

YANBAL® USA POLICIES & PROCEDURES

I. General Rules

1. Policies and Compensation Plan Incorporated into the Independent Style Advisor Agreement; Amendments.

These Policies and Procedures, in their present form and as amended at the sole discretion of Yanbal USA, Inc. (hereafter "Yanbal" or the "Company"), are incorporated into the Yanbal Independent Style Advisor Agreement. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the Yanbal Independent Style Advisor Agreement, the Policies and Procedures, and the Yanbal Compensation Plan. Independent Style Advisors shall be referred to herein as "Independent Advisors", "Style Advisors", "Advisors" or "SAs". The Company reserves the right to amend the Agreement at its discretion. Amendments shall be effective thirty (30) days after notice and publication of the amended provisions in the Independent Advisor's Yanbal Suite, but amended policies shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. An Advisor may cancel his/her contractual relation with Yanbal at any time and for any reason in accordance to Section V, Article 1, numeral 1) of this document.

2. Policies and Provisions Severable

If any provision of the Agreement, in its current form or as amended, is held void or unenforceable, only the void or unenforceable portion(s) of the provision shall be severed from the Agreement and the remaining provisions shall remain in effect. The severed provision shall be reformed so that it is in compliance with the law and reflects the purpose of the original provision as closely as possible. The existence of any claim or cause of

action of an Advisor against Yanbal shall not constitute a defense to Yanbal's enforcement of any term or provision of the Agreement.

3. Term and Renewal of the Agreement - Yanbal Suite

- 1) The Agreement shall be effective for one (1) year from the execution date. Thereafter the Agreement shall be automatically renewed for additional terms of one (1) year each unless it is terminated according to the provisions set forth in Section V, below.
- 2) Upon expiration of the Yanbal Suite free subscription period, the Independent Style Advisor must renew his/her subscription under one of the payment options in place at the time of the expiration of such free subscription period. Advisors will be reminded of their upcoming renewal through their Yanbal Suites. In case an SA decides to continue her Yanbal business, she must renew her Yanbal Suite subscription and the corresponding fee will be charged to the credit card indicated by her.. If an SA does not renew her subscription to Yanbal Suite, her Yanbal business will be immediately suspended. Renewal and Yanbal Suite fees are optional in North Dakota.

4. Independent Contractor Relationship

SAs are independent contractors and not employees of Yanbal. In all written, graphic, or digital material used for Yanbal business purposes, SAs must represent themselves as an "Independent Yanbal Style Advisor." In verbal conversations with prospective SAs and customers, SAs must introduce themselves as an "independent Yanbal Style Advisor." SAs shall not lead anyone to believe that they are employees of Yanbal.

5. General Conduct

Advisors shall safeguard and promote the good reputation of Yanbal and its products, and must avoid all false, illegal, deceptive, misleading, unethical or immoral conduct or practices, and must exhibit high moral character in their personal and professional conduct. Advisors shall not engage in any conduct that may damage the Company's goodwill or reputation.

6. Requirements for becoming an Advisor

- i) Be 18 years or older;
- ii) Be a U.S. citizen or a U.S. resident alien;
- iii) Be sponsored by a current Advisor (otherwise the Company will assign one to you at its discretion);
- iv) Purchase the Starter Kit online (optional in North Dakota);

The Starter Kit is the group of products and sales tools to start the Yanbal business, and it includes a subscription to Yanbal Suite free of charge for the period stated by the Company at the time of the SA registration.

- v) Submit to Yanbal a complete W-9 IRS Form;
- vi) Complete the Independent Style Advisor Application (the "Application") and accept the Agreement through Yanbal website;

Both the application and registration to become a Yanbal Independent Style Advisor must be done directly solely by the interested person with no exception. It is prohibited any registration on behalf of a third party, case in which the registration is null and the Company disclaims any and all responsibility and liability.

Once the Agreement is accepted the Independent Style Advisor will be assigned a personal Advisor identification

number. It is the SA responsibility to maintain the confidentiality of such identification number.

The Company will cancel the assigned SA personal identification number in case the SA fails to open an account with Propay, Inc. (or any subsequent service provider designated by the Company) within the following sixty (60) calendar days after the date on which such number was assigned to the SA. In case of this cancellation, no refund will be given for the Style Advisor Starter Kit cost.

7. Yanbal Suites

Upon Yanbal's acceptance of an applicant's Independent Style Advisor Application and Agreement, the new SA will receive a free trial subscription to her Yanbal Suite for the period stated by the Company at the time of her registration. The Yanbal Suite includes an SA Replicated Website, a Boutique Manager (see description below), the Yanbal App, and access to the Yanbal business portal.

In case an SA does not sign up at enrollment, she will be automatically enrolled to the Yanbal Suite upon accepting the Agreement.

After the free trial subscription period ends, the SA must choose one of the subscription plans available at that time. Otherwise, she will not have access to Yanbal Suite and her Yanbal business as SA will be put on hold.

An SA might cancel the subscription at any time, but this will result in the cancellation of her business with the Company.

8. Direct Customers

The Company might accept customers directly from the public who might wish to learn more about the Company and the income opportunity, or may want to purchase products. We do not turn the public away when they desire access to Yanbal.

