

*Origami Owl*<sup>®</sup>  
CUSTOM JEWELRY

## **POLICIES AND PROCEDURES**



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# SECTION ONE: Corporate Mission Statement

Origami Owl's mission is **To be a force for good; to love, inspire + motivate people of all ages to reach their dreams + empower them to make a difference in the lives of others.**

# SECTION TWO: Introduction

## 2.1 Understanding Policies, Compensation Plan and Designer Agreement

These Policies and Procedures, in their present form and as may be amended by Origami Owl, LLC (hereafter “Origami Owl” or the “Company”) from time to time, are incorporated into and form a material part of the Origami Owl Designer Agreement. It is the responsibility of each independent contractor (hereinafter referred to as “Independent Designer”) to read, understand, adhere to, and ensure that she or he is in full compliance with the most current version of these Policies and Procedures. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the Origami Owl Designer Agreement, these Policies and Procedures and the Origami Owl Compensation Plan. These documents are incorporated by reference into the Origami Owl Designer Agreement (all in their current form and as may be amended by Origami Owl).

## 2.2 Changes to the Agreement

Origami Owl reserves the right to amend or modify the Agreement, including these Policies and Procedures, the Origami Owl Compensation Plan and its prices at its sole and absolute discretion. By executing the Designer Agreement, an Independent Designer agrees to abide by all amendments or modifications that Origami Owl elects to make. Substantive amendments or modifications shall be effective thirty (30) days after publication of notice that the Agreement has been amended or modified. Amendments or modifications shall not apply retroactively to conduct or occurrences prior to the effective date of the amendment. Notification of amendments shall be published by one or more of the following methods: (1) posting on the Origami Owl Independent Designer’s Back Office – O2 Lounge; or (2) Origami Owl email. The continuation of an Independent Designer’s Origami Owl business, the acceptance of any benefits under the Agreement or an Independent Designer’s acceptance of bonuses or commissions constitutes acceptance of all amendments.

# SECTION THREE: Becoming an Independent Designer

## 3.1 Requirements to Become an Independent Designer

To become an Origami Owl Independent Designer, each applicant must:

- Be at least 18 years of age
- Be a permanent resident of the United States and have a valid Social Security number or Federal Taxpayer Identification number
- Not be in jail or prison or otherwise confined to a correctional institution;
- Complete and submit a Designer Agreement that is accepted by Origami Owl (Origami Owl reserves the right to accept or reject a Designer Agreement at its sole discretion)
- Purchase an Origami Owl Business Package (note: the purchase of a Business Package is optional for residents of North Dakota)
- Have a valid email address; and
- Have a valid credit card

Any proprietorship doing business under an assumed name (DBA) must also submit a copy of its certificate of DBA. A business entity (i.e., a corporation, limited liability Origami Owl, partnership or trust) applying to become an Independent

Designer must submit a copy of their corporate resolution and comply with the requirements of Section 3.1.

## 3.2 Independent Contractor Status

Independent Designers are self-employed, non-exclusive independent contractors who are authorized to market and sell Origami Owl products in the United States, the District of Columbia and on U.S. military bases abroad. Independent Designers are not, and shall not represent themselves to be, employees, agents or representatives of Origami Owl or purchasers of a franchise or a business opportunity. Any agreement between Origami Owl and an Independent Designer does not create an employer/ employee relationship, agency, partnership or joint venture between Origami Owl and such Independent Designer. Independent Designers shall not be treated as employees of Origami Owl for any purpose including, without limitation, for federal, state or local tax purposes. Independent Designers have no authority (expressed or implied), and shall not represent that they have any authority to bind Origami Owl to any obligation. Independent Designers shall establish their own goals, hours, place of



business and methods of sale, so long as they comply with the Designer Agreement. Independent Designers are solely responsible for all decisions made and all costs incurred with respect to their independent Origami Owl business. All Independent Designers assume all entrepreneurial and business risk in connection with their independent business.

### **3.3 Independent Designer Benefits**

Once a Designer Agreement has been accepted by Origami Owl, the benefits of the Compensation Plan and the Designer Agreement are available to the new Independent Designer. These benefits include the ability of the Independent Designer to:

- Sell Origami Owl products and services
- Participate in the Origami Owl Compensation Plan
- Mentor other individuals as Customers or Independent Designers into the Origami Owl business and build a marketing organization and progress through the Origami Owl Compensation Plan
- Receive periodic Origami Owl literature and other Origami Owl communications
- Participate in Origami Owl-mentored support, service, training, motivational and recognition functions upon payment of appropriate charges, if applicable; and
- Participate in Origami Owl promotional and incentive contests and programs for Independent Designers

### **3.4 Term and Renewal of Your Origami Owl Designer Agreement**

The term of the Designer Agreement is one (1) year from the date of its acceptance by Origami Owl (subject to reclassification for inactivity after six (6) months pursuant to Section 15.2.1. Independent Designers must renew their Designer Agreement each year by paying an annual renewal fee (pricing is currently under discussion) on or before the anniversary date of their enrollment as an Independent Designer. If the renewal fee is not paid within thirty (30) days after the anniversary date of enrollment or any renewal, the Designer Agreement will be canceled.

# SECTION FOUR: Operating an Origami Owl Business

## 4.1 Adherence to the Origami Owl Compensation Plan

Independent Designers must adhere to the terms of the Origami Owl Compensation Plan as set forth in official Origami Owl literature. Independent Designers shall not offer the Origami Owl opportunity through, or in combination with, any other system, program, sales tools or method of marketing other than that specifically set forth in official Origami Owl literature. Independent Designers shall not require or encourage other current or prospective Independent Designers to execute any agreement or contract other than the official Origami Owl Designer Agreement in order to become an Origami Owl Independent Designer. Similarly, Independent Designers shall not require or encourage other current or prospective Customers or Independent Designers to make any purchase from, or payment to, any individual or other entity or encourage any individual or other entity to participate in the Origami Owl Compensation Plan other than those purchases or payments identified as recommended or required in official Origami Owl literature.

## 4.2 Single Independent Designer Account

An Independent Designer may hold only one (1) account. A person may not be a party to more than one (1) Designer Agreement or hold, directly or indirectly, any interest in any additional Designer Agreements, including a Designer Agreement operated by a Business Entity. Immediate members of a family (mother, father, daughter, son, grandparents) who live in the same household, may enter into individual Designer Agreements. Members of a household who wish to enroll, must enroll in under the lineage of the first enrolling household member.

## 4.3 Co-Applicants

Co-Applicants will no longer be accepted by Origami Owl. If an Independent Designer enrolls and her or his spouse also wishes to become an Independent Designer, the spouses must enroll as an LLC or other form of business entity. This rule will also apply to friends or acquaintances, business partners or others cannot sign up as Co-Applicants.

Two Independent Designers who choose to marry may maintain their separate Independent Designer positions.

#### **4.4 Owlettes**

An Independent Designer's minor child who falls between the ages of twelve (12) and seventeen (17) years of age may be added to the Independent Designer's Agreement for recognition purposes only. "Recognition Purposes" shall be defined to mean, Owlettes (i) will be listed in a special field under the primary Designer's account, (ii) shall be entitled to receive special awards and recognition at the annual convention and other Company sponsored events. Owlettes will not, however, be entitled to receive PV or other monies owed to the primary Designer Account holder.

#### **4.5 Changes to a Business Entity**

Each Independent Designer must immediately notify Origami Owl of (a) any changes to the type of Business Entity she or he utilizes in operating her or his businesses; or (b) the addition or removal of any affiliated parties. In the event that an Independent Designer operated as a Business Entity undergoes a change of control, arrangements must be made to ensure that the Independent Designer, the upline and downline Independent Designers are not adversely affected.

A "change of control" means the acquisition by any other person or entity or group of persons or entities, through any transaction or series of related transactions, of control or majority ownership of

the Business Entity through which the Independent Designer operates. If Origami Owl determines in its sole discretion that such a change of control will adversely affect the Independent Designer, other Independent Designers, or Origami Owl, Origami Owl may terminate the Business Entity's Designer Agreement. Upon any change of control, the surviving Business Entity must continue to meet each of the requirements for Business Entities set forth in the Designer Agreement, failure to notify Origami Owl within thirty (30) days of any change to a Business Entity may result in the termination of his or her account.

#### **4.6 Actions of Household Members**

If any member of an Independent Designer's immediate Household engages in any activity which, if performed by the Independent Designer, would violate any provision of the Designer Agreement, including these Policies and Procedures, such activity will be deemed a violation by the Independent Designer, and Origami Owl may take appropriate disciplinary action against the Independent Designer.

#### **4.7 International Marketing**

Independent Designers are authorized to sell Origami Owl products and/or services and enroll Customers or Independent Designers only in the United States and on US military bases located in the United States and abroad, unless approved in writing by the Company's Chief Compliance Officer. Origami Owl products or sales aids may not be shipped into or sold in any foreign country, including, but not limited to

Canada and Mexico. With respect to the US Territories of and Guam, prior written approval from the Company's Director of Compliance is required prior to shipping product into these locations or signing up Designers. No Independent Designer may in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential Customers or Independent Designers; or (c) conduct any other activity for the purpose of selling Origami Owl products, establishing a marketing Organization or promoting the Origami Owl opportunity.

#### **4.8 Excess Inventory**

Independent Designers should never purchase more product(s) than they can use or sell to Customers in a reasonable time period, and must not influence or attempt to influence any other Independent Designer to buy more products than she or he can reasonably use or sell. To prevent stockpiling of excess inventory, Independent Designers must certify that they have sold at least seventy percent (70%) of the Origami Owl products purchased in their previous product order. Origami Owl's obligation to repurchase products will not apply with respect to any Origami Owl products that an Independent Designer claimed were previously sold. Furthermore, falsely representing the sale of Origami Owl products shall be grounds for termination of a Designer Agreement.

#### **4.9 Bonus Buying Prohibited**

Bonus buying is strictly prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities

without knowledge of and/or execution of the Designer Agreement by such individuals and entities; (b) the fraudulent enrollment of an individual or entity as an Origami Owl Independent Designer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Independent Designers; (d) the use of a credit card by or on behalf of an Independent Designer when the Independent Designer is not the account holder of such credit card; (e) purchasing Origami Owl products or services on behalf of another Independent Designer, or under another Independent Designer's ID to qualify for commissions or bonuses or for the Career Title qualification structure; and (f) any other mechanism by which strategic purchases are made to maximize commissions or bonuses when an Independent Designer has no bona fide use for the products purchased.

#### **4.10 Taxes**

Each Independent Designer is responsible for paying local, state and federal taxes on any income generated as an Independent Designer. We cannot provide an Independent Designer with any personal tax advice. Independent Designers should consult their own tax accountant, tax attorney or other tax professional. If an Independent Designer's Origami Owl business is tax-exempt (see section 14.3), the federal Tax Identification Number must be provided to Origami Owl. Every year, Origami Owl will provide an IRS Form 1099 MISC (Non- employee Compensation) earnings statement to each U.S. resident who: 1) had earnings of

more than six hundred dollars (\$600) in the previous calendar year; or 2) made purchases during the previous calendar year in excess of five thousand dollars (\$5,000).

#### **4.11 Insurance**

An Independent Designer may wish to arrange insurance coverage for her or his business. Typical homeowner's insurance policies do not cover business related injuries or the theft of or damage to inventory or business equipment. Independent Designers should contact their insurance agent to make certain that their business property is adequately insured. Currently the Company does not offer insurance coverage for its Independent Designers and the Company's insurance policies do not cover Independent Designers.

#### **4.12 Adherence to Laws and Ordinances**

Independent Designers shall comply with all federal, state and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Independent Designers because of the nature of their business, however, Independent Designers must obey those laws that apply to them.

#### **4.13 Back Office Access**

Origami Owl makes an online Back Office available to its Independent Designers. The Back Office provides Independent Designers access to confidential and proprietary information that may be used solely

and exclusively to promote the development of an Independent Designer's Origami Owl business and to increase sales of Origami Owl products. However, access to a Back Office is a privilege and not a right. Origami Owl reserves the right to deny Independent Designers access to the Back Office at its sole discretion. All Designers have a duty to protect the Company's Confidential Information in accordance with Section 5.22 below.

#### **4.14 Use of Origami Owl Name on Checking Accounts**

Independent Designers are not permitted to use the Origami Owl, LLC, trade name or any of its trademarks/service marks (found in Section 11.5) on personal or business checking accounts. However, an Independent Designer may imprint his or her checks with "Independent Designer with Origami Owl."



# SECTION FIVE: Independent Designer Business Practices

## 5.1 Code of Ethics

Origami Owl Independent Designers are expected to uphold the highest standards of business ethics while affiliated with Origami Owl. Origami Owl will take every measure to ensure a safe, ethical, moral and profitable opportunity for all. Each Independent Designer is required to adhere to the following Code of Ethics in the operation of an Origami Owl business:

As an Independent Designer of Origami Owl, I promise and agree that:

a. I will be courteous, respectful, honest and fair in all of my dealings while acting as an Independent Designer and I will perform my business activities in a manner that will enhance my reputation and the positive reputation of Origami Owl. I recognize that the founders of Origami Owl have strong personal convictions regarding the ethical conduct of all Independent Designers.

b. I will not disrespect any corporate officers or employees of Origami Owl at any time. This includes, but is not limited to, shipping personnel, receiving personnel and/or customer service personnel (If you are found to be disrespectful to any of the above mentioned, a warning letter will be sent. If two or more letters are mailed via USPS or email, your Independent Designer status will be suspended until further notice).

Unethical practices by any Independent Designer will be grounds for immediate suspension with a possible Termination from Origami Owl. While being unethical is open to a wide interpretation, the following should serve as a guideline of what is not acceptable to Origami Owl:

a. Soliciting and/or enticing an existing or potential Independent Designer to join one's team or Downline while knowing he or she is working with another Independent Designer.

- b. Placing sales on another Origami Owl Replicated Website other than one's own for purposes of obtaining a Career Title promotion or to meet sales goals or contest guidelines for personal or team requirements – such actions will be viewed as fraud. Origami Owl reserves the right to cancel such orders and void all other benefits, such as Career Title increases, commission, etc. Violations of this policy will result in immediate Termination of the Designer Agreement.
- c. Creating, perpetuating or distributing any and all rumors, false accusations, hearsay, vilification, tort, defamation or libel about Origami Owl, products, competitors, corporate office staff or any Origami Owl Independent Designer, whether the Independent Designer believes such rhetoric to be true or not. This includes, but is not limited to, all communication via online social media, email and mobile devices.
- d. Purchasing Origami Owl products from a non-Origami Owl-approved site.

