. Eligibility for assignment is based on Title and activity, both for leaders and those wishing assignment.

#### **7.9 - Targeting Other Direct Sellers**

Bomb Party does not condone Party Reps specifically or consciously targeting the sales force of another direct sales company to sell Bomb Party Products or to become Party Reps of Bomb Party, nor does Bomb Party condone Party Reps' solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should Party Reps engage in such activity, they bear the risk of disciplinary action (e.g., being sued) by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Party Rep, alleging they have engaged in inappropriate Recruiting activity of its sales force or Customers, Bomb Party will not pay any of Party Rep's defense costs or legal fees, nor will Bomb Party indemnify the Party Rep for any judgement, award, or settlement.

#### **7.10 - Prizes and Giveaways**



Party Reps are permitted to offer prizes and giveaways for Team members and/or Customers, provided they fall within restrictions listed in this policy.

Prizes and giveaways offered to Customers must meet the following criteria:

- The total retail value of prizes or giveaways may not exceed \$250 per Party. A Party is defined as one live event with a single party number, as listed in the Bomb Party Back Office.
- Cash prizes are not permitted. Gift cards are not considered cash prizes, however, they must still fall under the limit of \$250 per party.
- Bomb Party products are only allowed to be offered as a percentage off in private forums such as in-person meetings, private messages, emails, phone calls, live parties, private social media groups, or one-on-one interactions.
- All state, local, and federal laws and regulations must be followed.
- Products, prizes, giveaways, or incentives that have been deemed as competitive to Bomb Party Products may not be offered.
- Prizes or giveaways must be consistent with Bomb Party values, culture, and brand.

Prizes and giveaways offered to Team members must meet the following criteria:

- Party Reps may not be rewarded in any aspect for the act of sponsoring new Team members. Rewards for such sponsoring activities are strictly prohibited.
- Party Reps may not offer incentives, payments, gifts, or other offers to prospective Team members for Enrolling as a new Party Rep.
- All state, local, and federal laws and regulations must be followed.
- Products, prizes, giveaways, or incentives that have been deemed as competitive to Bomb Party Products may not be offered.
- Prizes or giveaways must be consistent with Bomb Party values, culture, and brand.
- Cash prizes are not permitted.

## **SECTION 8: SUPPORTING THE BOMB PARTY COMMUNITY**

### **8.1 - Income Claims/Non-Disclosure of Compensation**

A Party Rep, when presenting or discussing the Bomb Party Compensation Plan to a prospective Party Rep, may not make income projections, income claims, or disclose their Bomb Party income (including, but not limited to, the showing of reports, cash, checks, copies, of checks, bank statements, or tax records). This includes both direct references to income and indirect references via purchases, lifestyle potential, etc. If a Party Rep has any questions regarding what can or cannot be said regarding compensation, please refer to Official Bomb Party Materials, or reach out to BP Support. Any Party Rep who violates the Policies with respect to income claims is subject to disciplinary actions, up to and including immediate termination, and Party Rep's compliance with this Policy is a material inducement to Bomb Party's willingness to enter into the Contract with Party Rep in the first instance.

### **8.2 - Indemnification**

A Party Rep is fully responsible for all their Social Media or other online posts (including images, verbal statements, and written statements) made regarding Bomb Party Products, services, and the Compensation Plan that are not expressly contained in Official Bomb Party Materials. This includes statements and representations made through all sources of communication media, whether person-to-person, in meetings, online, through Social Media, in print, or any other means of communication. Party Reps agree to indemnify Bomb Party and Bomb Party'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 Bomb Party as a result of the Party Rep's unauthorized representations or actions. This provision will survive the termination of the Contract.

### **8.3 - Governmental Approval or Endorsement**

In the United States, neither federal nor state regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Party Reps agree not to represent or imply that Bomb Party or its Compensation Plan have been "approved", "endorsed", or otherwise sanctioned by any government agency.