Therefore, if a prospective customer (the "Customer") places an order but does not currently have an independent SA supporting her, we will accept the order. At the end of the checkout process we will ask the Customer if she wants to be referred to an active SA. Additionally, if the Customer signs up for more information about the income opportunity or is considering hosting a Yanbal Boutique (or asks us for help) we will provide the Customer the required information.

II. Independent Style Advisor - Benefits and Obligations

1. Compensation Plan

The Compensation Plan is the set of rules according to which the SA earnings from her Yanbal business are calculated.

These rules are the following:

i) Commissions on sales generated during the campaign will be calculated based on the following schedule:

- Week 1 – Days 1 – 7 of the campaign
- Week 2 – Days 8 – 14 of the campaign
- Week 3 – Days 15 – 21 of the campaign
- Week 4 – Days 21 – 28 of the campaign

Weekly payments will be made between Wednesday and Friday of the following week.

Additional commissions will be paid from Friday – Week 1 to Wednesday – Week 2, of the following campaign to such in which they correspond.

ii) Commissions are paid on the commissionable amount of Yanbal product sales. The commissionable amount excludes SA-only items (e.g. Hostess Rewards, the Starter Kit, the first order placed by a SA with her

Starter Kit Samples, Business Supplies, New Line Sample Orders, etc.)

- iii) From time-to-time, items will go on sale at promotional discount prices. These special sale items may or may not be commissionable depending on the Company decision. If commissionable, Personal Volume (see point 4 of this Section II, below, and the Yanbal Compensation Plan definition) will be based on the discounted sale price of the item and not the regular retail price. Such items are excluded from the inventory buyback policy.
- iv) Title promotions are made when all qualifications for a title have been met and after the campaign in which the qualifications are met has been closed.
- v) SAs must report any issues or discrepancies with her commission by the end of the campaign period following the campaign for which the commission was issued. Issues reported late will not be researched or adjusted. The request should be sent via e-mail to contactus@yanbalusa.com
- vi) Commissions are issued to SAs in their individual name only.

2. W-9 Submission

To complete the registration as an SA the person must submit to Yanbal an IRS Form W-9 at the time of the registration. Otherwise the registration as an SA will not be considered complete and no personal identification number will be assigned to the person.

3. Adjustment to Bonuses and Commissions.

Compensation stemming from product sales is fully earned when the corresponding return, repurchase and chargeback periods applicable to product sales have all expired.

If a product is returned to Yanbal for a refund or is repurchased by the Company, or a chargeback occurs, the compensation attributable to the returned or repurchased product(s) will be recovered by the Company.

Unearned compensation will be deducted in the campaign in which the refund is issued or the chargeback occurs, and will continue every pay period thereafter until the unearned compensation is fully recovered, from both the SA and the upline SAs as well who received bonuses or commissions on the sales of the refunded or charged back products.

If commissions and bonuses in one pay-period are insufficient to recover the entire unearned compensation received by an SA, the Company reserves the right to make deductions from the SA's compensation in future pay-periods until the entire amount of the over payment to the SA is recovered.

Yanbal USA reserves the right to withhold or reduce any SA's compensation as it deems necessary to comply with any garnishment or court order directing Yanbal USA to retain, hold, or redirect such compensation to a third party.

4. Personal Volume (PV)

The status of an SA in relation to the Company is based on the level of her Personal Volume (PV) according to the following:

- i) ACTIVE – An SA that has either personally or through her direct clients, at least \$250 Personal Volume (PV) is Active for that campaign. INACTIVE – An SA that has less than \$250 PV in a campaign period, either personally or through her direct clients. In this case, the SA will still receive commissions from sales through her direct clients but will not receive commissions from her downline. The SAs direct customers purchases will accrue into the SA's PV and will be consid-

ered for determining whether she is Active or Inactive.

- ii) CANCELLED – An SA whose Agreement has been cancelled for any of the reasons stated below.

5. Assignment of Leads

There are two categories of leads: Online Orders and Recruit Leads, which are subject to the following:

- i) Online Orders: These will be distributed to SAs who:
 - a) Have at least \$1,000 cumulative PV in the previous or current campaign.
 - b) Have an Active Yanbal Suite subscription.
 - c) Are in good standing with the Company, which means that they are not currently under review, investigation, or disciplinary action for policy violations, bad business, or unethical practices; and
 - d) Are in favorable geographic proximity to the potential client that ordered online.
- ii) Recruit Leads: These will be distributed to SAs who:
 - a) Have at least \$1,000 cumulative PV in the previous or current campaign;
 - b) Have an Active Yanbal Suite subscription;
 - c) Have at least 3 Qualified Personally Sponsored SAs who each have at least \$250 cumulative PV in the previous or current campaign;
 - d) Are in good standing with the Company, which means that they are not currently under investigation, review or disciplinary ac-

tion for violating the Agreement;
and

- e) Are in favorable geographic proximity to the lead.