As a pending member of the Direct Selling Association (“DSA”), Origami Owl proudly supports the DSA’s “Code of Ethics.” Independent Designers can view the DSA Code of Ethics at [www.dsa.org/ethics](http://www.dsa.org/ethics). It is important to us that you conduct your Origami Owl business in accordance with the DSA Code of Ethics.

## **5.2 Change of Address, Telephone and Email Addresses**

All personal information may be edited by logging into Origami Owl’s Back Office. It is the sole responsibility of the Independent Designer to maintain accurate information pertaining to all personal data, including, but not limited to, credit card billing information, phone, address, and email changes. This may be accomplished by logging into her or his her Back Office and updating this personal information. In addition, to ensure timely delivery of products, support materials, commission and tax documents, it is important that Origami Owl’s files are current. Some information, such as Social Security numbers or tax ID numbers can only be changed by contacting the Compliance Department ([http://www.origamiowl.com/contact\\_form.ashx](http://www.origamiowl.com/contact_form.ashx)).

## **5.3 Indemnification**

An Independent Designer is fully responsible for all of her or his verbal and written statements made regarding Origami Owl products, services and the Compensation Plan that are not expressly contained in official Origami Owl materials. This includes statements and representations made through all sources of communication media, including but not limited to, person-to-person, radio, television, online webinars, meetings, online, through Social Media, in print or any other means of communication. Independent Designers agree to indemnify Origami Owl and Origami Owl’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 Origami Owl as a result of the Independent Designer's unauthorized representations or actions. This provision shall survive the Termination of the Designer Agreement.

#### **5.4. Product Claims**

No claims (including personal testimonials) as to the nature or composition of the metal, stones, enamel, paint or other unique properties of any products offered by Origami Owl may be made except those contained in official Origami Owl literature. Such statements can be perceived as Consumer Protection Safety Improvement Act ("CPSIA") jewelry claims, and they may lack adequate substantiation. Not only are such claims in violation of the Designer Agreement, they also violate the laws and regulations of the United States, Canada and other jurisdictions.

#### **5.5 Providing Documentation to Applicants**

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

#### **5.6 Talent Release**

Each Independent Designer hereby consents to and will allow Origami Owl to use the name, photograph, testimonials, likeness, title, positions, voices, biography and any film footage, video tapes, audio tapes, recordings and interviews of each Independent Designer (and any Owlette listed on a Designer's Agreement) when created in connection with any Origami Owl events, promotion and/or conventions to advertise, promote and publicize Origami Owl opportunities or services. An Independent Designer may withdraw this consent by submitting such withdrawal in writing to the corporate office of Origami Owl.

#### **5.7 Income Claims Prohibited**

Independent Designers shall not make claims or representations of potential or guaranteed income or profits in connection with the Origami Owl direct sales program. Any amounts that Independent Designers earn are based only on the sale of Origami Owl products and not on the mere act of sponsoring other Independent Designers. The Federal Trade Commission and several states have laws and/or regulations that prohibit certain types of income claims and testimonials by persons engaging in direct selling/network marketing. While Independent Designers may believe it beneficial to tell other Independent Designers and potential Independent Designers about their earnings or the earnings of others, such claims may have legal consequences and adversely impact Origami Owl, as well as Independent



Designers making the claims, unless appropriate disclosure required by law is also made contemporaneously with the income claim.

Because Independent Designers generally do not have the information necessary to comply with such legal requirements, Independent Designers may not make any projections, claims or estimates regarding such other Independent Designers' potential or guaranteed income, or disclose their own income by showing checks, copies of checks, bank statements, tax records or other such documents.

### **5.8 No Representations Regarding Governmental Approval**

Independent Designers may not represent that Origami Owl or its Compensation Plan have been approved or endorsed by any governmental or regulatory agency.

### **5.9 Ethical Marketing**

Independent Designers shall safeguard and promote the good reputation of Origami Owl. Independent Designers shall at all times conduct their Origami Owl business activities in a manner that reflects favorably on Origami Owl products and the good name, goodwill and reputation of Origami Owl. Independent Designers shall not engage in deceptive, misleading or unethical conduct or practices that are or might be detrimental to Origami Owl, its products, or the public, including, without limitation, disparagement of Origami Owl or other Origami Owl Independent Designers. Independent Designers shall comply with all laws, rules, regulations and governmental

requirements applicable to the operation of their Origami Owl business, including the marketing, promotion and sale of Origami Owl products. In addition, Independent Designers shall: (i) not publish or use any misleading or deceptive advertising material regarding Origami Owl; (ii) honor the Origami Owl Product Guarantee with respect to all Origami Owl products; (iii) not make any statements, representations, guarantees or warranties regarding Origami Owl products or the Compensation Plan that are inconsistent with those set forth in the Designer Agreement and Origami Owl marketing materials; (iv) distribute the Origami Owl products only as shipped by Origami Owl, unopened and with all documentation, packaging and other supplemental materials intact; and (v) not alter or modify any Origami Owl product or packaging, or take any action that affects or could affect the appearance, quality, content or performance of any Origami Owl product.

### **5.10 Non-disparagement**

Origami Owl welcomes constructive input from Independent Designers, but publically communicated negative comments and remarks by Independent Designers about Origami Owl, the Origami Owl products, or other Independent Designers serve no purpose other than to undermine the enthusiasm of other Origami Owl Independent Designers. For this reason, Independent Designers must not disparage Origami Owl (or any of its employees, officers or directors), Origami Owl products or other Independent Designers. Violation

of this provision shall constitute a material breach of the Designer Agreement. Designers agree that this Non- Disparagement restriction shall survive the termination or expiration of the Designer's Account for a period of one (1) year. The Designer recognizes and agrees that this restriction is fair, equitable, and reasonable and is designed to protect the legitimate business interests of the Company.

### **5.11 Reporting Policy Violations**

Independent Designers who become aware that another Independent Designer has violated one or more provisions of the Designer Agreement must promptly notify the Origami Owl Compliance Department (Compliance@OrigamiOwl.com). Details of the incident (such as dates, number of occurrences and persons involved) and any supporting documentation should be included in the report to the extent available.

### **5.12 Security**

All Independent Designers must adopt, implement and maintain appropriate administrative, technical and physical safeguards to protect against anticipated threats or hazards to the security of confidential information and customer data. Appropriate safeguards for electronic and paper records may include, but are not limited to: (i) encrypting data before electronically transmitting it; (ii) storing records in a secure location; and (iii) password- protecting computer files or locking up physical files containing confidential information or customer data. Independent Designers must keep

customer data and other confidential information secure from all persons who do not have legitimate business needs to see or use such information. If Independent Designers dispose of any paper or electronic record containing customer data and other confidential information, Independent Designers shall do so by taking all reasonable steps to destroy the information by: (i) shredding; (ii) permanently erasing and deleting; or (iii) otherwise modifying the customer data and other confidential information in those records to make it unreadable, unreconstructible and indecipherable through any means. Upon request, Independent Designer will certify to Origami Owl that all forms of the requested personal information have been destroyed and will describe any exceptions.

### **5.13 Reporting Security Breaches**

Independent Designers must comply with all applicable privacy and data security laws, including security breach notification laws. Without limitation of the preceding sentence, in the event of an actual or suspected security breach affecting customer data, the applicable Independent Designer shall promptly notify the affected customers and Origami Owl's Compliance Department (Compliance@OrigamiOwl.com) in writing after becoming aware of such security breach, specifying the extent to which customer data was or was suspected to be disclosed or compromised and shall promptly comply with all applicable information security breach disclosure laws. Independent Designers at their expense shall cooperate with Origami Owl and applicable customers and use their

best efforts to mitigate any potential damage caused by a security breach, including by sending notice to the affected individuals, state agencies and consumer reporting agencies if such notification is required by law.

#### **5.14 Commercial Outlets**

Origami Owl is person-to-person marketing and as such, Origami Owl does not allow the Origami Owl products to be sold or displayed in, or otherwise distributed through retail establishments open or available to the general public or otherwise available to “walk-in” Customers. This includes Department stores, health food stores, beauty supply outlets, supermarkets, mall booths, kiosks, discount establishments, drugstores, specialty gift shops or any other retail business or commercial establishment that is open or available to the general public. No Independent Designer shall (i) sell, display or distribute any Origami Owl products in or through any such establishment; (ii) sell any Origami Owl products to any customer the Independent Designer knows or has reason

to believe may resell such Origami Owl products in or through any such establishment; or (iii) solicit or encourage any third party to do any of the foregoing.

#### **5.15 Trade Shows, Expositions and Other Sales Forums**

Independent Designers may display and/or sell Origami Owl products at trade shows and professional expositions. If there are any questions regarding whether an event may be prohibited by our Policies and Procedures, please direct those inquiries to [EventCare@](mailto:EventCare@)

OrigamiOwl.com. Independent Designers may also find additional information in the “Document Library” section of their Back Office.

#### **5.16 Fundraisers**

Origami Owl does not provide a discount on bulk product for fundraising purposes. However, Origami Owl encourages Independent Designers to find ways to give back to different organizations in their community. If an Independent Designer would like to participate in a fundraiser, she or he can donate to the organization in many ways. Here are a few suggestions:

- Donate a portion of one’s commissions
- Donate Hostess benefits
- Sell a Customer special up to but not exceeding the cost of the regular retail price, and then donate the difference

Independent Designers are never allowed to sell Origami Owl products for more than the current retail price, even if it is for a good cause. If a product is on special, they may sell the product at its regular retail price and donate the difference between the special and retail price to charity.

#### **5.17 Territory Restrictions**

There are no exclusive territories granted to any Independent Designer. Origami Owl has recently begun accepting enrollment from Independent Designers with APO, FPO and DPO addresses. It is essential that prior to making any sales or conducting any parties on any military installation or base, Independent Designers must first determine whether the installation



or base allows direct selling. If so, the Independent Designer must obtain any permissions that are necessary prior to making any sales or conducting parties. Failure to do so could constitute a violation of military regulations. A United States-based address may not be used to circumvent this policy for any reason. No warranties, exchanges or refunds will be granted to Origami Owl products known to be sold outside of authorized territories.

### **5.18 Account Maintenance**

Each Independent Designer is solely responsible for maintaining her or his account with Origami Owl and remitting all payments due in a timely manner. Should an Independent Designer's account go into collection, the Independent Designer will be responsible for (and will indemnify and hold harmless Origami Owl from and against) all costs and fees incurred by Origami Owl in the collection of the amount due. The Independent Designer agrees to allow Origami Owl to deduct any amount due including costs and fees from Independent Designer's account.

### **5.19 Conflicts of Interest/ Non-Solicitation**

Subject to the provisions of this Section 5.21, Origami Owl Independent Designers are free to participate in other direct sales business ventures or network marketing opportunities that are not related to jewelry products.

However, during the term of the Designer Agreement and for a period of six (6) months following

the termination of the Designer Agreement, Independent Designers shall not directly or indirectly Recruit other Origami Owl Independent Designers, prospective Origami Owl Independent Designers or Customers to participate in any other direct sales, party plan or network marketing business. Independent Designers and Origami Owl recognize that because direct sales is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would not be effective. Therefore, Independent Designers and Origami Owl agree that this non-solicitation provision shall apply to the entire United States, all military bases, and any other countries in which Independent Designers are authorized to conduct Origami Owl business activities. The parties agree that this provision shall survive the termination or expiration of the Designer Agreement.

Additionally, during the term of the Designer Agreement, Origami Owl Independent Designers shall not represent (as an independent sales representative, employee or in any other capacity) any other company which sells jewelry as its primary product offering(s) (a "competing company"). If an Independent Designer or member of her or his household is found to be representing a competing company, she or he has ten (10) business days from the date she or he joins the competing "jewelry" company to terminate her or his account with

either Origami Owl or the competing “jewelry” company. If an Independent Designer is found to be representing both companies after the ten (10) day period, her or his Designer Agreement with Origami Owl will be subject to immediate termination. Additionally, during the term of the Designer Agreement, Origami Owl Independent Designers shall not offer products or represent any other income opportunity unrelated to Origami Owl with or in conjunction with the sale or marketing of Origami Owl products or in connection with any Origami Owl Independent Designer activity or function, or on the Origami Owl corporate website or the Independent Designer’s personal social network website, including, but not limited to, a Facebook or Twitter page.

If an Independent Designer is engaged in any non-Origami Owl direct sales, party plan or network marketing program, it is the responsibility of the Independent Designer to ensure that her or his Origami Owl business is operated entirely separate and apart from any other program. To this end, the following must be adhered to:

- The Independent Designer shall not display Origami Owl promotional material, sales aids, products or services with or in the same location as any non-Origami Owl promotional material or sales aids, products or services
- Independent Designers may not offer or promote any non-Origami Owl opportunity, products, or services at any Origami Owl-related meeting, seminar, convention, webinar, teleconference or other function

Once an Independent Designer has achieved the Career Title of Director, the Independent Designer is prohibited from participating in or promoting any other direct sales, party plan or network marketing program, regardless of differences in the other program’s products, cost, quality or other distinguishing factors.

## **5.20 Confidential Information**

As used in these Policies and Procedures, “Confidential Information” includes, but is not limited to, Downline Genealogy Reports, the identity and contact information of Origami Owl Customers and Independent Designers, Independent Designers Personal and Team Volumes and Independent Designer Career Title and/or achievement Levels. Confidential Information is, or may be, available to Independent Designers in their respective Back Office. Independent Designer access to such Confidential Information is password-protected, and constitutes proprietary information and business trade secrets of Origami Owl.

Such Confidential Information is provided to Independent Designers in the strictest confidence and is made available to Independent Designers for the sole purpose of assisting them in the operation of their independent Origami Owl business. Independent Designers are (i) prohibited from using Confidential Information for any purpose other than developing and supporting their independent Origami Owl business, and (ii) prohibited from directly or indirectly disclosing any Confidential Information to any third party for any purpose whatsoever. This obligation to protect and not disclose

Confidential Information shall survive any cancellation or termination of the Independent Designer Agreement and be effective and binding upon any former Independent Designer for a period of two (2) years following termination of the Independent Designer Agreement. Designers agree that this restriction is fair, equitable, and reasonable and is designed to protect the legitimate business interests of the Company.

incurred by Origami Owl due to the inappropriate or improper activities of the Independent Designer.