### **8.4 - Outside Businesses**

Bomb Party recognizes that Party Reps may have additional jobs or business interests, including those in direct selling/network marketing outside of Bomb Party. These are permitted, so long as these outside businesses and activities comply with the following:

- No outside business may use the good name of Bomb Party to promote or sell non-Bomb Party products;
- Bomb Party Products may never be sold with or represented with non-Bomb Party jewelry, whether they are competitive, complementary, or distinct;
- No Party Rep may design, manufacture, or resell their own line of goods that are considered competitive to Bomb Party, particularly to other Party Reps;
- No Party Rep may act as a business coach, paid trainer, or other consultant for profit to any other Party Rep or Team of Bomb Party;
- No third-party business may be used to solicit Customers or Recruit Party Reps for the participation in Bomb Party. This includes third-party promotion by media, event organizers, etc.; and
- All outside business activity must comply with all other Policies set forth in this document.

### **8.5 - Non-Solicitation**

Party Reps are free to participate, directly or indirectly, in non-Bomb Party network marketing, direct sales, or multilevel business ventures or marketing opportunities ("Network Marketing Activities"); provided, however, that such Network Marketing Activities are not directly competitive or in conflict with Bomb Party and its Products. Party Reps may contact BP Support to confirm whether a company is deemed to be competitive.

### **8.6 - Party Rep Participation in Other Network Marketing Programs**

If a Party Rep is engaged in other non-Bomb Party business or Network Marketing Activities, it is the responsibility of the Party Rep to ensure that Bomb Party Products are branded and positioned clearly and distinctly. Party Reps are prohibited from offering any non-Bomb Party opportunity, products, or services at any Bomb Party-related meeting, seminar, convention, webinar, teleconference, or other function.

### **8.7 - Competing Products**

Refer to the Party Rep Agreement for the specific terms of each Party Rep's non-competition obligations.

## **SECTION 9: DISCIPLINARY PROCEDURES**

### **9.1 - Disciplinary Sanctions**

Violation of the Contract, these Policies, violation of any common law duty, including, but not limited to, any applicable duty of loyalty, any illegal, fraudulent, deceptive, or unethical business conduct, may result, at Bomb Party's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the Party Rep to take immediate corrective measures, including, but not limited to, personally refunding Customers who may have been harmed by the Party Rep's conduct;
- Triggering the liquidated damages provision referred to in these Policies, which may be withheld from bonus and commission remittances;
- Loss of rights to one or more bonus and commission remittances from the time periods and/or activities for which a violation occurred;
- Withholding from a Party Rep all or part of the Party Rep's bonuses and commissions during the period that Bomb Party is investigating any conduct allegedly in violation of the Contract. Any commissions or bonuses deemed to have been earned through policy-violating activities will be canceled and not paid, even if the Party Rep is returned to Active status. If a Party Rep's Agreement is Canceled for disciplinary reasons, the Party Rep will not be entitled to recover any commissions withheld during the investigation period;
- Suspension of the individual's Contract for one or more commission periods (note that during suspension, a Party Rep may not continue to promote any component of their BP Rep Account, may not Recruit new Team members, may not place Inventory Orders, or sell inventory using their Replicated Site);
- Involuntary termination of the offender's Contract;
- Suspension and/or termination of the offending Party Rep's website access;
- Any other measure expressly allowed within any provision of the Contract or which Bomb Party deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Party Rep's policy violation or contractual breach; OR
- In situations deemed appropriate by Bomb Party, the Company may institute legal proceedings for monetary and/or equitable relief.

In the event of a suspension of a Contract by the Company, the Party Rep will have no right or claim to any bonus, recognition reward, incentive, or commission payments withheld by the Company during the period of suspension or the period during which the questionable policy-violating activity occurred. A suspension may also disqualify a Party Rep from earning a long-term or multiple-month incentive, like an incentive trip. The Company is entitled to maintain the suspension period for as long as necessary to fully investigate the facts and events relating to the suspension and consider the Company's response. In the event that the Company determines after such investigation that, in its sole discretion, the grounds for suspension were wholly without merit and unsupported by any evidence, the Company may choose to pay the Party Rep any bonus or commission payments withheld by the Company during the period of suspension. In every other circumstance, including but not limited to Cancellation of the Party Rep's Agreement or reinstatement despite a finding that the suspension was warranted or supported by some evidence, the Party Rep will not receive or have any claim to bonus or commission payments withheld by the Company during the period of suspension/during the period of policy-violating activity.