The Company reserves the right to transfer any SA to another team if the Company determines the SA is not receiving adequate mentoring from the team to which she was assigned. For this purpose, and for all other references to "team" included in the Agreement and in any other Yanbal document, "team" should be understood as the SAs that are part of the down-line of an SA.

Moreover, failure to mentor properly can be cause for an SA to become ineligible to receive future Company Leads. It should be understood as "adequate mentoring" to provide training to the new SA, maintain constant and respectful contact with the down-line SAs, ensure the continuing education of the SA team regarding both the products and the Company business strategy, and in general, to implement all the required actions to help the SA's down-line to develop their Yanbal business.

6. Status Upgrade

An SA that achieves a new career pay level will maintain her new title and pay level by maintaining the requirements for such higher level.

To maintain her Recognition Title, an SA must be paid at her Recognition Title at least three (3) times in every rolling 13 campaign period. Otherwise, her Recognition Title will be that of the level she had before achieving the new recognition title.

7. Sponsorships

i) General Rule

If a Style Advisor sponsors other SAs, it is the Sponsor's responsibility to provide the new SA with training and to maintain regular communication with those SA's on her team, in accordance with para-

graph 5, above.

ii) Change of Sponsor

The only means by which an Advisor may legitimately change his/her sponsor are by:

- (a) Registering again as SA after six (6) months of a written voluntary cancellation of her Yanbal business; or
- (b) Submitting a written request to the Company at 1341 W Newport Center Dr Deerfield Beach, Florida 33442, for a change of sponsor. The SA requesting the transfer must also submit written and signed transfer authorization forms from his/her immediate three (3) upline Style Advisors. The Company strongly discourages changes in sponsorship. Therefore, Yanbal reserves the right to deny any request for a sponsor change at its discretion.

8. Waiver of Claims.

In cases wher an SA improperly changes his/her sponsor, the Company reserves the sole and exclusive right to determine the final disposition of the down-line organization that was developed by the SA in his/her second line of sponsorship. **SAs WAIVE ANY AND ALL CLAIMS AGAINST THE COMPANY, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM THE COMPANY'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ADVISOR WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR.**

III. Standards for Independent Style Advisors Business Activities

1. Sales Presentations

The principal sales method is the "Yanbal Boutique." Yanbal Boutiques are social events where an SA exhibits and shows the Yanbal products.

In any sales presentations, including Yanbal Boutiques, SAs must observe the

rules of conduct stated above. Accordingly, an SA must:

- i) Never be misleading, deceptive, or unfair in her sales practices. Such types of behaviors will cause the cancellation of her Yanbal business.
- ii) Accurately explain the qualities of the products and/or display the products.
- iii) Always mention price, payment terms, rules for refunds, guarantees, and post-sale service.

An SA must be respectful of people at all times. Personal or telephone contact with hosts, customers, and prospective customers should be made in a reasonable manner and during reasonable hours to avoid intruding on their schedule. A sales presentation should never interfere or annoy a customer. Therefore, an SA should immediately discontinue a sales presentation upon request of the consumer.

2. Excess Inventory Purchases and Bonus Buying

i) General Rules

As in any direct sales company, the Company main strategy is to sell the products at the retail price to the end-consumer following good business practices.

The Company understands that the Starter Kit should be sufficient to build a business, and do not encourage SAs to buy additional inventory for delivery.

Accordingly, an SA must not:

- a) Purchase more products than she can reasonably use or sell to her retail customers in a campaign;
- b) Encourage others to load up on inventory, or to make it appear that there is an obligation to purchase products, literature, or other sales aids beyond the Starter Kit;
- c) Mislead others by telling them that commissions, overrides, bonuses

and/ or other earnings may be obtained solely from the purchase of products rather than the sale of products.

Carrying excessive inventory is not a component of the Yanbal business model and no product accumulation beyond what an SA can sell in the current campaign is necessary or appropriate.

Bonus buying is prohibited. Bonus-buying includes:

- a) Enrolling an SA without her knowledge.
- b) Fraudulently enrolling individuals or entities as SAs.
- c) Purchasing products primarily to ensure qualifying for a reward, whether it is compensation, a prize, award, a pay rank, title, or promotion.
- d) Subsidizing all or part of a customer purchase or new Starter Kit purchase that counts towards your volume or adds an SA to your team. This includes offering a blanket discount or rebate on the purchase of goods.
- e) Engaging in any other artifice or means to advance or maintain status and pay level, or earn a commission or bonus that is not based on product sales to bona fide customers.

3. Business Customers

Business entities can be clients of the Company and purchase Yanbal products for gifts for their employees. However, customers, either individuals or entities, are not authorized to re-sell the Yanbal products. Therefore, SAs shall not sell products to a customer whom they know, or have reason to believe, is reselling the merchandise.

4. Customer Cancellation Rights

Federal and state law requires that SAs notify their retail customers that they have three business days (15 days for

residents of North Dakota over the age of 65. Saturday is a business day, Sundays and legal holidays are not business days) to cancel their purchase and receive a full refund upon return of the products in substantially as good condition as when they were delivered. SAs shall verbally inform their customers of this right.