### **5.21 Targeting Other Direct Sellers**

Origami Owl does not condone or encourage the act of specifically or consciously targeting members of the independent sales force of another direct sales company to sell Origami Owl products or to become Independent Designers for Origami Owl, nor does Origami Owl condone the solicitation or enticement by Independent Designers of members of the sales force of another direct sales company to violate the terms of their contracts with such other companies. Should Independent Designers engage in such activity, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration or mediation is brought against an Independent Designer alleging that she or he engaged in inappropriate or illegal recruiting activity of its sales force or customers, Origami Owl shall not be responsible for any of the Independent Designer's defense costs or legal fees, nor will Origami Owl indemnify the Independent Designer for any judgment, award or settlement. Further, in such situations, the Independent Designer agrees to indemnify and hold Origami Owl harmless from any costs, legal fees or damages that may be



# SECTION SIX: Mentoring and Training

## 6.1 Mentor Responsibilities

Mentors must always represent Origami Owl in a manner that complies with the Designer Agreement, including these Policies and Procedures. Mentors are responsible for assisting, motivating and training their Downlines in the following ways:

- Support a Downline in choosing a business launch date
- Provide a Downline with initial Hostess coaching tips & suggestions for her or his first thirty (30) days of Jewelry Bars (2-3 minimum)
- Explain and review the ordering and payment process
- Encourage participation in training calls
- Review opportunity calls and explain their purpose
- Review the Career Plan - explain how a Downline may earn more money and how important it is to sponsor others into the business
- Provide your contact information and hours you are available
- Ensure a Downline understands that you are their first point of contact but they are also encouraged to contact your Upline if necessary
- Be available to answer questions in a timely manner - less than twenty-

four (24) hours

- Make sure the Downline understands the reasons and intent for joining the team
- Support the Downline's goals
- Continue to coach, guide and mentor via regular (weekly & monthly) follow-up calls and emails

## 6.2 Applicant Rights

For reasons of sponsoring ethics, Origami Owl strongly encourages new Independent Designers to enroll under the Mentor who introduced the new Independent Designer to the Origami Owl program. Every Independent Designer, however, ultimately has the right to choose who her or his Mentor will be. As such, if an individual asks to be registered under another Mentor prior to submitting the Designer Agreement, Origami Owl reserves the right to honor such request. If two Independent Designers both claim to be the Mentor of a new applicant, Origami Owl shall regard the first Designer Agreement received by Origami Owl as the controlling document and shall designate the Independent Designer listed as the Mentor on such application as the applicant's Mentor.

## **6.3 Change of Mentor**

Origami Owl does not permit an Independent Designer to change Mentors following enrollment. Accordingly, the transfer of an Origami Owl Business Center from one Mentor to another is rarely permitted. Requests for a change of Mentor must be submitted in writing to the Compliance Department via the contact form on the Origami Owl website ([http://www.origamiowl.com/contact\\_form.ashx](http://www.origamiowl.com/contact_form.ashx)), and must include the reason for the transfer request. Transfers will only be considered in the following two circumstances:

### **6.3.1 Misplacement**

In cases in which a new Independent Designer is mentored by someone other than the individual she or he was led to believe would be her or his Mentor, the new Independent Designer may request that she or he be transferred to another Organization with her or his entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within ten (10) business days from the date of enrollment. The Independent Designer requesting the change has the burden of proving that she or he was placed beneath the wrong Mentor. Origami Owl reserves the right to grant or deny a transfer request in its sole discretion.

## **6.3.2 Termination and Re-application**

Except for a transfer request made pursuant to Section 6.3.1 above, an Independent Designer wishing to change Mentors may do so only if she or he voluntarily terminates her or his Designer Agreement by giving written notice to Origami Owl and does not participate in the Origami Owl program in any capacity (e.g., no purchases of Origami Owl products for resale, no sales of Origami Owl products, no mentoring, no attendance at any Origami Owl functions, no participation in any other form as an Independent Designer, no operation of any other Origami Owl business) for a period of six (6) consecutive calendar months. Following the six (6) month period of inactivity, the former Independent Designer may reapply under a new Mentor; however, the former Independent Designer's Downline will remain under her or his original Mentor.

### **6.3.2 Waiver of Claims**

In cases in which the appropriate Mentor change procedures have not been followed and a Downline Organization has been developed by an Independent Designer, Origami Owl reserves the sole and exclusive right to determine the final disposition of the Downline Organization. Resolving conflicts over the proper placement of a Downline that has developed under an Organization that has improperly

switched Mentors is often extremely difficult. Therefore, Independent Designers waive any and all claims against Origami Owl, its officers, directors, owners, employees and agents that relate to or arise from Origami Owl's decision regarding the placement and disposition of any downline organization that develops below an organization that has improperly switched mentors.

### **6.3.3 Placement of Orphan Designers**

New Independent Designers who have not selected a Mentor upon enrollment will be placed with a qualified Senior Team Leader (STL) or above chosen by Origami Owl at its sole discretion. STL's will have seventy-two (72) hours from the time of placement of the Orphan in their Downline to make contact with the Orphan. If the STL fails to contact the Orphan within this time frame, Origami Owl reserves the right to move the Orphan under another STL.



# SECTION SEVEN: Sales Requirements

Independent Designers may exchange, trade, transfers or sell retired, out of stock, or in stock product including, but not limited to, jewelry, marketing material or Origami Owl packaging that is needed by another Independent Designer as long as it is agreeable to both parties and is not done via any public forum (including but not limited to Facebook, blogs, or chat rooms). Independent Designers cannot barter, gamble, or raffle any product, including, but not limited to, jewelry, marketing material or Origami Owl packaging.

It is also against policy to combine orders with another Independent Designer under another Independent Designer's ID number. These types of activities are not permitted due to among other reasons, the need to maintain product quality control, facilitate product recalls/returns, and ensure fairness in commission payments.

## 7.1 Product Sales

The Origami Owl Compensation Plan is based on the sale of Origami Owl products and services to end consumers. Independent Designers must fulfill personal and Downline

Organization wholesale and/or Retail Sales requirements (as well as meet other responsibilities set forth in the Independent Designer Agreement) to be eligible for Bonuses, Commissions and advancement to a higher Career Title.

If a Customer accidentally places an order under the wrong Independent Designer, Origami Owl must be contacted via the contact form on the Origami Owl website ([http://www.origamiowl.com/contact\\_form.ashx](http://www.origamiowl.com/contact_form.ashx)) within twenty-four (24) hours of the purchase in order to move that purchase to the correct Independent Designer. This time frame is due to commission payout.

## 7.2 Sales Receipts

All Independent Designers must provide their Retail Customers with two (2) copies of an official Origami Owl sales receipt at the time of the sale. These receipts set forth the Customer Satisfaction Guarantee as well as any consumer protection rights afforded by federal or state law.

Independent Designers must maintain all Retail Sales receipts for a period of two (2) years and furnish them

to Origami Owl at Origami Owl's request. In addition, Independent Designers must orally inform the buyer of her or his cancellation rights.

### **7.3 Re-packaging and Re-labeling Prohibited**

Origami Owl products may be sold only in their original packaging. Independent Designers may not repackage, re-label or alter the labels on Origami Owl products in any way. Tampering with labels or packaging could be a violation of federal and state laws, and could result in civil or criminal liability. Independent Designers may affix a personalized sticker with contact information to packaging, as long as existing labels or text, graphics or other material on the product label is not covered.

### **7.4 Commercial Outlets**

Independent Designers may not sell Origami Owl products from a commercial outlet, nor may Independent Designers display or sell Origami Owl products in any retail or service establishment. Only Origami Owl approved marketing material may be displayed. Online auctions and/or sales facilitation websites, including, but not limited to, eBay, Amazon and Craigslist, constitute commercial outlets and may not be used to sell Origami Owl products.

### **7.5 Order Deadlines**

All Jewelry Bar orders and retail orders must be successfully submitted before midnight Eastern Standard Time (EST) on the last calendar day of the month in order to be included in an Independent Designer's Personal Volume (PV)

for that month and to be counted for sales contests, incentives, etc. Origami Owl reserves the right to require different order deadlines for special order types. It is strongly recommended that Independent Designers submit Jewelry Bar orders promptly after the party is closed. Waiting until the end of the month to submit orders is strongly discouraged. Independent Designers acknowledge and agree that the Origami Owl website may be shut down from time to time for maintenance or for reasons beyond Origami Owl's control. Origami Owl disclaims any liability to Independent Designers for any damages they may incur because of any website shutdown, internet transmission delays, delay in order processing time or inability to access the Origami Owl website or their own Back Office for any reason.

### **7.6 Holding Applications or Orders**

Independent Designers must not manipulate enrollments of new applicants or purchases of products. All executed Designer Agreements and product orders must be sent to Origami Owl within seventy-two (72) hours from the time they are signed by an Independent Designer or placed by a Customer, respectively. The following practices are strictly prohibited:

- a. Changing an order date for the purpose of manipulating contest, incentive or promotion results.
- b. Holding, combining or adjusting orders to distort the Hostess Rewards Program beyond its intended use.



- c. Holding Hostess and Customer orders for more than seventy two (72) hours after funds have been received or the payment has cleared.



# SECTION EIGHT: Shipments

## 8.1 General

After Origami Owl has accepted and processed an order, it will use reasonable efforts to ship the order to the address specified in the order using a carrier chosen by Origami Owl. Risk of loss or damage will pass to the ordering Independent Designer upon the carrier's confirmation of delivery to the specified address. Origami Owl handles all claim issues with the carriers. If a Designer claims they did not receive a shipment and Origami Owl has received confirmation that it was delivered, Origami Owl may at its own discretion require receipt of signature at the Designer's expense for any reshipment. Orders are shipped on business days only and allow up to two (2) business days for order processing and an additional five (5) to seven (7) business days for delivery after the initial two (2) days for the order processing and preparation for shipment. Orders can be shipped to P.O. Boxes or street address within the fifty (50) United States, the District of Columbia, Puerto Rico, or Military APO/FPO P.O. Box addresses. Origami Owl only offers Standard shipping to domestic P.O. Boxes and APO/FPO Military

addresses. Origami Owl will use reasonable efforts to fill Independent Designers' and Customers' orders, but will not be liable for any damages arising from any failure to fill orders or any delay in delivery.

## 8.2 Shipment to APO/ FPO/PO Boxes

Most Origami Owl products may be shipped to Military APO/FPO P.O. Box addresses, but some restrictions may apply. Knowledge and adherence to APO/FPO restrictions are the responsibility of the Independent Designer. Orders being sent to Military P.O. Boxes or Military APO/FPO addresses must be shipped via United States Postal Service and cannot be shipped via overnight or second-day service.

## 8.3 Shipments to Alaska and Hawaii

Most Origami Owl products can be shipped to Alaska and Hawaii, but some restrictions apply and additional shipping and handling charges may apply. Priority shipping methods (overnight or second-day service) are not available for certain locations in Alaska or Hawaii.

## 8.4 Non-Deliverable Orders

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

- The Independent Designer or Customer did not accept the order when it was delivered by the carrier;
- The Independent Designer or Customer was unavailable to accept delivery for orders that require signature upon delivery; or
- The Independent Designer or Customer provided invalid or incorrect shipping information.

When this occurs, Origami Owl will refund the order less the cost of shipping and neither the Independent Designer nor the Independent Designer's Upline will receive any credit for the order. If the order has already been credited to the Independent Designer's sales volume, the credit (and any associated commissions or bonuses) will be canceled. Requests for the rerouting or reshipping of processed orders resulting from the input of an invalid or incorrect shipping address or a request for change of address by an Independent Designer will result in an additional fifteen dollar (\$15) correction and rerouting fee.

## 8.5 Missing Items

When an item is missing from an order, the Independent Designer or Customer is requested to contact the Origami Owl Designer Care Department within ten (10) days of receipt (delivery date) of order.

If Origami Owl determines that the item was not shipped with the original order, it will use reasonable efforts to ship the missing item to the address specified by the Independent Designer or Customer at no charge within three (3) to five (5) business days. Out-of-stock items may require additional time or the issuance of a refund at the Company's discretion.

## 8.6 Out-of-Stock Items

Origami Owl's inventory control procedures are intended to ensure that shortages of Origami Owl products rarely occur. Should an item not be available at the time of an order, Origami Owl will make every effort to ensure the Independent Designer receives the associated volume for the out-of-stock item by processing back orders or recommending a replacement product.

## 8.7 Discontinued Items

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

# SECTION NINE: Commissions and Bonuses

## 9.1 Monthly Commission and Bonus Qualifications

An Independent Designer must be in good standing and in compliance with the Designer Agreement to qualify for Commissions and Bonuses. As long as an Independent Designer complies with the terms of the Designer Agreement, Origami Owl shall pay Commissions and Bonuses to such Independent Designer in accordance with the Career Plan. The minimum amount for which Origami Owl will issue a commission payment is ten dollars (\$10). If an Independent Designer's Commissions and Bonuses do not equal or exceed ten dollars (\$10), Origami Owl will accrue the Commissions and Bonuses until they total ten dollars (\$10). Payment will be issued once ten dollars (\$10) has been accrued. Notwithstanding the foregoing, all Commissions owed an Independent Designer regardless of the amount accrued, will be paid at the end of each fiscal year or upon the Termination of an Independent Designer's business.

The following requirements must be satisfied for an Independent Designer to be eligible for Bonuses:

- Independent Designers must satisfy Personal Volume, Team Volume and structure requirements associated with their Career Title as specified in the Origami Owl Career Plan.
- Central Team Volume (CTV) corresponds to the entire Downline organization. To qualify for each level, no more than a specified amount may come from any one (1) LEG - a personally sponsored Designer and her team, to count toward the required CTV for that level. This is for qualification purposes only; an Independent Designer WILL be paid on the entire sales volume for qualified Levels 1 - 4. Note: An Independent Designer's Personal Volume is included in the CTV volume goal.
- To qualify for Leading Designer, a Designer must have a minimum of \$250 PV, one (1) Active, personally sponsored (Level 1) Designer; CTV requirement of \$500 with no more than \$250 from any one (1) LEG.
- To qualify for Team Leader, a Designer must have a minimum of \$500 PV, three (3) Active, personally sponsored (Level 1) Designers; CTV requirement of \$1,500 with no more than \$750 from any one (1) LEG.