## **9.2 - Arbitration and Other Dispute Resolution**

Disputes or disagreements between any Party Rep and Bomb Party shall be resolved through the dispute resolution process set forth in the Contract, and the Company and Party Reps agree specifically not to demean, discredit, disparage, or criticize one another on the internet or any other public forum. See the Party Rep Agreement for applicable governing law and dispute resolution terms.

## **SECTION 10: INACTIVITY, CANCELATION, AND EXIT**

### **10.1 - Effect of Cancellation**

So long as a Party Rep remains Active and complies with the terms of the Contract, including the Policies, Bomb Party will pay commissions to such Party Rep in accordance with the Compensation Plan. A Party Rep's bonuses and commissions constitute the entire consideration for the Party Rep's efforts in generating sales and all activities related to generating sales (including building a Team). Following a Party Rep's non-renewal of their Contract, Cancellation for inactivity, or voluntary or involuntary Cancellation of their Contract (all of these methods are collectively referred to as "Cancellation"), the former Party Rep will have no right, title, claim, or interest to the marketing organization which they operated, or any commission, bonus, or Product credits from the sales generated by the Team. **A Party Rep whose BP Rep Account is Canceled will lose all rights as a Party Rep. This includes the right to sell Bomb Party Products (including those in on-hand inventory) and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the party Rep's former Team. In the event of cancellation, Party Reps agree to waive all rights they may have, including, but not limited to, property rights to their former Team and to any bonuses, commissions, or other remuneration derived from the sales and other activities of their former Team.**

Following a Party Rep's Cancellation of their Contract, the former Party Rep agrees to not represent themselves as a Party Rep and will not have the right to sell Bomb Party Products or services, including any Bomb Party Products remaining in their inventory. A Canceled Party Rep is permitted to personally use on-hand inventory, to give to individuals who have no intent to redistribute or sell, and/or to donate to a charity. A Party Rep whose BP Rep Account is Canceled will receive commissions and bonuses only for the last full commission period they were Active (as defined herein) prior to Cancellation (less any amounts withheld during an investigation preceding an involuntary Cancellation).

When a Contract is Canceled, unless pursuant to Section 10.3, the Party Rep's Downline organization is permanently moved to the Party Rep's then-current Advisor after the then-current month's commission has been processed.

### **10.2 - Re-Enrollment**

Party Reps who wish to re-Enroll may do so immediately after the Cancellation of their BP Rep Account, provided they (i) agree to sign up under their original Sponsor (if that Sponsor is no longer a Party Rep with the Company, the Party Rep will be placed in the appropriate roll-up position), (ii) they pay any Technology Fees still owed from the term of their previous Contract, and (iii) if the Party Rep was involuntarily Canceled for disciplinary reasons, the Party Rep has made appropriate restitution and received approval from Bomb Party to re-Enroll.

Party Reps who wish to re-Enroll under a new Advisor may do so six months after the Cancellation of their original BP Rep Account, provided that they pay an activation fee or purchase a new Starter Kit. No re-Enrollee may ever generate incentive trip program sponsoring points or other related incentives for their Advisor or upline Team.

A Party Rep that re-Enrolls six months or more after the Cancellation of their original Contract will be allowed to participate in the Fast Start program. However, re-Enrolling Party Reps will not generate incentive points for any incentive trip or similar incentive program for benefit of their Advisor for re-Enrolling.