5. Customer Returns and Refunds.

Returns and refunds will be subject to the following:

- i) Items returned within thirty (30) days of original shipping date: Returns will be accepted if they are in resellable condition, and in their original packaging with original proof of purchase. The customer must pay the return shipping and the Company will process the refund or exchange. The refund will be issued in the original form of payment. Shipping fees are not refundable.
- ii) Items returned after thirty (30) days but within Ninety (90) days of original shipping date: Returns will be accepted if the item is defective and will be exchanged for the same item. If that item is unavailable, the customer will receive a credit in the amount paid for the defective item. Return shipping fees are not refundable, but there will be no shipping charge for the replacement item sent to the customer.
- iii) Items returned after Ninety (90) days of the original shipping date: Returns will be accepted if the item is defective and will be exchanged for the same item. If that item is unavailable, the customer will receive a credit in the amount paid for the defective item. The customer is responsible for the return shipping charges plus Five (5) dollars (\$) handling fee for each returned item.

SAs who engage in abusive return practices shall be subject to disciplinary action.

This satisfaction guarantee does not apply to products damaged by use or misuse. Return shipping charges are not refundable except as set forth above.

The refund exchange policy applies to products purchased in a product pack only if all merchandise in the pack is returned unworn, undamaged, and unopened.

The refund and exchange policy is not applicable to sale promotion items, display items, business supplies or gift cards.

Refunds will be processed upon receipt of the returned item at the Distribution Center (may take 2-3 business days) or upon receipt of a picture proving the defect or damage at contactus@yanbal.com. We will send the customer an email confirmation when the refund has been processed.

For more information please read our Returns and Refunds Policy.

We strongly recommend that customers use a carrier that offers shipment tracking for all returns and either ensure their packages for safe return or declare the full value of the shipments so that the customers are protected if the shipment is lost or damaged in transit. Customers are solely responsible for any loss or damage to the product during shipping.

6. Out of Stock Items

Current but out-of-stock products will be placed on backorder and the customer credit card will be charged. The product will ship once inventory becomes available.

No Personal Volume (PV) or Commissionable Volume (CV) (as defined in the Yanbal Compensation Plan) shall accrue until the order is processed. Backordered merchandise may be cancelled at a customer or SA's request

and the credit card will be charged back.

Customers and SAs will be notified via email if current merchandise they order is not in stock. The notice will indicate the date on which the item is expected to be back in inventory.

If the Company determines that the merchandise will not be in stock by the expected date, the Company will notify the buyer via email that the merchandise will not be available as anticipated and the order will be cancelled unless the buyer affirmatively indicates that she wishes to keep the order in place on backorder status. The buyer must affirmatively respond that she wishes to maintain her backorder within five calendar days from the date of the email notifying her that the order will be cancelled.

7. Point of Sale - Prohibition

To support the Company's direct selling distribution channel and to protect the independent contractor relationship, SAs agree that they will not display or sell Yanbal products or literature, or in any other way promote the Yanbal opportunity or products in any retail, wholesale, warehouse, or discount establishment without prior written approval from Yanbal.

Therefore, SAs must not set up temporary or permanent Yanbal "shops" or retail display to sell Yanbal products through retail locations. A retail location includes, but is not limited to a kiosk in a mall, boutique, grocery store, flea markets, or any other fixed retail location. A "fixed retail location" is any location from which sales occur for one or more consecutive seven-day periods per month.

8. Reporting Errors.

If an SA believes that the Company has made an error in his/her compensation, the structure or organization of his/her genealogy, or any other error that im-

pacts the SA's income, he/she must report it to the Company in writing within sixty (60) days from the date on which the mistake occurred. While the Company shall use its best efforts to correct errors reported more than sixty (60) calendar days after the date of the error, it shall not be responsible to make changes or remunerate SAs for losses for mistakes that are reported more than 60 days after the mistake occurs.

9. International Activities.

SAs may not sell the Company products in any international market, or conduct business activities of any nature, in any foreign country that the Company has not announced is officially open for business.

10. Taxes

i) In General

As an independent contractor an SA must comply with all tax laws applicable to a self-employed individual or independent contractor, including the filing of any necessary tax returns and the payments of all income and self-employment taxes. The Company is required to report to the IRS through Form 1099 all compensation paid to a Style Advisor that exceeds a statutory threshold (see the following paragraph). The Company will not withhold any state or federal income taxes or make payments for Social Security ("FICA") tax, unemployment insurance, or any other payroll taxes from an SA's compensation unless it becomes legally required to do so. In the event an SA fails to comply with tax laws applicable to an independent contractor or a self-employed individual, the SA will indemnify the Company and hold the Company harmless from and against all claims, damages, losses, and expenses, including reasonable fees and attorney expenses, and fees paid to other professionals, relating to any legal obligation im-

posed on the Company, and to pay any withholding taxes, social security, unemployment, or disability insurance or similar items in connection with compensation received by an SA pursuant to the Agreement.

ii) Form 1099

At the beginning of each calendar year, the Company will issue and submit to the IRS Tax Form 1099 for amounts paid to the SAs the prior year. A Form 1099 will be issued for each SA who has earned, during the relevant tax year, commissions, incentives, prizes, or other related income of \$600 or more or who has purchased goods totaling \$5,000 or more.