- To qualify for Senior Team Leader, a Designer must have a minimum of, \$500 PV, five (5) Active, personally sponsored (Level 1) Designers, one (1) qualified Team Leader team; CTV requirement of \$3,000 with no more than \$1,500 from any one (1) LEG.
- To qualify for Executive Team Leader, a Designer must have a minimum of \$500 PV, five (5) Active, personally sponsored (Level 1) Designers, two (2) qualified Senior Team Leader teams; CTV requirement of \$6,000 with no more than \$3,000 from any one (1) LEG.
- To qualify for Director, a Designer must have a minimum of \$700 PV, seven (7) Active, personally sponsored (Level 1) Designers, one (1) qualified Executive Team Leader team, two (2) qualified Senior Team Leader teams; CTV requirement of \$15,000 with no more than \$5,000 from any one (1) LEG.
- To qualify for Senior Director, a Designer must have a minimum of \$700 PV, seven (7) Active, personally sponsored (Level 1) Designers, one (1) qualified Director team, two (2) qualified Executive Team Leaders; CTV requirement of \$30,000 with no more than \$10,000 from any one (1) LEG.
- To qualify for Executive Director, a Designer must have a minimum of \$700 PV, seven (7) Active, personally sponsored (Level 1) Designers, two (2) qualified Director teams, two (2) qualified Senior Director of \$60,000 with no more than \$15,000 from any one (1) LEG.

### **In addition:**

- a. Commissions, Overrides and Bonuses will be calculated by the 10th of each month, for the month prior. If the 10th falls on a legal holiday or weekend, Commissions, Overrides and Bonuses will be calculated prior to the next regularly scheduled business day.
- b. Origami Owl does not advance cash or any portion of Commissions/ Bonuses relating to: cash prizes, cash payouts, trip programs or contests, etc.
- c. Calendar period: A business month refers to the time period beginning at 12:00 A.M. EST on the first (1st) day of the month and extending until 11:59 P.M., EST, on the last calendar day of the month; returned product(s) will have the corresponding month. Origami Owl's office is open Monday through Friday, with the exception of most national holidays.

### **9.1.2 Retail Profit Commissions**

Retail Profit Commissions will be calculated and paid out on a weekly basis and paid out on the Friday following the close of the Commission week. The Commission week starts on Sunday at 12:01am Eastern Standard Time and ends on Saturday at 11:59pm Eastern Standard Time.

If the payment day falls on a legal holiday or weekend, the Retail Profit Commission will be paid on the next regularly scheduled business day.

## **9.2 Adjustment to Commissions and Bonuses**

### **9.2.1 Adjustments for Returned Products**

Independent Designers receive Commissions or Bonuses based on the actual sales of products to end consumers. When a product is returned to Origami Owl for a refund or is repurchased by Origami Owl, any of the following may occur at Origami Owl's discretion: (1) the Commissions or Bonuses attributable to the returned or repurchased product(s) will be deducted from payments due to the Independent Designer and Upline. Independent Designers who received Commissions or Bonuses on the sales of the refunded product(s), in the month in which the refund is given will see adjustments which will continue every pay period thereafter until the Commission or Bonus is recovered; (2) the Independent Designer or Upline Independent Designers who earned Commissions or Bonuses based on the sale of the refunded amounts will see an adjustment in their Team Volume in the next month and all subsequent months until the Commission or Bonus is completely recovered; or (3) the Commissions or Bonuses attributable to the returned or repurchased product(s) may be deducted from any refunds or credits to the Independent Designer who received the Commissions or

Bonuses on the sales of the refunded product(s).

### **9.2.2 Commission Payout**

Origami Owl pays Commissions via PayQuicker LLC., PayQuicker offers a secure solution for getting commissions paid on the same day commissions are processed. The Independent Designer's weekly and monthly commissions will be deposited directly into this FDIC insured account. As a courtesy, the Independent Designer will also receive a free Origami Owl Visa debit card linked to her or his account.

### **9.2.3 Errors or Questions**

If an Independent Designer has questions about or believes any errors have been made regarding Commissions, Bonuses or charges, the Independent Designer must notify Origami Owl in writing by mail or the contact form on Origami Owl's website ([http://www.origamiowl.com/contact\\_form.ashx](http://www.origamiowl.com/contact_form.ashx)) within thirty (30) days of the date of the purported error or incident in question Origami Owl will not be responsible for any errors, omissions or problems not reported to Origami Owl within thirty (30) days.

## **9.3 Reports**

All information provided by Origami Owl in Downline activity reporting, including but not limited to Personal and Team Volume (or any part

thereof), and Downline mentoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including but not limited to the inherent possibility of human, digital or mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card payments; returned products; and credit card and electronic check charge-backs, the information is not guaranteed by Origami Owl or any persons creating or transmitting the information.

*ALL PERSONAL AND TEAM VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR, BUT WITHOUT LIMITATION, THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE OR NON INFRINGEMENTS.*

*TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, ORIGAMI OWL AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE*

*LIABLE TO ANY INDEPENDENT DESIGNER OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND/OR TEAM VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES OR COMMISSIONS, LOSS OF OPPORTUNITY AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS,*

*INCONVENIENCE, DELAY OR LOSS OF THE USE OF THE INFORMATION), EVEN IF ORIGAMI OWL OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, ORIGAMI OWL OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO AN INDEPENDENT DESIGNER OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.*

Access to and use of Origami Owl's online reporting services and an Independent Designer's reliance upon such information is at one's own risk. All such information is provided to Independent Designers "as is." If an Independent Designer is dissatisfied with the accuracy or quality of the information, her or his sole and exclusive remedy is to discontinue use of and access to Origami Owl online and telephone reporting services and her or his reliance upon the information.

# SECTION TEN: Product Guarantees, Returns and Inventory Repurchase

## 10.1 Product Guarantee

All Origami Owl products are covered by a guarantee against any manufacturer's defect. Origami Owl strives to create beautiful works of art and therefore guarantees their craftsmanship. As with any delicate artistic creations, care must be taken to ensure years of enjoyment. When an Independent Designer first receives her or his item, she or he should check it carefully to make sure everything is as expected and that no Items are missing as there is a limited time period in which to request an exchange. It is important to note that exchange requests must be made for the same item and will only be exchanged for the same purchased item.

## 10.2 Retail Customer Returns

Origami Owl offers a money back guarantee on products returned within thirty (30) days from the date of sale. Original shipping charges are not refundable and will be deducted from the amount of the refund. Products that have been damaged, opened or used are not

resalable and will not be refunded. This product satisfaction guarantee does not apply to products damaged by abuse or misuse. Independent Designers shall disclose the terms of the warranty to customers at the time of sale and shall also point out this warranty information on the sales receipt and product literature.

An Independent Designer has two (2) business days in which to respond to a Customer's request for assistance regarding missing items or a refund. The Independent Designer is obligated to send any missing items to the Customer within five (5) business days via a delivery method that includes a tracking number. If the Customer does not receive a response from the Independent Designer within five (5) business days, Origami Owl, at its sole discretion, will refund the verified purchase amount and/or products to the Customer and seek reimbursement from the Independent Designer. If Origami Owl is unable to obtain reimbursement from the Independent Designer within five (5) business days, it may choose to suspend or terminate

said Independent Designer's Agreement. In that event, the Independent Designer will not be released from her or his obligation

and Origami Owl will continue to seek damages and using all available legal remedies in order to do so. The Independent Designer will also be responsible for any and all costs of litigation, including reasonable attorneys' fees and expenses.

### 10.3 Independent Designer Returns

To return an item or receive a refund, Independent Designers and/or Customers must contact the Origami Owl Designer Care Department ([http://www.origamiowl.com/en/contact\\_form.ashx](http://www.origamiowl.com/en/contact_form.ashx)) to receive an RMA (Return Merchandise Authorization) number prior to sending back product. All product(s) with the exception of products that have a manufacturer's defect must be received by Origami Owl's Returns Department within thirty (30) days of the order receipt (delivery date). A ten percent (10%) restocking fee will be deducted from all returned product orders with the exception of damaged

products and products that have a manufacturer's defect. Shipping charges incurred by Independent Designers and/or Customers when purchasing or returning products will not be refunded. Note: Items received without an RMA will be rejected and returned to the shipper. The following is a summary of the return policy:

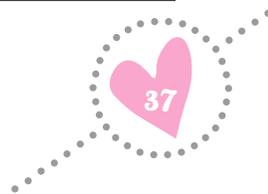
*Examples of manufacturer defect:*

- Non-functional clasp
- Abnormal discolorations (beyond normal variations in natural stone colors or tarnishing from wear or time)
- Jump ring or chain link that is not closed properly
- Different from described length
- Epoxy (adhesive glass or crystals are loose)  
*This warranty does not cover merchandise damaged through normal wear, accident or misuse (wearing in water, etc). Upon receipt of your order, please check it carefully for accuracy.*

Please note: This warranty does not cover merchandise damaged through normal wear, accident or misuse (wearing in water, etc.). Upon receipt of your order, please check it carefully for accuracy.

Attempting to return non-Origami Owl merchandise is fraudulent and considered a violation of these Policies and Procedures.

REASON	RESOLUTION	CLAIM MUST BE SUBMITTED
Item arrived damaged	Replace with original item	Within 10 days of receipt of item (delivery date) and returned within 30 days of receipt (delivery date)
Manufacturers defect	Exchange item	Returned within 90 days of receipt of item (delivery date)
Unavailable product	Refund	Anytime, as long as the Item is still in Unavailable/ status (not shipped or being processed)



### **10.3.1 Issues with Orders Received**

If an Independent Designer and/or Customer experiences an issue with an order (missing item, wrong item, or other) they must contact Origami Owl within ten (10) days of receipt of the order (delivery date).

### **10.4 Excessive Return Activity**

If an Independent Designer returns products valued at more than five hundred dollars (\$500) for a refund in any twelve (12) consecutive month period, the request will constitute the Independent Designer's voluntary cancellation of her or his Designer Agreement, and the refund will be processed as an inventory repurchase.

### **10.5 Return of Inventory by Designers Upon Termination**

A terminating Independent Designer may return unsold Business Launch Packages and any unsold products within one (1) year from the date of purchase for a refund if she or he is unable to sell or use the item(s) and the item(s) are resalable. A product is "resalable" if (i) the item(s) are unopened and unused; (ii) the packaging and labeling are current and have not been altered or damaged; (iii) the item(s) and its packaging are in condition such that it is commercially reasonable to sell the item(s) at full price; and (iv) the item(s) at the time of purchase were not identified as non-returnable, discontinued or seasonal product(s) or subsequently are not discontinued

at the time of return. Upon receipt of the returned item(s), Origami Owl will refund ninety percent (90%) of the net cost of the original purchase price of all returned applicable setoffs. The refund will be credited to the same credit card used for the original purchase or by such other method as determined by Origami Owl.

Shipping charges incurred by an Independent Designer when purchasing or returning the item not refundable. If an Independent Designer was paid a commission or bonus based on a product(s) that she or he purchased, the commission will be deducted from the amount of the refund. Replicated Website fees or any fees associated with recurring Business Suites are not refundable except as required by applicable state law.

**10.5.1** The one (1) year return requirement is not applicable to residents of Maryland, Wyoming, and Massachusetts.

A Montana resident may cancel her or his Designer Enrollment Agreement within fifteen (15) days from the date of enrollment, and may return her or his Business Launch Package for a full refund within such time period.

### **10.6 Procedures for All Returns**

The following procedures apply to all returns for refund or exchanges (exchanges are for damaged or manufacturers defects only):

- a. All merchandise must be returned by the Independent

Designer who purchased it directly from Origami Owl.

- b. All returned products must have an RMA form completed and included in the returned package
- c. The return must be accompanied by:
  - The order number;
  - The item must be in its original packaging
- d. If an Independent Designer is returning merchandise to Origami Owl that was returned to her or him by a Customer, the product must be received by Origami Owl within ten (10) days from the date on which the Retail Customer returned the merchandise to the Independent Designer, and must be accompanied by the sales receipt the Independent Designer gave to the Customer at the time of the sale.



# SECTION ELEVEN: Advertising and Use of Origami Owl Trademarks

## 11.1 General

Origami Owl provides its Independent Designers with tools to promote their business. To protect Origami Owl's brand (and the image of all Origami Owl Independent Designers), and to promote both the products and services and the opportunity Origami Owl offers, the following policies have been developed to govern the manner in which an Independent Designer can advertise and market her or his business.

- All Independent Designers shall safeguard and promote the reputation of Origami Owl and its products. The marketing and promotion of Origami Owl and the Origami Owl opportunity, the Compensation Plan and Origami Owl products must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices
- Independent Designers are prohibited from purchasing "online ads," including but not limited to Facebook Ads, search engine optimization ("SEO") strategies, Banner Ads, Key

Word Search, AdWords, PPC (Pay Per Click) Conversion and others that result in direct search competition with Origami Owl

- Independent Designers may not offer coupons, discounts or specials on any online, ecommerce, or social media site
- The advertisement of any non-Origami Owl items (items that are not available for purchase from Origami Owl) is prohibited in conjunction with Origami Owl advertisements. In addition, Origami Owl jewelry cannot be included with other major brands, logos or likenesses including, but not limited to, Harley Davidson®, Disney® and Coach®
- Origami Owl has carefully designed its products, product labels, Compensation Plan and promotional materials to ensure they are promoted in a fair and truthful manner, that they are substantiated and that the materials comply with the legal requirements of federal and state laws Independent Designers are not allowed to make reproductions or photocopies of original material
- Independent Designers may

not change any imagery on any materials provided by Origami Owl

- Origami Owl has expended great efforts in designing and developing training materials that educate and enhance the Independent Designer's ability to grow their downline and O2 business. Independent Designers may create training and motivational materials to share with their teams or other Independent Designers, but may not sell these materials to others.
- Independent Designers may not modify any collateral or marketing materials of any kind, (photographs, press releases, invites, newsletters, email blasts) at any time
- Independent Designers may not issue a press release on behalf of Origami Owl or write a press release in such a way that may cause confusion or somehow suggest that the press release is supported, created or authorized by Origami Owl.

### **11.2 Independent Designer-Created Advertising Material**

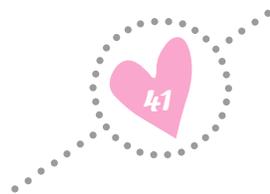
If a certain form of media does not exist in the "Document Library" section of the Back Office and is warranted, please notify the Origami Owl Marketing Department (Marketing@OrigamiOwl.com). The Marketing Department will review the Independent Designer's suggestion and decide whether or not it is something Origami Owl will create for use by all Independent Designers. Please allow seven to ten (7-10) days for a response. If, after that time, the Independent Designer has not received a response, the submission was noted but not approved.