### **10.3 - Failure to Meet Personal Volume (PV) Quota**

In order for a Party Rep to maintain their Downline organization and to remain a Party Rep, the Party Rep must generate PV of at least 700 in a rolling six-month period, measured as of the end of each calendar quarter. If a Party Rep fails to meet the “Active” PV requirement in a measured six-month period, such Party Rep will no longer be an independent contractor of the Company, their account type will be change to a Customer, and their Team will permanently roll up to such Party Rep’s Advisor.

#### **10.4 - Involuntary Cancellation**

Bomb Party reserves the right to terminate all Contracts upon 30 calendar days written notice in the event that it elects to: (i) cease business operations; (ii) dissolve as a corporate entity; or (iii) terminate distribution of its Products via a direct selling channel.

If a Contract is involuntarily Canceled pursuant to this Section, the Party Rep position will remain in its current position in the Company organizational network, and its Downline organization will remain intact until the Company has recouped all costs and losses, including attorneys’ fees, associated with the Contract Cancellation and the events that are connected with or led to the Cancellation. This provision includes all costs, fees, and expenses associated with litigation that may result from or be connected with such Cancellation. Once the Company determines, in its sole discretion, that it has recouped all such costs and losses, the Canceled Party Rep position will be terminated from the Company’s organizational network, and the Downline organization shall roll up to the immediately upline Party Rep.

#### **10.5 - Voluntary Cancellation**

A Party Rep has a right to Cancel at any time, regardless of the reason. Cancellation must be either:

- Submitted by email to support@bombparty.com. This form must (i) be submitted using the Party Rep’s email address on file with Bomb Party and (ii) contain the Party Rep’s name, Party Rep ID Number, and address; OR
- Submitted in writing to the Company at its principal business address, which writing must contain the Party Rep’s signature, printed name, address, and Party Rep ID Number. Communication should be sent to the attention of Bomb Party Support.

In addition to written Cancellation, Party Reps who have consented to Electronic Contracting will Cancel their Contract should they withdraw their consent to contract electronically. See Effect of Cancellation, Section 10.1 for other criteria that may apply to resignation.

#### **10.6 - Non-Renewal**

The Company may, for any or no reason, elect not to renew a Party Rep’s Contract during the annual renewal period.

#### **10.7 - Discontinuance of All Branding and Names Upon Cancellation**

If a Party Rep’s Contract is Canceled for any reason, the affected Party Rep must immediately discontinue using the Bomb Party name and all of Bomb Party’s trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all External Websites that such Party Rep utilizes. If Party Rep posts on any Social Media site on which Party Rep had previously identified themselves as a Bomb Party Independent Party Rep, they will conspicuously disclose that they are no longer a Bomb Party Independent Party Rep.

#### **10.8 - Return of All Confidential Information**

Upon the Cancellation of a Contract, whether voluntary, involuntary or otherwise, the Party Rep must immediately return to the Company all Confidential Information in the possession, custody, or control of the Party Rep, regardless of the form thereof, whether in paper, electronic records, email, phone, or physical address books, or any other storage media, and must certify to the Company in writing that this obligation has been fully and completely discharged. This Section will survive termination of the Contract.

**10.9 - Succession**

Upon the death or incapacitation of an individual Party Rep, their Contract is considered Canceled, and the account terminated. If the Contract is held by a Business Entity, the Contract and account may continue in good standing at the sole discretion of Bomb Party.

## SECTION 11: DEFINITIONS

**Advisor** – With respect to any Party Rep, the person or entity who is directly above (i.e., immediate upline to) such Party Rep in the applicable Team. The Advisor may also be the Party Rep’s “Sponsor,” or individual who Recruited the Party Rep. See definition for Sponsor.

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

**Back Office** – A website sponsored by Bomb Party that can be accessed only by logged-in Party Reps. This website allows Party Reps to order Product, enter certain sales transactions, access Team information, view sales reports, see official announcements, and retrieve other information pertinent to their activities as an Independent Party Rep.

**Bomb Party Opportunity (Opportunity)** – The opportunity an individual has to participate in the programs and plans offered by Bomb Party by committing to the terms of the Contract. The Opportunity includes the ability to buy Product at Party Rep prices, receive the benefits of the Back Office, attend events, build a Team, and participate in the Company’s Compensation Plan. Any individual who participates in the Opportunity understands that they do so as an independent contractor.