Each Style Advisor should consult her own tax advisor and should not rely on the Company for tax advice. The information provided above regarding taxes is a summary and contains general background information only.

iii) Sales Tax

State sales tax applies to orders placed with the Company. Advisors are bound by applicable sales tax rules and regulations and by sales tax collection agreements between the Company and all appropriate taxing jurisdictions.

11. Montana Residents.

A Montana resident may cancel his or her Advisor Agreement within fifteen (15) days from the date of enrollment, and may return his or her Advisor Kit and any Sales Tools and products he or she purchased from the Company for business purposes for a full refund within such time period.

12. Inducing Advisors to Violate the Agreement

SAs shall not induce, encourage, or assist another SA to violate the Agreement.

13. Tampering With Product Packaging

Yanbal products must be sold in their original packaging; Advisors shall not alter the original packaging or labeling.

14. Negative Comments

Complaints and concerns about Yanbal should be directed to the customer Service Department. Advisors must not disparage, demean, or make negative remarks to third parties or other Advisors about Yanbal, its owners, officers, directors, management, other Yanbal Advisors, the Marketing and Compensation plan, or Yanbal's directors, officers, or employees. Disputes or disagreements between any Advisor and Yanbal shall be resolved through the dispute resolution process and the Company and Advisors agree specifically not to demean, discredit, or criticize one another on the Internet or any other public forum.

IV. Disciplinary Actions

1. Sanctions

Violation of the Agreement, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by an Advisor that the Company reasonably believes may damage its reputation or goodwill, may result in the suspension or termination of the Advisor's Yanbal business, and/or any other disciplinary measure that Yanbal deems appropriate to address the misconduct. In situations deemed appropriate by Yanbal, the Company may institute legal proceedings for monetary and/or equitable relief.

2. Disciplinary Actions

In case of violation of any provision of the Agreement, or any illegal, fraudulent, deceptive, or unethical business conduct on part of an SA, at the Company's sole discretion, one or more of the following disciplinary actions might take place:

- i) Issuance of a written warning;
- ii) Placing the SA Account on hold, during which period he or she may not conduct any Yanbal business, receive, or earn compensation;
- iii) Reassignment of all or part of the SA's down-line;

- iv) Suspension of the SA's business, which may result in cancellation, or reinstatement with conditions or restrictions, and/or loss of compensation;
- v) Cancellation of the SA's independent business; or
- vi) Any other measure as the Company may deem appropriate to address the violation.

In addition to disciplinary actions, the Company reserves the right to take legal action as necessary to protect its interests. Any violation to any provision of the Agreement by any member of an SA's immediate household will be attributed to the SA and will subject the SA to disciplinary action, including possible cancellation and/or legal action.

3. Grievances and Policy and Procedures Violations

An SA should contact the Company if she or he has complaints about another SA that she cannot resolve regarding any practice or conduct related to their compliance with the Policies and Procedures. If the SA wishes to issue a complaint, she must submit a written report detailing facts of the grievance to the Company for review. Such report must include the SA's personal contact information to ensure that the Company can reach her for further follow-up. The Company will not pursue anonymous complaints or accusations.

4. Indemnification

SAs agree to indemnify the Company for any and all costs, expenses, consumer reimbursements, fines, sanctions, damages, settlements or payments of any other nature that the Company incurs resulting from or relating to any act or omission by the SA that is illegal, fraudulent, deceptive, negligent, unethical, or in violation of the Agreement. The Company may elect to exercise its indemnification rights through withholding any compensation due to the SA. This right of

setoff shall not constitute the Company's exclusive means of recovering or collecting funds due to the Company pursuant to its indemnification rights.

5. Account Suspension

The Company may, at its discretion, place an SA's account on suspension for money owed to the Company or for violations of the Agreement. When an account is placed on suspension, the SA is prohibited from placing orders, earning and/or receiving commissions or bonuses, registering for or attending training events, conventions, or other corporate events, or engaging in any Yanbal business activity of any nature. The SA is also prohibited from earning or receiving other SA benefits until her account is current and/or all Policy and Procedure violations are corrected and the business is reinstated. Additionally, if the SA is in a re-qualification period (See below), she must wait until the re-qualification period has been completed. The Company may impose other disciplinary measures as it deems necessary to address any Policy violation.

V. Cancellation of the Agreement

The SA relationship with the Company might be cancelled for a number of reasons. The types of cancellations, the applicable rules and the different consequences that might arise out of that event are described in the following paragraphs.

1. Types of Cancellations

i) Voluntary Cancellation

Either the Company or the SA has a right to cancel at any time, regardless of reason, subject to the following:

- a) In case of cancellation by a SA cancellation must be submitted in writing to the Company at its principal business address or by cancelling his/her business through the Yanbal Suite. The written notice must include the Advisor's signa-

ture, printed name, address, and Advisor I.D. Number. An Advisor may also voluntarily cancel her Yanbal USA business by failing to renew the Agreement on its anniversary date, by withdrawing consent to contract electronically, or by failing to pay her monthly Yanbal Suite fees.