### **11.3 Corporate-Approved Business Supplies and Vendors**

- Customized business cards used by Independent Designers must comply with the Origami Owl format and template guidelines. Origami Owl will provide a list of recommended print vendors, but Independent Designers may choose to work with the printer of their choice.
- Products or services using the Origami Owl logo are allowed on a by-permission basis only. The developer of these products or services may be required to pay a licensing fee, a percentage of profits or some other remuneration for the benefit of using the Origami Owl name to promote a separate business. For approval, email Marketing@OrigamiOwl.com
- Independent Designers cannot make their own clothing or promotional items (buttons, pins, banners, etc.) with an Origami Owl logo. Promotional items are available when placing an order under "Business Materials". Origami Owl's business relationships with its vendors and suppliers are confidential. An Independent Designer shall not contact, directly or indirectly, any representative of any supplier or vendor of Origami Owl unless to order pre-approved supplies or merchandise.

### **11.4 Flyers and Print Ads**

- Origami Owl advertises on a national and regional level on behalf of all Independent Designers. Therefore, Independent Designers are not allowed to



- advertise on a national or regional level. Independent Designers may advertise in local publications, provided the ad is professional, accurate, follows the guidelines for advertising listed below and is not misleading in any way
- Pre-approved marketing materials including flyers and print ads are posted under the “Document Library” section of the Back Office, and include a customizable area for the Independent Designer’s contact information
  - Altering imagery provided in the Back Office is strictly prohibited. This includes modifying the size or including additional copy in the image itself
  - If Independent Designers choose to create their own print ads or flyers, they must include either the corporate website address (www.OrigamiOwl.com) or their official Origami Owl Replicated Website. The ad or flyer must use only those images provided in the Document Library and the Independent Designer must represent herself or himself as an Origami Owl Independent Designer so there is no confusion between her or his ad and the corporate office.

### 11.5 Trademarks and Trade Names

The name “Origami Owl” and other names used by Origami Owl are proprietary trade names, trademarks and service marks of Origami Owl (collectively “Marks”). As such, these Marks are of great value to Origami Owl and are supplied to active Independent Designers for their use only in an expressly authorized manner. Origami Owl will not allow the use of its trade names, trademarks, designs or symbols, or any derivatives of such Marks,

by any person, including Origami Owl Independent Designers, in any unauthorized manner without the prior written permission of Origami Owl. This includes using trademarks in metal tags, key words and/or Search Engine Optimization (SEO) strategies.

Below is a sample list of Origami Owl’s current proprietary terms. These and other Company protected terms may not be used in Independent Designer’s URLs, email addresses and tag lines. Please note that the below list may be amended or added to without notice by the Company. For avoidance of doubt, please contact the Company’s Compliance Department.

- Origami Owl®
- Living Locket®
- Hoot Loot™
- O2 Origami Owl™
- Jewelry Bar®
- Owl always love you®
- You tell stories with words we tell stories with jewelry®
- The OWL mascot image®
- Tagged™
- Link Locket™
- Every locket tells a story... What’s yours?™
- Owlette™
- Make a locket, make a difference™

Except as set forth in the Designer Agreement, Independent Designers may not use or attempt to register the above terms or any other Origami Owl trade names, trademarks, service names, service marks, product names, the Origami Owl name or any derivative of those names for any Internet domain name, email address, Social Media name or address or online aliases. Additionally, an Independent Designer cannot



use or register domain names, email addresses and/or online aliases that could cause confusion or be misleading or deceptive in that they cause individuals to believe or assume the communication is from, or is the property of, Origami Owl.

Independent Designers may submit a URL or email address for approval prior to use by emailing the Compliance Department at [Compliance@OrigamiOwl.com](mailto:Compliance@OrigamiOwl.com). An Independent Designer may use the Origami Owl name in the following manner:

*Independent Designer's first and last name Origami Owl Independent Designer (or Career Title)*

*Example: Alice Smith Origami Owl Independent Designer*

Independent Designers may not use the name Origami Owl in any form in their team name, a tagline, an external website name, a personal website address or extension, an email address, or as a personal name or nickname. For example, an Independent Designer may not secure the domain name [www.BuyOrigamiOwl.com](http://www.BuyOrigamiOwl.com), nor may an Independent Designer create an email address such as [OrigamiOwlSales@hotmail.com](mailto:OrigamiOwlSales@hotmail.com).

An Independent Designer who infringes upon any Origami Owl Marks or any other Origami Owl intellectual property or does not conform to the standards listed above may be liable for monetary damages to Origami Owl for unauthorized use of the Marks and/or subject to disciplinary

action by Origami Owl. In addition, Origami Owl may require any Internet domain name that contains any Origami Owl Marks or any derivative thereof to be transferred to Origami Owl.

## **11.6 Copyrights**

The content of all Origami Owl sponsored training events is copyrighted material. Independent Designers may not produce for sale or distribution any recorded Origami Owl training events or speeches without written permission from Origami Owl, nor may Independent Designers reproduce for sale or for personal use any recording of Origami Owl-produced audio or video presentations.

## **11.7 Origami Owl Independent Designer Logo**

If an Independent Designer uses an Origami Owl logo in any communication, she or he must use the Independent Designer version of the Origami Owl logo. Using any other Origami Owl logo requires prior written approval from Origami Owl's Marketing Department ([Marketing@OrigamiOwl.com](mailto:Marketing@OrigamiOwl.com)). Please see the Back Office Document Library for examples.

## **11.8 Media Inquiries**

The corporate office initiates all regional and national press opportunities on behalf of all Independent Designers. This includes, but is not limited to, TV, radio, newspaper, Internet gifting suites, award shows, celebrity partnerships



and magazine features. Independent Designers must direct any questions or media opportunities of this nature to the Public Relations Department (PR@OrigamiOwl.com) and include full contact details for the referring media outlet. The Public Relations Department will review the requests on an individual basis and if approved will provide talking points and guidance to the Independent Designer for the interview.

- It is a violation of this policy to provide any information to the media without prior approval from the Public Relations Department, regardless of the nature of the information or whether the information is positive or negative, accurate or inaccurate
- All inquiries from any form of media representative must be immediately referred to Origami Owl's Public Relations Department (PR@OrigamiOwl.com) for approval

### **11.9 Television and Radio: Advertising/Appearances**

Independent Designers may not advertise/appear on television and/or radio broadcasts representing Origami Owl. Only approved corporate representatives who are media trained will be considered for potential broadcast opportunities. Please contact PR@OrigamiOwl.com with all requests for review, including the name of the contact, broadcast, a link to the website, and the estimated airdate. Requests must be sent prior to appearance (without exception). Allow two (2) weeks for the approval process.

### **11.10 Unsolicited Email**

Origami Owl does not permit Independent Designers to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including without limitation to, the federal CAN SPAM Act.

Any email sent by an Origami Owl Independent Designer that promotes Origami Owl, the Origami Owl opportunity or Origami Owl products and services must comply with the following:

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

Origami Owl may periodically send emails to Customers on behalf of Independent Designers. By agreeing to the terms of the Designer



Agreement, the Independent Designer agrees that Origami Owl may send such emails and that the Independent Designer's email address will be included in such emails as outlined above. Independent Designers shall honor opt-out requests generated as a result of such emails sent by Origami Owl.

### **11.11 Telemarketing**

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

Therefore, Independent Designers MUST NOT ENGAGE in telemarketing in the operation of their Origami Owl businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of an Origami Owl product or service or to recruit them for the Origami Owl opportunity. "Cold calls" made to prospective Customers

or Independent Designers that promote either Origami Owl's products or services or the Origami Owl opportunity constitute telemarketing and are prohibited. However, Independent Designers may call prospective Customers or Independent Designers or guests who have attended a Jewelry Bar or indicated their interest in the Origami Owl opportunity.

### **11.12 Telephone Directory Listings**

A business phone number may be listed in the following manner:

*Independent Designer's first  
and last name Origami Owl®  
Independent Designer  
Address Phone Number*

No Independent Designer may place telephone or online directory display ads using Origami Owl's name or logo. The name Origami Owl or any variation may not be used in telephone numbers, for example: 1-800-ORI-GAMI is not to be used or reserved by an Independent Designer.

Independent Designers may not answer the telephone by saying "Origami Owl" or "Origami Owl Incorporated" or in any other manner that would lead the caller to believe that she or he has reached corporate offices of Origami Owl.

### **11.13 Giveaways**

The offering of giveaways, contests and/or prizes by Independent Designers is permitted with the following restrictions:



- Giveaways may not be advertised on any blogs or social media that participate in the sale of other jewelry
- Independent Designers must use Origami Owl's pre-approved images, which can be found in the Independent Designer's Back Office

Giveaways do not include providing incentives designed to entice individuals to join your Downline. The use of incentives is strictly prohibited.

## 11.14 Online Compliance

### 11.14.1 Origami Owl Hotlinks

When directing readers to an Approved Personal Website or Replicated Website it must be evident from a combination of the link and the surrounding context, to a reasonable reader, that the link will bring the viewer to the site of an Origami Owl Independent Designer. Attempts to mislead web traffic into believing they are going to the Origami Owl corporate site, when in fact they land at an Independent Designer's Replicated Website will not be allowed. The determination as to what is misleading or what constitutes a reasonable reader will be at Origami Owl's sole discretion.

### 11.14.2 Online Classifieds

Independent Designers may not use online classifieds (including Craigslist) to list, sell or retail Origami Owl products or product bundles. The use of classifieds (including Craigslist) for prospecting,

recruiting and informing the public about the Origami Owl opportunity, provided Origami Owl approved templates/images are used is allowed. Independent Designers must also identify themselves as an Independent Designer with Origami Owl. If a link or URL is provided, it must link to the Independent Designer's Replicated Website.

### 11.14.3 eBay/Online Auctions

Origami Owl's products and services may not be listed on websites (including, but not limited to, Craigslist, eBay and Amazon) or other online auctions, nor may Independent Designers enlist or knowingly allow a third-party to sell Origami Owl products on such websites or other online auctions.

An active Independent Designer or Canceled (either voluntary or involuntary Independent Designer may not liquidate unsold products on such websites or any other online clearing house and/or online/offline auction. Any Independent Designer (either active or canceled) found participating in such sales may face fines imposed by Origami Owl for such infraction, along with attorneys' fees and expenses if necessary. In addition, an active Independent Designer also faces possible Termination of her or his Independent Designer status.



#### **11.14.4 Online Retailing**

Independent Designers may not list or sell Origami Owl products on any online retail store or e-commerce site (including, but not limited to, any Social Media sites), nor may they enlist or knowingly allow a third party (including but not limited to members of their household) to sell Origami Owl products on any online retail store or e-commerce site. Independent Designers may not offer or use coupons, discounts or specials on any online, ecommerce or social media site.

#### **11.14.5 Digital Media Submission (YouTube, iTunes, Vimeo, etc.)**

Independent Designers may upload, submit or publish Origami Owl related video, audio or photo content that they develop and create as long as it is professional, aligns with Origami Owl values, contributes to the Origami Owl community in a positive way and is in compliance with Origami Owl's Policies and Procedures. If videos, audio or photos contain instructional or training content, an Independent Designer must receive prior written approval before uploading for public consumption. All submissions must clearly identify one as an Origami Owl Independent Designer in the content itself and in the content description tag, must comply with all copyright/legal requirements and must state that the Independent Designer is

solely responsible for this content. Independent Designers may not upload, submit or publish any content (video, audio, presentations or any computer files) received from Origami Owl or captured at official Origami Owl events or in buildings owned or operated by Origami Owl without prior written permission.

#### **11.15 Independent Designer Websites**

##### **11.15.1 Approved Personal Website**

Independent Designers may create their own websites, as long as the website and its content comply with the terms of Origami Owl's Policies and Procedures. Before launching any website, the Independent Designer must submit a beta site to Origami Owl's Marketing Department (Marketing@OrigamiOwl.com) for review and receive Origami Owl's written approval before the site can go live. This approval process may take up to four (4) weeks. Once a website is approved by Origami Owl in writing, it is an Approved Personal Website. Any changes to the website must be submitted to the Compliance Department of Origami Owl (Compliance@OrigamiOwl.com) and the Independent Designer must receive Origami Owl's written authorization to make the change before going live with the change. It is the Independent Designer's obligation to ensure her or



his online marketing activities are truthful, are not deceptive and do not mislead Customers or potential Independent Designers in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, will result in disciplinary action and may result in Termination. Misleading tactics include, but are not limited to, spam linking (or blog spam), unethical search engine optimization (“SEO”) tactics, misleading click through ads (e.g., having the display URL ad appear to be directed to an official Origami Owl corporate site when, in fact, it goes elsewhere), Pay-Per-Click (“PPC”) or Cost-Per-Click (“CPC”) ads, unapproved banner ads and unauthorized press releases are prohibited. Origami Owl will be the sole determinant of truthfulness and whether specific activities are misleading or deceptive.

### **11.15.2 Approved Personal Website Content**

Independent Designers are solely responsible and liable for their own Approved Personal Website content, messaging, claims, and information, and must ensure that it appropriately represents and enhances the Origami Owl brand and adheres to Origami Owl’s Policies and Procedures.

Additionally, Approved Personal Websites must not contain disingenuous pop-up ads, promotions, malicious code or cookies.

Decisions and corrective actions in this area are at Origami Owl’s sole discretion.

- a. Approved Personal Websites must exclusively promote Origami Owl. Your Origami Owl Approved Personal Website must contain content and information that is exclusive to Origami Owl. You may not advertise other products or services other than the Origami Owl product line and the Origami Owl opportunity.
- b. Independent Designers shall not sell products from an Approved Personal Website but the Approved Personal Website may contain a link to the Independent Designer’s replicated website from which Origami Owl products are offered for sale.
- c. Approved Personal Website Termination. In the event of the voluntary or involuntary termination of your Designer Agreement, you must remove your Approved Personal Website from public view within three (3) days and redirect (forward) all traffic from that domain to www.OrigamiOwl.com. Your Approved Personal Website may be transferred to another Origami Owl Independent Designer, subject to Origami Owl’s written approval, on a case-by-case basis.
- d. Origami Owl Independent Designer Disclosure. To avoid



confusion, the following three elements must be prominently displayed at the top of every page of your

### **Approved Personal Website:**

- (i) The Origami Owl Independent Designer name and logo (if desired)
  - (ii) Your first and last name and title
  - (iii) Origami Owl Replicated Website redirect button. Although Origami Owl brand themes and images are desirable for consistency, anyone landing on any page of an Independent Designer's Approved Personal Website must clearly understand that she/he is at an Independent Designer site, and NOT the Origami Owl corporate page.
- e. No e-Commerce or Stock-and-Sell Retailing. An Independent Designer's Approved Personal Website must only facilitate the entry into her or his Origami Owl Replicated Website. Independent Designers may not stock and sell (i.e., purchase more product than can reasonably be sold within a short period of time) Origami Owl products, nor may they facilitate an e-commerce environment that would facilitate this model. All orders must be placed through the Independent Designer's official Replicated Website.