**Bomb Party Rep Account (BP Rep Account)** – The activities and rights to order and sell Product, Recruit and support Team members, participate in corporate-sponsored events, and other such activities that comprise active status as a Bomb Party Independent Party Rep. A BP Rep Account is granted to Party Reps so long as they uphold Policies and other requirements for eligibility of participation, including meeting Compensation Plan requirements.

**Bonus Buying** – The act of buying Product personally, referring, or directing the purchase of Products by others whether Team or Downline members or Customers, or in any way manipulating Product orders for the purpose of reaching a Title or commission payout. Bonus Buying activities are strictly prohibited and may include, but are not limited to the following:

- Buying more Product than can reasonably be sold within a month for the purpose of commissions Levels,
- Directing Customers to purchase from multiple or Party Reps other than themselves, or,
- Placing orders on behalf of other Party Reps or using credit cards other than those within their own Household

**Business Documents** – A collection of marketing, training, and media assets provided to a Party Rep via a website repository. This repository may also be called “Business Documents” or “Resources Library”.

**Cancel (Canceled, Cancellation)** – The termination of a BP Rep Account. Cancellation may be voluntary, involuntary, through non-renewal or inactivity, or as otherwise provided herein.

**Chargeback** – When a bank forcibly reverses a credit card transaction, returning funds to the cardholder and debiting the merchant.

**Compensation Plan** – The structure and terms that all Party Reps must abide by in order to receive financial compensation, advance in Title, and earn additional incentives. See the Bomb Party Compensation Plan for details.

**Competitive Product** – Any type of jewelry including but not limited to rings, necklaces, earrings, or bracelets, regardless of price point, quality, or intended purchasing audience. Competitive companies include any person, organization, entity, joint venture, or partnership which includes the sale of jewelry or other products offered in any type of undisclosed or surprise reveal.

**Confidential Information** – Includes, but is not limited to, the identities and contact information of Bomb Party Customers and Party Reps, Party Reps’ Personal and/or Team Sales Volumes, and Party Rep Title and/or achievement levels.

**Contract** – The set of documents agreed upon between the Company and each Party Rep that includes the Party Rep Agreement, the Bomb Party Policies, the Bomb Party Compensation Plan, and the Bomb Party Replicated Site and Back Office Terms of Use, all in their current form and as amended by Bomb Party in its sole discretion. These documents are collectively referred to as the “Contract”.

**Customer** – An individual or entity who purchases Bomb Party Products or services from a Party Rep, but who is not a Party Rep.

**De-Stashing** – When a Party Rep has excess amounts of Product on hand, typically from Bonus Buying, and attempts to sell large quantities to other Party Reps or Customers, whether at retail or discounted pricing.

**Downline** – A Party Rep’s entire organization, beginning with themselves and all Party Reps below them, down through all Levels, regardless of commissions eligibility.

**Enroll (Enrolling, Enrollment)** – To agree to the terms of the Contract and purchase the requisite Starter Kit or activation fee. Individuals who Enroll become Party Reps participating in the Bomb Party Opportunity.

**External Website** – An online property personally owned or controlled by a Party Rep other than the Party Rep’s Replicated Site, including but not limited to, a company/personal website, blog, Facebook Business Page or other business page, Flickr page, application for mobile phones and similar devices, YouTube account page, or any social networking site.

**Good Standing** – A Party Rep who is current on the monthly Technology Fee and any other potential fees, has no holds due to compliance issues, complaints, or other issues, and may participate fully in all Party Rep programs and events.

**Household** – Spouses, dependent children, and any other individuals living at or doing business at the same address.

**Inventory Order** – An order type open only to Party Reps, where a Party Rep may purchase Products at Party Rep prices.