- b) In case of cancellation by the Company, cancellation must be submitted in writing to the SA thirty (30) days before the cancellation effective date.

ii) Involuntary Cancellation

This might occur in the following cases:

- a) The SA materially violates the Agreement;
- b) If an SA does not qualify as Active at least in one campaign within a rolling twelve-month period (equivalent to thirteen (13) campaigns). Such period will begin in the campaign in which the SA qualified as Active;
- c) If an SA changes her or his permanent residence outside of the United States;
- d) In case an SA passes away;
- e) In case an SA fails to open an account in Propay, Inc. (or the subsequent service provider designated by the Company) within the following sixty (60) calendar days after the date on which it was assigned to her the respective SA personal identification number.

2. Notice of Cancellation

Written notice of cancellation shall be provided to an SA. Cancellation shall be effective as soon as written notice is sent to the SA, except in case of the Company voluntary cancellation, case in which the cancellation will be effective after thirty (30) days of written notification.

Notice may be issued via e-mail addressed to the SA's email address on file with the company, via overnight delivery, or other reasonable commercial method.

3. Effect of Cancellation

An Advisor whose business is cancelled for any of the reasons stated above will lose all Style Advisor rights, benefits and privileges. This includes the right to represent herself as an Independent Yanbal USA Style Advisor, to sell Yanbal USA products and services and the right to receive commissions, bonuses, or other income resulting from his/her own sales and the sales and other activities of the Style Advisor and the SA's former down-line sales organization. There is no whole or partial refund for Style Advisor Kit fees or renewal fees if an SA's business is cancelled, except on the cases expressly stated in this document.

An Independent SA whose business is cancelled will receive compensation only for the last full pay period she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

When cancellation occurs, it is within the Company's discretion to allow the down-lines of the cancelled Independent SA and related volumes roll-up to the next qualified Independent SA in her Upline channel. See below the Roll-Up Policy.

4. Independent Advisor obligations upon cancellation

Upon cancellation of his or her Agreement, an Independent Advisor must do the following:

- i) Pay any amounts he or she owes to the Company within one week of cancellation.
- ii) Immediately cease representing herself or himself as an SA.

- iii) Stop using the Company's trade-marked materials, intellectual property, and confidential information.
- iv) Immediately cease conducting Yanbal Boutiques, training, and/or selling Yanbal products.
- v) Immediately cease participating in trade shows, fundraisers, or other scheduled events.
- vi) If requested by the Company, return all Business Materials and Confidential Information to the Company.

5. Reactivation Policy

SAs may reactivate only if their Agreement was cancelled as a result of Voluntary Cancellation. SAs that were cancelled by the Company may not reactivate at any time except in case of the Company Voluntary cancellation, where a reactivation request will be revised by the Company. Notwithstanding the foregoing, the Company reserves the right to deny a request for reactivation.

A SA who wishes to reactivate is required to:

- i) Wait six (6) months from their cancellation date before re-applying.*
- ii) Sign-up online by submitting a new SA Agreement.
- iii) Purchase a new SA Starter Kit at the then-current price.

*If a former SA would like to re-apply within six (6) months of her cancellation date, she must contact the Company to request an exception.

Exceptions will only be considered in cases in which the SA is sponsored by her original Sponsor. If the original Sponsor is no longer a SA, the re-applying SA must be sponsored by the first active Upline SA in her prior line of sponsorship.

VI. Roll-Up Guidelines

1. In General

"Roll-Up" is the act of automatically reassigning SAs whose immediate Upline has been cancelled or fails to qualify for coaching commissions (see below).

These Guidelines apply to all SAs who have sponsored others to join the business and are general guidelines applicable to Roll-Up. However, because the facts and circumstances surrounding many cancellations and potential roll-up situations vary widely, these are guidelines only. The Company reserves the right not to roll up any independent business or to adjust the Roll-Up procedure as it deems appropriate to ensure a Team receives proper leadership.

2. Roll-Up Triggering Events

Roll-Up is triggered by the cancellation of an Agreement as a result of Voluntary or Involuntary Cancellation.

3. Qualified Leader for the rolled-up team

Every SA positioned below the affected SA may be immediately rolled-up to the next "Qualified Leader" of the same rank or higher. To be a Qualified Leader the SA must have a "Qualified" status at the rank of the SA rolling-up or higher for three consecutive months. This keeps a higher-ranking person from rolling to a lower ranking SA who does not have the experience to lead the team.

For an SA to be recognized as a Qualified Leader, the SA must demonstrate the ability and willingness to mentor the new team. The Company has the right to reassign a compressed team (the team that is rolling-up) to a different leader if these qualifications are not met. Roll-Ups can occur without prior notification and can be immediate.

4. Roll-up Effective Date

It may take up to 30 days to process a Roll-Up. Despite the delay, the change is effective on the date the change occurs and no payments from prior periods will be payable to the qualified leader

who received the compressed organization.

5. Roll-Up Consequences

Rolled-Up SAs are considered inherited SAs. Inherited SAs, as opposed to personally enrolled SAs, count toward Commissionable Volume (CV), but do not count towards the following:

- i) Promotion requirements of personally sponsored SAs;
- ii) New SA Personal Volume;
- iii) Contest qualification, or
- iv) Matching SA bonuses.