- f. Monetizing Approved Personal Websites. Independent Designers may not monetize their Replicated Website or their Approved Personal Website through affiliate programs, Google AdSense, banner ads or similar programs.
- g. Independent Designers may not create new URLs or domain names that automatically redirect to their Replicated Website. For example, Independent Designers may not create the domain name [www.OrigamilocketsByJane.com](http://www.OrigamilocketsByJane.com) that automatically sends visitors to their Origami Owl Replicated Website.

### **11.15.3 Team Websites**

Independent Designers may use Team Websites for the purposes of connecting, communicating, training, educating and sharing best practices among team members. Because these sites may contain sensitive and Origami Owl-specific information, these team websites must be password-protected and may only be shared with members of their sales organization. All websites must be submitted to Origami Owl's Marketing Department ([Marketing@OrigamiOwl.com](mailto:Marketing@OrigamiOwl.com)), and passwords forwarded to or shared with Origami Owl's Compliance Department ([Compliance@OrigamiOwl.com](mailto:Compliance@OrigamiOwl.com)) before the website goes live. If, for any reason, the password changes or



Origami Owl cannot obtain access, the webmaster of said website must immediately inform Origami Owl of this change in password status. If no access is granted to Origami Owl, the private website must be taken down and may result in suspension of the Independent Designer's active status with Origami Owl. Independent Designers may only use Origami Owl created materials on their Team Website.

#### **11.15.4 Origami Owl Replicated Websites**

Independent Designers may choose to receive an Origami Owl Replicated Website subscription to facilitate the online buying experience for their Customers and enrollments for prospects. Certain fees may apply. Please check the Back Office for Business Suite pricing. Independent Designers may not alter the branding, artwork, look or feel of their Replicated Website and may not use their Replicated Website to promote, market or sell non-Origami Owl products, services or business opportunities. Specifically, an Independent Designer may not alter the look (placement, sizing, etc.) or functionality of the following:

- a. The Origami Owl Independent Designer logo
- b. Independent Designer's name
- c. Origami Owl corporate website redirect button

- d. Artwork, logos or graphics
- e. Original text

An Independent Designer may choose one's own Origami Owl Replicated Website URL (such as www.[Independent Designer's Name].OrigamiOwl.com. If, for any reason, Origami Owl finds an Independent Designer's URL to be confusing, offensive or misleading, Origami Owl reserves the right, at any time, to request that the Independent Designer change her or his Replicated Website URL address. An Independent Designer should choose a uniquely identifiable website name that cannot:

- a. Be confused with other portions of the Origami Owl corporate website
- b. Confuse a reasonable person into thinking she or he has landed on an Origami Owl corporate page
- c. Be confused with any Origami Owl name
- d. Contain any discourteous, misleading or offensive words or phrases that may damage Origami Owl's image



## 11.16 Social Media

Social Media may be used by Independent Designers to share information about Origami Owl. Independent Designers who elect to use Social Media must adhere to these Policies and Procedures in all respects. Independent Designers must not post on the Origami Owl Facebook page the following, but not limited to these items: recruiting opportunities to solicit business, a sign-up form for new Independent Designers, a link to drive traffic to one's Replicated Website or Facebook page, share confidential information or Designer exclusive information or make negative or disparaging comments. Independent Designers are prohibited from using any of Origami Owl's trademarked terms (which may be found in Section 11.5) or misspellings and derivatives in the URL of any third-party websites or Replicated Websites with the exception of the following:

*www.thirdpartysite.com/  
OrigamiOwl[yourfirstandlastname]  
IndependentDesigner*

*Example of Facebook URL: www.  
facebook.com/OrigamiOwlJane  
DoelIndependentDesigner*

*Example of Twitter URL (limited  
to fifteen (15) characters):  
www.twitter.com/O2Designer1234  
www.twitter.com/OOID1234*

*Example of Pinterest URL  
(limited to fifteen (15) characters):  
www.pinterest.com/O2Designer1234  
www.pinterest.com/OOID1234*

These examples are an excellent avenue for promoting the

Independent Designer's business on social networking sites such as Facebook. Any other usage of these terms, such as the examples shown below, are strictly prohibited:

*Examples of PROHIBITED URLs:  
www.OrigamiOwlbyJaneDoe.com  
www.OrigamiOwlDreamTeam.com  
www.OrigamiOwlParties.com  
www.ISellOrigamiOwl.com  
www.MyOrigamiOwlBiz.com  
www.JanesLivingLocketts.com*

\*All domain extensions such as .net, .biz, .org, etc. are also covered by these restrictions.

When using personal Social Media networks to promote the Independent Designer's Origami Owl business with friends, family, Customers, leads and other potential business connections, the following policies and procedures must be adhered to when referencing Origami Owl, Origami Owl products and the Origami Owl opportunity:

Profiles an Independent Designer generates in any social community where Origami Owl is discussed or mentioned must clearly identify the Independent Designer as an Origami Owl Independent Designer, and when an Independent Designer participates in those communities, Independent Designers must avoid inappropriate conversations, comments, images, video, audio and applications. The determination of what is inappropriate is at Origami Owl's sole discretion, and offending Independent Designers will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from Origami Owl's approved Document Library in the Independent Designers

Back Office. If a link is provided, it must link to the posting Independent Designer's Replicated Website.

Independent Designers may not use blog spam, spamdexing or any other mass-replicated methods to leave comments. Comments Independent Designers create or leave must be useful, unique, relevant and specific to the blog's article.

An Independent Designers are permitted and encouraged to do the following:

- Share imagery on social networking sites (via applications such as Facebook, Pinterest and Instagram, among others)
- Share Origami Owl Facebook posts and add them to one's personal Facebook page(s): *facebook.com/origamiowl*
- Tweet or re-tweet the corporate office's *Twitterfeeds@OrigamiOwl*

- Post event invitations or post one's own positive comments about upcoming Origami Owl events
- Share news about a great Jewelry Bar one just held for one's Customer(s) and post photos (if permitted by client to do so)
- Share news about new and/or best-selling products based on one's personal experiences
- Post Origami Owl newsletters and/or other newsworthy items like press clippings or celebrity images, provided they comply with Origami Owl guidelines
- Post current promotions, incentives and other Origami Owl-created programs

### 11.16.1 Pinterest

Pinterest is designed to help share the things Independent Designers love and is a tool that should be used for inspiration. Origami Owl encourages Independent

<b>APPROVED</b>	<b>NOT APPROVED</b>
Snapshots of Origami Owl products used as gift ideas.	Photos from the catalog, linking to a Replicated Website.
Jewelry Bar recipe ideas.	Origami Owl logos, linking to a Replicated Website.
Wardrobe ideas, incorporating Origami Owl products.	Take Out Menu (TOM)/ Catalog spreads.
Artistic expressions made for personal use but not for sale.	Monthly special fliers.
Jewelry Bar game ideas.	Modifications to Origami Owl products endorsed on an Independent Designer's Replicated Website.



Designers to re-pin images found on Pinterest.com/Origami\_Owl. Pinterest is not to be used for self-promotion or for the promotion of an Independent Designer's Origami Owlbusiness.

### **11.16.2 Independent Designers Are Responsible for Postings**

Independent Designers are personally responsible for their postings and all other online activity that relates to Origami Owl. Therefore, even if an Independent Designer does not own or operate a blog or Social Media site, if an Independent Designer posts to any such site that relates to Origami Owl or which can be traced to Origami Owl, the Independent Designer is responsible for the posting. Independent Designers are also responsible for postings which occur on any blog or Social Media site that the Independent Designer owns, operates or controls.

### **11.16.3 Deceptive Postings**

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

### **11.16.4 Origami Owl Independent Designer Identification**

An Independent Designer must disclose her or his full name on all Social Media postings and identify herself or himself as an Independent Designer for Origami Owl. Anonymous postings or use of an alias is prohibited.

### **11.16.5 Social Media as a Sales and Promotion Forum**

Social Media sites are relationship-building sites. While building relationships is an important part of the sales process, Social Media sites may not be used as a direct medium for generating sales. Online sales may be generated only from an Independent Designer's Origami Owl Replicated Website. Likewise, Independent Designers shall not use any Social Media site to explain the Origami Owl Compensation Plan or any component of the Compensation Plan. Independent Designers are permitted to include links to their Replicated Website on Social Media sites, including but not limited to, Pinterest, Twitter, LinkedIn and Facebook. However, posting this information to the official Origami Owl pages on these sites is prohibited.

### **11.16.6 Respecting Privacy**

Always respect the privacy of others in postings. Independent Designers must not engage in gossip or advance rumors

about any individual, Origami Owl or competitive products or services. Independent Designers may not list the names of other individuals or entities on their postings unless they have the written permission of the individual or entity that is the subject of their posting.

### **11.16.7 Use of Third-Party Intellectual Property**

If an Independent Designer uses the trademarks, trade names, service marks, copyrights or intellectual property of any third-party in any posting, it is their responsibility to ensure that they have received the proper license to use such intellectual property and pay the appropriate license fee. All third-party intellectual property must be properly referenced as property of the third party and the Independent Designer must adhere to any restrictions and conditions that the owner of the intellectual property places on the use of its property.

### **11.16.8 Online Professionalism**

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

### **11.16.9 Prohibited Online Postings**

Independent Designers may not make any postings, or link to any postings or other material that:

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

### **11.16.10 Responding to Negative Posts**

An Independent Designer must not converse with one who places a negative post against her or him, another Independent Designer or Origami Owl. Origami Owl asks that the Independent Designer report negative posts to Origami Owl at: [Compliance@OrigamiOwl.com](mailto:Compliance@OrigamiOwl.com). Responding to such negative posts often simply fuels a discussion with someone carrying a grudge who does not hold herself or himself to the same high standards as Origami Owl, and therefore damages the reputation and goodwill of Origami Owl.



### **11.17 Cancellation of an Independent Designer Origami Owl Business**

If an Independent Designer's Origami Owl business is canceled or terminated for any reason, she or he must discontinue using the Origami Owl name and all of Origami Owl's trademarks, trade names, service marks and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that she or he utilizes. If she or he posts on any Social Media site on which she or he has previously identified herself or himself as an Origami Owl Independent Designer, she or he must delete that page.



# SECTION TWELVE: Changes to an Origami Owl Business

## 12.1 Roll-up of Independent Designer Organization

When an opening occurs in an Independent Designer's Organization due to a Termination, each Independent Designer in the first Level immediately below the terminated Independent Designer will have the opportunity to qualify (as per the Career Plan) to roll-up into the position of the terminated Independent Designer provided the first Level Independent Designer has not violated the terms of the Designer Agreement or any Origami Owl policy within the previous twelve (12) months.

## 12.2 Sale of an Origami Owl Business

An Independent Designer may not sell, give away, assign or otherwise transfer their Origami Owl business or any rights or obligations under the Designer Agreement with the exception of death or incapacity.

## 12.3 Division of an Origami Owl Business

Origami Owl Independent Designers sometimes operate their Origami Owl businesses as husband-wife teams. In the event of a divorce, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other Upline or Downline businesses. In the event of a divorce, the divorcing spouses must submit to Origami Owl a certified copy of any legal judgment or divorce decree, or otherwise submit a document bearing the notarized signatures of both parties to Origami Owl specifying the ownership and/or how future commission and bonus checks should be paid. During the divorce process, the parties must adopt one of the following methods of operation:

- One of the parties may with consent of the other, operate the Origami Owl business pursuant to an assignment in writing whereby the relinquishing spouse authorizes

- Origami Owl to deal directly and solely with the other spouse
- The parties may continue to operate the Origami Owl business jointly on a “business-as-usual” basis, whereupon all compensation paid by Origami Owl will be paid according to the status quo as it existed prior to the divorce filing. This is the default procedure if the parties do not agree on the format set forth above

Under no circumstances will the Downline Organization of divorcing spouses be divided. Similarly, under no circumstances will Origami Owl split commission and bonus payments between divorcing spouses. Origami Owl will recognize only one Downline Organization and will issue only one commission payment per Origami Owl business per commission cycle. Commission payments shall always be issued to the same individual or entity.

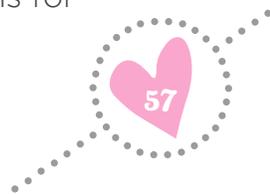
If a former spouse has completely relinquished all of her or his rights in an Origami Owl business pursuant to a divorce, she or he is thereafter free to enroll under any Mentor her or his choosing without waiting six (6) calendar months. In that case, the relinquishing spouse shall have no rights to any Independent Designer in her or his former Organization or to any former Retail Customer. She or he must develop the new business in the same manner as would any other new Independent Designer.

#### **12.4 Death and Incapacity**

Upon the death or incapacity of an Independent Designer, the Independent Designer’s interest in her or his Designer Agreement may be

passed to the Independent Designer’s heir, trustee or other beneficiary, provided that arrangements are made to ensure that the Independent Designership, other Independent Designers in the applicable Upline and Orgami Owl are not adversely affected. If Origami Owl determines in its sole discretion that such a disposition will adversely affect other Independent Designers or Origami Owl, Origami Owl may terminate the applicable Designer Agreement. Appropriate legal documentation must be submitted to Origami Owl in connection with any transfer of a Designer Agreement upon the death or incapacity of an Independent Designer. Accordingly, each Independent Designer should consult her or his attorney to assist in the preparation of a will, trust or other testamentary instrument that will properly transfer the Independent Designer’s interest. When a Designer Agreement is transferred by will or other testamentary process with Origami Owl’s approval, the beneficiary will acquire the right to collect Commissions and Bonuses generated by the deceased Independent Designer’s Downline and will otherwise assume all the rights and obligations of the deceased Independent Designer under the Designer Agreement, provided the following requirements are met. The beneficiary must:

- Submit a new Designer Agreement and otherwise meet all the eligibility requirements to become an Independent Designer
- Comply with the terms and provisions of the Designer Agreement; and
- Meet all the qualifications for



the deceased Independent Designer's level and title

To effect a testamentary transfer of a Designer Agreement upon the death of an Independent Designer, the successor must provide the following to Origami Owl:

- An original Certificate of Death
- A notarized copy of the will or other instrument establishing the successor's right to assume the deceased Independent Designer's rights and obligations under the Designer Agreement; and
- A completed and properly executed Designer Application

To effect the transfer of an Origami Owl Designer Agreement to a trustee upon the incapacitation of an Independent Designer, the trustee must provide Origami Owl with the following:

- A notarized copy of an appointment as trustee
- A notarized copy of the trust document or other documents establishing the trustee's right to serve as an Independent Designer; and
- A completed and properly executed Designer Application executed by the trustee

Commission and bonus payments of an Origami business transferred pursuant to this Section will be paid in a single payment to the new Independent Designer. The payments will be made to the address shown on the new Designer Application. If a Designer Agreement is bequeathed to joint devisees, a new Business Entity must be formed,

identifying the person responsible for the entity's operation, and a Federal Taxpayer Identification number for the new entity must be supplied to Origami Owl. Origami Owl will issue all commission and bonus payments and one IRS Form 1099 to the new Business Entity.