**Level** – The layers of Downline Party Reps in a particular Party Rep’s Team or Downline. This term refers to the relationship of a Party Rep relative to a particular upline Party Rep, determined by the number of Party Reps between them who are related by Enrollment/Sponsorship. For example, If A Enrolls B, who Enrolls C, who Enrolls D, who Enrolls E, then E is on A’s fourth Level.



**MSRP (Manufacturer Suggested Retail Price)** – The publicly advertised prices of Bomb Party Products as posted by Bomb Party and as updated from time to time.

**Official Bomb Party Materials** – Literature, audio, video, websites, and other materials developed, printed, published, and/or distributed by Bomb Party to Party Reps, including marketing assets, FAQs, and training materials produced by Bomb Party.

**Party** – One live event with a single party number, as listed in the Bomb Party Back Office.

**Passive Stacking** – The practice of “placing” using artifice, any new Team member under another Party Rep for the purpose of advancement, commissions advantage, incentive, or recognition.

**Personal Email Address** – An email address associated with a specific Party Rep, not another individual, business, or entity.

**Personal Volume (PV)** – Measurement of monthly sales volume. See the definition set forth in the Compensation Plan.

**Pop-Up Shop** – An in-home (or comparable location) open-house style selling event typically conducted in partnership with a Customer acting as a “host,” who may be eligible to receive hostess rewards based on sales from the party. Typically, the Party Rep shows packaged Products for resale from inventory and/or collects Customer orders and payments on site.

**Product** – Product is typically defined as articles or jewelry sold by Bomb Party, that are manufactured or created with the intent to sell or resell. Product may include but is not limited to rings or ring bombs, earrings, necklaces, bracelets, or additional commissionable goods.

**Recruit (Recruited, Recruiting)** – For purposes of Bomb Party’s Conflicts of Interest Policy, the term “Recruit” means the actual or attempted solicitation, Enrollment, encouragement, or effort to influence in any other way, either directly, indirectly (including but not limited to the use of a website), or through a third party, another Bomb Party Independent Party Rep or Customer to Enroll or participate in a network marketing activity or other business opportunity. This conduct constitutes Recruiting even if the Party Rep’s actions are in response to an inquiry or contact made by another Party Rep or Customer.

**Replicated Site** – A Bomb Party-sponsored website that Party Reps use to sell and market Bomb Party Products to Customers and to have new Team members Enroll. Included with an active Technology Fee.

**Resalable** – Products shall be deemed “Resalable” if each of the following elements is satisfied: (i) they are unopened and unused; (ii) packaging and labeling has not been altered or damaged; (iii) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; (iv) they are returned to Bomb Party.

**Resources Library** – The repository for Bomb Party-produced marketing, training, and media assets provided to Party Reps for their review, learning, and use. These documents are referred to collectively as “Business Documents”.

**Revealed Product** – Product that has been removed from its original packaging—or fizzed in the case of bombs—to the extent that Product qualities, stones, metals, value, or information can be determined.

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

**Sponsor** – The individual who has personally Recruited and Enrolled a Team member. A Sponsor is always that Team member’s Advisor, however, if the Sponsor exits the Company, the Team member will roll up to a new Advisor who will never hold the designation of “Sponsor” to that Team member.

**Starter Kit** – A set of materials and/or Products arranged by the Company to assist a Party Rep in beginning their selling efforts, which must be purchased in order to become an Independent Party Rep.

**Team** – A Team is an organization of Party Reps that shares a common Advisor, directly or indirectly, typically including Party Reps on Downline Levels 1 through 4.

**Technology Fee** – Party Reps are required to pay a monthly Technology Fee which provides Party Reps access to the online resources and business tools which are fundamental to the professional operation of a BP Rep Account. The Technology Fee allows access to the Back Office, access to Bomb Party Support and training resources, and a Customer-facing Replicated Site that is required for every active Party Rep to have, paid for by Party Rep in a recurring automated monthly charge.

**Title** – The Title a Party Rep holds pursuant to the Bomb Party Compensation Plan. This Title may be either “paid as” or “recognition”.