Customers do not roll-up, only SAs. The Company reserves the right to market to customers of former SAs.

VII. Inventory Repurchase Policy

Buy-Back Policy for Former Independent Style Advisors

This section applies to former SAs whose Agreements have been cancelled for any reason.

Upon cancellation of an SA's Agreement, Business Kits and Products and Sales Tools personally purchased from the Company that are in Currently Marketable condition (see below for definition) may be returned for a refund, so long as the products and/or Sales Tools were purchased within one year prior to the date of cancellation (the one-year limitation does not apply in Maryland, Massachusetts, Puerto Rico, and Wyoming) and they are returned to the Company within thirty (30) days from the SA's cancellation. Upon receipt of a Currently Marketable Business Kit and/or Currently Marketable products and Sales Tools, the former SA will be reimbursed 90% of the net cost of the original purchase price(s).

Shipping and handling charges will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same ac-

count. Goods and Sales Tools are in "Currently Marketable Condition" if: (a) they were purchased by the cancelling SA directly from the Company within 12 months prior to her cancellation; and (b) they are unopened and unused and packaging and labeling has not been altered or damaged. Merchandise that is clearly identified at the time of sale as nonreturnable, closeout, discontinued is not in Currently Marketable Condition.

Products and/or Sales Tools that are not in Currently Marketable Condition, shipping and handling fees and expenses incurred by the cancelled SA are not refundable. The Yanbal Suite subscription fees are not refundable except as may be required under applicable state law. Merchandise and sales tools purchased by the cancelling SA from other SAs or third parties are not refundable. If an SA was paid compensation on product(s) that she purchased, and such product(s) is/are returned for a refund, the compensation that was paid to the SA returning the merchandise on that product purchase will be deducted from the refund amount.

VIII. Advertising and Promotion

1. Social Media.

In addition to meeting all other requirements specified in these Policies, should an SA utilize any form of social media in connection with their Yanbal business, including but not limited to blogs, Facebook, Twitter, LinkedIn, YouTube, or Pinterest, the SA agrees to each of the following:

- i) SAs are responsible for the content of all material that they produce and all of their postings on any social media site, as well as **all** postings on any social media site that they own, operate, or control.
- ii) SAs shall not make any social media postings, or link to or from any postings or other material that is sexually explicit, obscene, pornographic, of-

fensive, 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, is solicitous of any unlawful behavior, that engages in personal attacks on any individual, group, or entity, or is in violation of any intellectual property rights of the Company or any third party.

- iii) No product sales or enrollments may occur on or through any social media site. To process sales or enrollments, a social media site must link only to the SA's Yanbal replicated website, Yanbal's corporate website or an official Yanbal corporate social media page.
- iv) It is each SA's responsibility to follow the social media site's terms of use.
- v) Any social media site that is directly or indirectly operated or controlled by an SA that is used to discuss or promote Yanbal's products, or the Yanbal opportunity may not link to any website, social media site, or site of any other nature that promotes the products, services, or business program of any direct selling company other than Yanbal.
- vi) During the term of the Agreement and for a period of 12 calendar months thereafter, an SA may not use any social media site on which they discuss or promote, or have discussed or promoted, the Yanbal business or Yanbal's products to directly or indirectly solicit Yanbal SAs for another direct selling or network marketing program (collectively, "direct selling"). In furtherance of this provision, an SA shall not take any action on a social media site that may reasonably be foreseen to draw an inquiry from other SAs relating to the SA's other direct selling business activities. Violation of this provision

shall constitute a violation of the non-solicitation provision in Section VIII.8.

- vii) If an SA creates a business page on any social media site to promote or relates to Yanbal, its products, or opportunity, the page may not promote or advertise the products or opportunity of any other network marketing business other than Yanbal and its products. If the SA's Yanbal business is cancelled for any reason or if the SA becomes inactive, the SA must deactivate the page.

2. Advisor Created Marketing Methods, Advertising, and Promotional Material (Sales Tools)

To ensure that the Sales Tools are not deceptive, contain only substantiated claims, and properly identify Yanbal's trademarks and copyrights, all SA created sales tools must be submitted to the Company and receive written approval before they can be used or made public. SAs who receive written authorization from Yanbal to produce and publish Sales Tools may make approved Sales Tools available to other SAs free of charge if they wish, but may not sell the Sales Tools to other Yanbal Advisors (any sale or attempt to sell Sales Tools to another SA will result in the termination of the offending SA's Agreement). The Company reserves the right to rescind approval for any approved Sales Tools, **and SAs waive all claims against the Company, its officers, directors, owners, employees, and agents for damages, expenses, costs, or remuneration of any other nature arising from or relating to such rescission. Approved Sales Tools will be posted in the Marketing Library section of SA's Yanbal Suites, and will be available for all SAs' use free of charge.**

The Advisor(s) who created the Sales Tools grants the Company and other Independent Style Advisors an irrevocable license to use the Sales Tools for the Company business purposes at its dis-

cretion, and waives all intellectual property right claims, including but not limited to intellectual property right claims, and/or claims for remuneration against the Company, its officers, directors, owners, agents, and other Independent Style Advisors for such posting and/or use of the Sales Tools.