## **12.5 All Other Transfers Prohibited**

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

# SECTION THIRTEEN: Dispute Resolution and Disciplinary Proceedings

## 13.1 Disciplinary Sanctions

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

- Issuance of a written warning (the Independent Designer will have the opportunity to provide additional information and/or request additional coaching)
- Requiring the Independent Designer to take immediate corrective measures
- Imposition of a fine which may be withheld from bonus

and commission payments

- Loss of rights to one or more bonus and commission payments
- Origami Owl may withhold from an Independent Designer all or part of the Independent Designer's Bonuses and Commissions during the period that Origami Owl is investigating any conduct allegedly violating the Agreement. If an Independent Designer's business is canceled or terminated for disciplinary reasons, the Independent Designer will not be entitled to recover any Commissions withheld during the investigation period
- Suspension of an Independent Designer for one or more pay periods
- Permanent or temporary loss of, or reduction in, the current and/or lifetime Career Title of an Independent Designer (which may subsequently be re-earned by the Independent Designer)
- Transfer or removal of some or all of an Independent Designer's Downline Independent Designers from the offending Independent Designer's Downline Organization
- Involuntary Termination of the offender's Designer Agreement

- Suspension and/or Termination of the offending Independent Designer's Origami Owl Replicated Website or website access
- Any other measure expressly allowed within any provision of the Designer Agreement or which Origami Owl deems reasonable and appropriate to equitably resolve injuries caused partially or exclusively by the Independent Designer's policy violation or contractual breach or wrongful conduct
- In situations deemed appropriate by Origami Owl, Origami Owl may institute legal proceedings for monetary and/or equitable relief

### **13.2 Grievances and Complaints**

When an Independent Designer has a grievance or complaint with another Independent Designer regarding any practice or conduct related to her or his respective Origami Owl business, the complaining Independent Designer should first report the problem to her or his Mentor, who should review the matter and try to resolve it with the other party's Upline Mentor. If the matter involves interpretation or violation of the Designer Agreement, including any Origami Owl policy, it must be reported in writing to the Compliance Department (Compliance@OrigamiOwl.com). The Compliance Department will review the facts and attempt to resolve the issue.

### **13.3 Dispute Resolution**

Any controversy, claim or dispute of whatever nature arising between an Independent Designer, on the one hand, and Origami Owl and/or the Related Parties (as defined below), on the other, including but not limited

to those arising out of or relating to the Designer Agreement (including these Policies and Procedures or the breach thereof, or the commercial, economic or other relationship of Independent Designer and Origami Owl and/or the Related Parties (for purposes of this Section each is a "party"), whether such claim is based on rights, privileges or interests recognized by or based upon statute, contract, tort, common law, or otherwise ("Dispute"), shall be settled through negotiation, mediation or arbitration, as provided below.

#### **13.3.1 Negotiation**

If a Dispute arises, the parties shall first attempt in good faith to resolve it promptly by negotiation. Any of the parties involved in the Dispute may initiate negotiation by providing notice (the "Dispute Notice") to each involved party setting forth the subject of the Dispute and the relief sought by the party providing the Dispute Notice, and designating a representative who has full authority to negotiate and settle the Dispute. Within ten (10) business days after the Dispute Notice is provided, each recipient shall respond to all other known recipients of the Dispute Notice with notice of the recipient's position on and recommended solution to the Dispute, and designating a representative who has full authority to negotiate and settle the Dispute. Within twenty (20) business days after the Dispute Notice is provided, the representatives designated by the parties shall confer either



in person at a mutually acceptable time and place or by telephone, and thereafter as often as they reasonably deem necessary to attempt to resolve the Dispute.

### **13.3.2 Mediation**

At any time twenty (20) business days or more after the Dispute Notice is provided, but prior to the initiation of arbitration, regardless of whether negotiations are continuing, any party may submit the Dispute to JAMS (Judicial Arbitration and Mediation Services - <http://www.jamsadr.com>) for mediation by providing notice of such request to all other concerned parties and providing such notice and a copy of all relevant Dispute

Notices and notices responding to JAMS. In such case, the parties shall cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in promptly scheduling the mediation proceedings, and shall participate in good faith in the mediation either in person at a mutually acceptable time and place or by telephone, in accordance with the then-prevailing JAMS's mediation procedures and this Section, which shall control.

### **13.3.3 Arbitration**

Any Dispute not resolved in writing by negotiation or mediation shall be subject to and shall be settled exclusively

by final binding arbitration before a single arbitrator in Phoenix, Arizona, in accordance with the then-prevailing Commercial Arbitration Rules of the American Arbitration Association ("AAA"). No party may commence Arbitration with respect to any Dispute unless that party has pursued negotiation and if requested, mediation provided, however, that no party shall be obligated to continue to participate in negotiation or mediation if the parties have not resolved the Dispute in writing within sixty (60) business days after the Dispute Notice was provided to any party or such longer period as may be agreed by the parties in writing. Unless otherwise agreed by the parties, the mediator shall be disqualified from serving as arbitrator in the case. Notwithstanding any contrary rules promulgated by the AAA, the following shall apply to all Arbitration actions:

- The Federal Rules of Evidence shall apply in all cases;
- The parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure;
- The parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure;
- The arbitration shall occur within one hundred-twenty (120) days from the date on which the arbitrator is appointed, and shall last no more than five (5) business days;



- The parties shall be allotted equal time to present their respective cases, including cross-examinations

The arbitrator shall not have the power to alter, modify, amend, add to or subtract from any provision of the Designer Agreement, or to rule upon or grant any extension, renewal or continuance of the Designer Agreement. Moreover, the arbitrator shall not have the power to award special, incidental, indirect, punitive, exemplary, or consequential damages of any kind or nature, however caused.

All communications, whether oral, written or electronic, in any negotiation, mediation or arbitration pursuant to this Section shall be treated as confidential and those made in the course of negotiation or mediation, including any offer, promise or other statement, whether made by any of the parties, their agents, employees, experts, or attorneys, or by the mediator or any JAMS employee, shall also be treated as compromise and settlement negotiations for purposes of applicable rules of evidence and shall be inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in negotiation or mediation. The costs of negotiation,

mediation, and arbitration, including fees and expenses of any mediator, arbitrator, JAMS, the American Arbitration Association, or other persons independent of all parties acting with the consent of the parties to facilitate settlement, shall be shared in equal measure by the Independent Designer, on the one hand, and Origami Owl and any Related Parties involved, on the other. The parties shall bear their own legal fees and expenses of negotiation, mediation and arbitration. Although the Designer Agreement is made and entered into between an Independent Designer and Origami Owl, Origami Owl's affiliates, owners, members, managers and employees ("Related Parties") are intended third-party beneficiaries of the Designer Agreement, including this agreement to negotiate, mediate and arbitrate. The parties acknowledge that nothing in these policies is intended to create any involvement by, responsibility of, or liability of the Related Parties with respect to any dealings between an Independent Designer and Origami Owl, and the parties further acknowledge that no provision of the Designer Agreement shall be argued by any party to constitute any waiver by the Related Parties of any defense which the Related Parties may otherwise have concerning whether they can properly be made a party to any dispute between an Independent Designer and Origami Owl.



Any party may seek specific performance of this Section thirteen (13), and any party may seek to compel each other party to comply with the provisions of this Section by petition to any court of competent jurisdiction. The pendency of a mediation shall not preclude a party from seeking provisional remedies in aid of the arbitration from a court of appropriate jurisdiction, and the parties agree not to defend against any application for provisional relief on the ground that a mediation is pending. The prevailing party in any proceeding enforcing the provisions of this Section thirteen (13) shall be entitled to recover from the other party the reasonable attorneys' fees and costs incurred by the petitioning party in obtaining the requested relief. If any portion of this Section is held to be unenforceable for any reason, the remainder shall remain in full force and effect.

Nothing in this Section shall preclude any party from seeking interim or provisional relief concerning the Dispute, including a temporary restraining order, a temporary or preliminary injunction, or an order of attachment, either prior to or during negotiation, mediation or arbitration.

#### **13.3.4 Governing Law, Jurisdiction and Venue**

Jurisdiction and venue of any matter not subject to arbitration

shall lie exclusively in Maricopa County, State of Arizona. The Federal Arbitration Act shall govern all matters relating to arbitration. The laws of the State of Arizona shall govern all other matters relating to or arising from the Agreement.

#### **13.3.5 Louisiana Residents**

Notwithstanding the foregoing, and the arbitration provision in Section thirteen point three (13.3) above, venue for any actions brought by or against residents of the State of Louisiana shall be determined pursuant to Louisiana law.



# SECTION FOURTEEN: Payments

## 14.1 Returned Checks

All checks returned by an Independent Designer's bank for insufficient funds (NSF) or non-successful direct deposit transactions due to incorrect information will be resubmitted for payment. A twenty-five dollar (\$25.00) returned check/incorrect direct deposit information fee will be charged to the account of the Independent Designer.

After receiving a returned check from a Customer or an Independent Designer, all future orders must be paid by credit card, money order or cashier's check. Any outstanding balance owed to Origami Owl by an Independent Designer for NSF checks and returned check fees will be withheld from subsequent bonus and commission payments.

## 14.2 Chargebacks

If an Independent Designer and/or Customer charges back an order without the return of products, Origami Owl has the right to terminate that Independent Designer's account without notification. If an Independent Designer and/or Customer returns product and charges back an order

due to a delay in the processing of a refund, the Independent Designer and/or Customer will be required to contact their merchant and request a reversal of the chargeback in order for the Independent Designer to maintain her or his position in Origami Owl.

## 14.3 Sales Taxes

Origami Owl is required to charge sales tax on all purchases made by Independent Designers and Customers and remit the taxes collected to the respective jurisdictions. Accordingly, Origami Owl will collect and remit sales taxes on behalf of Independent Designers based on the suggested retail price of the products according to applicable tax rates in the state, jurisdiction, province or parish to which the shipment is destined. If an Independent Designer has submitted and Origami Owl has accepted a current Sales Tax Exemption (Re-Sale) Certificate, albeit permanent or temporary, and a Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be the responsibility of the Independent

Designer. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. ANY SALES TAX EXEMPTION ACCEPTED BY ORIGAMI OWL IS NOT RETROACTIVE.

The sales tax collected by the Independent Designer from inventory sold at but not limited to, Jewelry Bars, events or person-to-person, is considered an offset to the initial sales tax paid by the Independent Designer to Origami Owl upon original purchase.

Origami Owl has entered into an agreement with all states and local jurisdictions to administer sales taxes on behalf of its Independent Designers. The terms of these agreements require Origami Owl to pre-collect the applicable sales tax based on the suggested retail price of taxable products and services and ship-to-address. All taxes collected are remitted to the proper state and jurisdiction.

Independent Designers who do not collect the identical sales tax pre-collected by Origami Owl are required to file a Sales Tax Adjustment form (Check with your local jurisdiction for the correct form). We suggest that this form be filed annually.

New Mexico Residents: Residents of the State of New Mexico are required to report the gross receipts tax on commission payments received from Origami Owl.



# SECTION FIFTEEN: Independent Designer Rescission and Termination Period

## 15.1 Rescission Period

An Independent Designer may cancel her or his Independent Designer Agreement, without penalty or obligation, within three (3) business days (five [5] days for Alaska residents), from her or his enrollment date. If an Independent Designer cancels, any payments made by her or him under the Designer Agreement will be returned within ten (10) business days following receipt by Origami Owl of the Independent Designer's cancellation notice. If an Independent Designer cancels, she or he must make available to Origami Owl, in substantially as good condition as when received, any goods delivered to the Independent Designer under the Designer Agreement. To cancel the transaction, the Independent Designer must email, mail or deliver a signed and dated copy of the Notice of Cancellation (located on the bottom of the Designer Agreement) to Origami Owl's corporate offices no later than midnight of the third (3rd) business day after the submission date.

## 15.2 Termination of the Independent Designer Agreement

As long as an Independent Designer remains active and complies with the terms of the Designer Agreement including these Policies and Procedures, Origami Owl shall pay Commissions to such Independent Designer in accordance with the Compensation Plan. Following an Independent Designer's Non-renewal of her or his Designer Agreement, termination due to inactivity, or voluntary or involuntary termination of a Designer Agreement (all of these methods are collectively referred to as "Termination"), the former Independent Designer shall have no right, title, claim or interest to the marketing Organization/Downline which she or he operated, or any commission or bonus from the sales generated by the Organization. An Independent Designer whose business is canceled will lose all rights as an Origami Owl Independent Designer. This includes the right to sell Origami Owl products and services and the right to receive future Commissions, Bonuses or

other income resulting from the sales and other activities of the Independent Designer's former Downline sales Organization. In the event of Termination, Independent Designers agree to waive all rights they may have, including, but not limited to, property rights to their former Downline Organization and to any Bonuses, Commissions or other remuneration derived from the sales and other activities of her or his former Downline Organization.

Following an Independent Designer's Termination of her or his Designer Agreement, the former Independent Designer may not hold herself or himself out as an Origami Owl Independent Designer and shall not have the right to sell Origami Owl products or services.

Origami Owl has the right to offset any amounts owed by an Independent Designer to Origami Owl from Commissions or other compensation due to the Independent Designer. Origami Owl will honor statutory buyback requirements of every jurisdiction (please check with your state's Department of Revenue for additional information). An Independent Designer whose business is canceled or Terminated shall receive Commissions and Bonuses only for the last full pay period she or he was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

Upon termination (voluntary or involuntary), the Independent Designer:

- a. Must immediately cease all activities as an Independent Designer, including removing and permanently discontinuing the use of trademarks, service marks, trade names and any signs, labels, stationery or advertising referring to or relating to any Origami Owl product, plan or program.
- b. Loses rights to all her or his Downline and position in the Career Plan and all future Commissions and earnings resulting therefrom.
- c. Must take all action reasonably required by Origami Owl relating to its materials and protection of its confidential information and intellectual property; and
- d. Must return all unused products purchased from Origami Owl. If products are not returned and Origami Owl becomes aware of a terminated Independent Designer participating in the sale of such products, Origami Owl reserves the right to take legal action to protect the integrity of Origami Owl.
- e. May not solicit, recruit, approach, contact or discuss with any current or active Origami Owl Independent Designer the opportunity to join another direct sales organization (such as a party plan, multilevel marketing or affiliated program) for a period of six (6) months thereafter. She or he may not utilize or disclose to any party any proprietary data, processes or Origami Owl information regarding suppliers, pricing and commission structures, to develop, consult with, be employed by or share

with any other party planning or direct sales organization for a period of six (6) months thereafter.

### **15.2.1 Termination Due to Inactivity**

Subject to the provisions of Section 15.2.3 below, if an Independent Designer fails to personally generate at least one hundred ninety-nine (\$199) dollars in Personal Volume in whole or in part during a rolling six (6) month period, her or his Designer Agreement may be terminated due to inactivity and that Independent Designer will no longer be considered an Eligible Designer.

In the event of a personal or family illness or emergency the Independent Designer can contact the Compliance Department at [Compliance@OrigamiOwl.com](mailto:Compliance@OrigamiOwl.com) and request a waiver (which will be evaluated on a case-by-case basis by Origami Owl). To be considered for an extension of the account active status "approved leave." waivers must be requested at the time the hardship occurs. Extensions will not be granted retroactively. Upon receipt by Origami Owl of appropriate health documentation from the Independent Designer, her or his status will immediately be reactivated.

### **15.2.2 Military Deployment**

Military personnel shall be exempt from meeting their Personal and Team Volume

quotas for the duration of the deployment and for one (1) full calendar month thereafter while deployed into a foreign country.

An Independent Designer may not sell products or sponsor other Independent Designers while she or he is stationed at an overseas U.S. military base. If she or he (or her or his spouse) is an active member of the U.S. military and is stationed at an overseas U.S. military base, then she or he may request that Origami Owl place her or his account "on hold" during her or his deployment. If Origami Owl approves the Independent Designer's request, her or his Downline will roll up to the first Level of her or his Mentor and she or he will not receive Commissions or Bonuses during deployment. Upon her or his return to the U.S., she or he will be returned to active status if she or he submits an order of at least two hundred dollars (\$200) in Personal Volume. When she or he regains active status, the previous Downline will be transferred back to her or him. To request a military leave, an Independent Designer should contact the Compliance Department ([Compliance@OrigamiOwl.com](mailto:Compliance@OrigamiOwl.com)) so that Origami Owl can put the account on a temporary hold status.

### **15.2.3 Termination Due to Non-renewal**

An Independent Designer may voluntarily terminate her or his Designer Agreement



by failing to renew the Designer Agreement. In addition, Origami Owl reserves the right to elect not to renew a Designer Agreement.

#### **15.2.4 Voluntary Termination**

An Independent Designer has a right to terminate her or his Designer Agreement at any time, regardless of reason. Independent Designers must contact the Designer Care or Compliance Department to receive the Termination form. Termination forms must be submitted via email to the Compliance Department (Compliance@OrigamiOwl.com) or in writing to Origami Owl at its principal business address. The email or written notice must include the Independent Designer's signature, printed name, address and Independent Designer ID Number.

#### **15.2.5 Involuntary Termination**

Involuntary termination shall be effective on the date on which written notice is mailed, emailed, faxed or delivered by an express courier, to the Independent Designer's last known, email address, fax number, or mailing address on file with Origami Owl, or when the Independent Designer receives actual notice of termination, whichever occurs first. An Independent Designer who involuntarily terminates is not eligible to later reapply to become an Independent Designer.

#### **15.2.6 Miscellaneous Termination Provisions**

An Independent Designer who terminates (either voluntarily or involuntarily) remains responsible for fulfilling all outstanding obligations (including but not limited to, any products or refunds due the Customer) before her or his status will be officially canceled and terminated.

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



# SECTION SIXTEEN: Miscellaneous

## 16.1 Severability

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

## 16.2 Waivers

Origami Owl retains its right to insist upon compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Origami Owl to exercise any right or power under the Agreement or to insist upon strict compliance by an Independent Designer with any obligation or provision of the Agreement shall constitute a waiver of Origami Owl's right to demand exact compliance with the Agreement.

The existence of any claim or cause of action of an Independent Designer against Origami Owl shall not constitute a defense to Origami

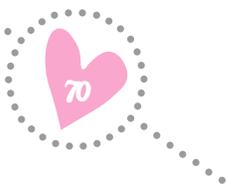
Owl's enforcement of any term or provision of the Agreement.

## 16.3 Entire Agreement

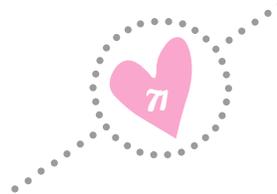
The Designer Agreement including these Policies and Procedures constitutes the entire Agreement of the parties with respect to its subject matter. The Designer Agreement supersedes all previous, contemporaneous, inconsistent agreements, negotiations, representations, and promises between the parties,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

## 16.4 Notices

Except as otherwise expressly set forth in the Designer Agreement, all notices required or permitted by the Designer Agreement shall be in writing, and sent to the party to be notified by registered or certified mail, or delivered in person, and shall be deemed effective upon receipt. Notices to an Independent Designer shall be sent to the



address submitted on the  
Designer Agreement or updated  
Independent Designer profile.  
Notices to Origami Owl shall be sent  
to Origami Owl, LLC, 410 Benson  
Lane, Chandler, Arizona 85224.



# SECTION SEVENTEEN: Definitions

**Achieved Title** - Refers to the highest rank an Independent Designer has achieved in the Origami Owl compensation plan at any time.

**Active Designer** - An Independent Designer who satisfies the monthly ninety-nine dollar (\$99) Personal Volume (PV) requirement (in order to be considered active by Upline).

**Agreement** - The contract between Origami Owl and each Independent Designer that collectively refers to the Origami Owl Designer Agreement, these Policies and Procedures, the Terms of Use and the Origami Owl Compensation Plan, all in their current form and as amended by Origami Owl at its sole discretion.

**Approved Personal Website** - An Independent Designer's Origami Owl-approved personal website that is hosted on non-Origami Owl servers and has no official direct affiliation with Origami Owl.

**Back Office** - The Back Office contains online business tools and information pertinent to each Independent Designer.

**Bonuses** - Monies paid on Downline earnings. See Career Plan for more Information.

**Business Center** - Business operated by an Independent Designer.

**Business Launch Package** - Also known as a business "starter package." A selection of Origami Owl products, training materials and business support literature that each new Independent Designer is required to purchase, except in any state where it may be prohibited. The Business Launch Package does not count toward CTV.

**Business Suite** - Includes access to an Independent Designer's Replicated Website and Back Office "PRO" version.



**Cancel** - The Termination of an Independent Designer's business. Cancellation may be either voluntary, involuntary, through Non-renewal or inactivity, respectively. Canceled Independent Designers cannot qualify for Commissions or Upline qualifications in and/or during the period in which they are canceled.

**Career Plan** - Sometimes referred to as a compensation plan. This is the plan that outlines how Independent Designers earn money through sharing products and opportunity with others and building a team of other Independent Designers.

**Career Title** - The title that an Independent Designer holds pursuant to the Origami Owl Career Plan. "Lifetime Rank" refers to the highest Career Title an Independent Designer has achieved in the Origami Owl Career Plan at any time.

**Central Team Volume (CTV)** - CTV corresponds to the Independent Designer's entire Downline organization. To qualify for each level, no more than a specified amount may come from any one (1) LEG - a personally sponsored Designer and her team, to count toward the required CTV for that level. This is for qualification purposes only; an Independent Designer WILL be paid on the entire sales volume for qualified Levels 1 - 4. Note: An Independent Designer's Personal Volume is included in the CTV volume goal.

**Commissions** - All compensation paid on retail sales to an Independent Designer. This includes either online or home parties.

**Compensation Plan** - The details of how Commissions and Bonuses are paid to a qualified Independent Designer.

**Customer** - An individual or business who purchases Origami Owl products from an Independent Designer (either directly or via a Replicated Website) and whose account has been paid in full.

**Customer Satisfaction Guarantee** - If a Customer is not completely satisfied, it is the responsibility of the Independent Designer to inform Origami Owl.

**Designer Care Team** - The Designer Care Department at Origami Owl's corporate offices. They may be reached through the contact form on Origami Owl's website ([http://www.origamiowl.com/contact\\_form.ashx](http://www.origamiowl.com/contact_form.ashx)) and are responsible for assisting with all Independent Designer's needs.

**Downline** - An Independent Designer's Team and all Generations. (All Independent Designers under an Independent Designer's genealogy).

**Downline Genealogy Reports** - Origami Owl's overall organizational structure that indicates where Independent Designers are placed. Origami Owl supports a primary uni-level genealogy placement, and sponsorship will be the same for all Independent Designers.



**Electronic Contracting** - Refers to The Electronic Signatures in Global and National Commerce Act (E-Sign Act), signed into law on June 30, 2000, which provides a general rule of validity for electronic records and signatures for transactions in or affecting interstate or foreign commerce.

**Eligible Designer** - An Independent Designer who is eligible to receive products at a discounted rate. If an Independent Designer fails to personally generate at least one hundred ninety-nine dollars (\$199) in Personal Volume in whole or in part during a rolling six (6) month period, her or his Designer Agreement may be canceled for inactivity and that Independent Designer will no longer be considered an Eligible Designer.

**Hostess/Host** - A person who agrees to host an event (or Jewelry Bar) for an Independent Origami Owl Designer allowing them to share Origami Owl's customizable product with their friends and family. Hostesses/Hosts are rewarded with free jewelry and half price items and other exclusive benefits reserved for Origami Owl hosts, based on the retail amount of jewelry purchased at their event. (See Hostess Reward Program)

**Hostess/Host Rewards Program** - The Hostess Rewards Program refers to the way in which Origami Owl rewards Hostesses/Hosts with free jewelry credits, half-price items and other benefits based on the retail total of jewelry sold at a Jewelry Bar or event that they have hosted for an Independent Origami Owl Designer. These benefits are subject to change based on season, new products and other factors at the sole discretion of Origami Owl.

**Household** - one or more people who live in the same dwelling and may consist of a single family or some other grouping of people.

**ID Number** - The identification number assigned to an Independent Designer by Origami Owl for all Origami Owl identification purposes.

**Independent** - This is a term that must be used to describe every Origami Owl Independent Designer. The term identifies an Independent Designer as an independent business person working with, not an employee of Origami Owl.

**Jewelry Bar** - Display of Origami Owl products used by an Independent Designer at an event or home party.

**Level** - The layers of Downline Independent Designers in a particular Independent Designer's Organization. This term refers to the relationship of an Independent Designer relative to a particular Upline Independent Designer. This is determined by the number of Independent Designers between them who are related by Mentor. For example, if A mentors B, who mentors C, who mentors D, who mentors E, then E is on A's fourth Level.



**Mentor** - An Independent Designer who assumes a personal level of responsibility for a person or group.

**O2 Lounge** - Refers to the Back Office site where an Independent Designer can find the latest news from the Nest, Document Library, network updates, blogs and other useful connections.

**Network Updates (“Forum for Good”)** - which functions a lot like Facebook

**Official Origami Owl Material** - Material in any form, which is authorized, published and disseminated by Origami Owl. This includes, but is not limited to, printed material, audio and videotapes, broadcasts, fax and electronic communications and Internet communications.

**Organization** - Also referred to as Downline. An Independent Designer’s Central Team and all Generations. (All Independent Designers under an Independent Designer in their genealogy).

**Override** - Another term for monies paid on Downline earnings.

**Orphan** - A Designer who enrolls without an Enroller or Sponsor.

**Paid-As Title** - Refers to the rank at which an Independent Designer is qualified to earn commissions and bonuses during the current pay period.

**Personal Volume (PV)** - Volume, in terms of wholesale value not retail, qualifying product submitted directly by the Independent Designer for Origami Owl excluding the Business Launch Package business supplies and hostess rewards.

**Recruit** - For purposes of Origami Owl’s Conflict of Interest Policy (Section 5.21), the term “Recruit” means the actual or attempted solicitation, enrollment, encouragement or effort to influence in any other way, either directly, indirectly or through a third party, another Origami Owl Independent Designer or Customer to enroll or participate in another multilevel marketing or direct sales opportunity.

**Replicated Website** - A website provided by Origami Owl to Independent Designers that utilizes website templates developed by Origami Owl.

**Resalable** - Products shall be deemed Resalable if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling have not been altered or damaged; 3) they are in a condition to sell the merchandise at full price; 4) they are returned to Origami Owl within one (1) year from the date of purchase. Any merchandise that is clearly identified at the time of sale as nonreturnable, as discontinued or as a seasonal item shall not be Resalable.



**Retail Customer** - An individual who purchases Origami Owl products from an Independent Designer but who is not a participant in the Origami Owl Career Plan.

**Retail Profit Commission** - Profit earned on Jewelry Bars and/or order placed by an Independent Designer's Customers via the Internet.

**Retail Sales** - Sales to a Retail Customer at full published price.

**RMA (Return Merchandise Authorization) Form** - Document required in order to return defective or damaged products. Found in the Independent Designer's Back Office, in the Document Library.

**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 to comment or respond to content. Examples of social media include, but are not limited to, blogs, chat rooms, Facebook, MySpace, Twitter, LinkedIn, Pinterest, Instagram and YouTube.

**Sponsor** - The Independent Designer under whom a new Independent Designer or Customer is enrolled in the system. The Sponsor is the Independent Designer who introduces the new Designer or Customer to the Company and/or product.

**Team** - Refers to Independent Designers (Level 1) and their Independent Designers, down through all Levels.

**Team Volume** - These totals represent the needed accumulative dollar purchase volume for any given month of an Independent Designer's organization in order to qualify for his or her Title Bonus.

**Termination** --The involuntary cancellation of an Independent Designer's Enrollment. Independent Designers who are terminated for cause cannot reapply to become an Independent Designer in Origami Owl.

**Title Qualified Designer Count** - Refers to the number of personally enrolled Independent Designers in a Sponsor's Downline that have achieved a title (i.e., ETL, STL, etc.).

**Upline** - This term refers to the Independent Designer or Independent Designers above a particular Independent Designer in the genealogy up to Origami Owl. Conversely stated, it is the genealogy that links any particular Independent Designer to Origami Owl.

**Volume Qualified Designer Count (VQDC)** - Refers to the sales volume generated by an Independent Designer's personally enrolled Downline.