3. Trademarks and Copyrights

The name "Yanbal" and other names as may be adopted by the Company are proprietary trade names, trademarks and service marks duly licensed to Yanbal. The Company grants Independent Style Advisors a limited license to use its trademarks and trade names in promotional media for so long as the Independent Style Advisor's Agreement is in effect. Upon cancellation of an SA's Agreement for any reason, the license shall expire and the SA shall immediately discontinue all use of the Company's trademarks and trade names. Under no circumstances may an SA use any of Yanbal's trademarks or trade names in any email address, website domain name, social media handle, social media name or address, or in any unapproved Sales Tools.

The Company commonly puts on live and recorded events as well as webinars and telephone conference calls. During these events Company executives, SAs, and guests appear and speak. The content of such events is copyrighted material that is owned exclusively by the Company. SAs may not record company functions for any reason, whether such event is live, a webinar, via conference call, or delivered through any other medium.

In addition, Company produced Sales Tools, videos, audios, podcasts, and printed material is also copyrighted. SAs shall not copy any such materials for their personal or business use without the Company's prior written approval.

4. Independent Style Advisor Web Sites.

SAs may not create their own websites to promote their Yanbal business or Yanbal's products and services. Official Yanbal supplied replicated websites are the only online forum through which Yanbal products may be sold and new Yanbal SA enrollments may be transacted (prohibited online forums include, but are not limited to, SAs' external websites, online auctions and classified listings).

5. Improper Business Claims

i) Product Claims

SAs must not make claims, including but not limited to testimonials, about the Company's products or services that are not contained in official Company literature or posted on the Company's official website.

ii) Income Claims.

When presenting or discussing the Yanbal opportunity or Compensation Plan to a prospective Style Advisors, SAs may not make income projections, income claims, income testimonials, or disclose their Yanbal income (including, but not limited to, the showing of checks, copies of checks, bank statements, or tax records), or the income of any other SA. Nor may SAs make "lifestyle" income claims. A "lifestyle" income claim is a statement or depiction that infers or states that the SA is able to enjoy a luxurious or successful lifestyle due to the income they earn from their Yanbal business. Examples of prohibited lifestyle claims include, but are not limited to, representations (either through audio or visual medium) that an SA was able to quit his/her job, acquire expensive or luxury material possessions, or travel to exotic or expensive destinations.

6. Compensation Plan and Program Claims

When presenting or discussing the Yanbal Compensation Plan, SAs must make it clear to prospective SAs that financial success in Yanbal requires commitment,

effort, and sales skill. Conversely, an SA must never represent that one can be successful without diligently applying themselves. Examples of misrepresentations in this area include, but are not limited to:

- It's a turnkey system.
- The system will do the work for you.
- Just get in and your downline will build through spillover.
- Just join and I'll build your down-line for you.
- The Company does all the work for you.
- You don't have to sell anything.
- All you have to do is buy your products every month.

The above are just examples of improper representations about the compensation plan and the Company's program. It is important that SAs do not make these, or any other representations, that could lead prospective SAs to believe that they can be successful as an SA without commitment, effort, and sales skill.

7. Media Inquiries

SAs must not interact with the media regarding the Yanbal business or products. All inquiries from the media, including radio, television, print, online, or any other medium, shall be directed to Yanbal USA's marketing department.

8. Non-solicitation

SAs are free to participate in other network marketing programs. However, during the term of this Agreement and for one year thereafter, with the exception of an SA's personally sponsored downline SAs, an SA may not directly or indirectly Recruit other Yanbal SAs for any other network marketing business. The term "Recruit" means the direct or indirect, actual or attempted, sponsorship, solicitation, enrollment, encouragement,

or effort to influence in any other way, another SA to enroll or participate in another network marketing opportunity. This conduct constitutes Recruiting even if the SA's actions are in response to an inquiry made by another SA or customer.

If an SA is engaged in other non-Yanbal business or Network Marketing program, it is the responsibility of the SA to ensure that his or her Yanbal business is operated entirely separate and apart from all other businesses and/or Network Marketing programs.

To this end, the SA must not:

- i) Display Yanbal promotional material, sales aids, or products with or in the same location as, any non-Yanbal promotional material or sales aids, products or services (Pinterest and similar social media sites are not considered "in the same location" for purposes of this policy).
- ii) Offer the Yanbal opportunity, products or services to prospective or existing customers or SAs in conjunction with any non-Yanbal program, opportunity or products.
- iii) Offer, discuss, or display any non-Yanbal opportunity, products, services or opportunity at any Yanbal related trunk-show, meeting, seminar, convention, webinar, teleconference, or other function.

The Company and each SA agree that any violation of this policy shall cause the Company irreparable harm for which there is no adequate remedy at law, and the injury to the Company shall outweigh the potential injury to SA, and therefore the Company shall be entitled to emergency and permanent injunctive relief to prevent further violations of this policy.

9. Handling Personal Information

If an SA receives Personal Information from or about prospective SAs or cus-

tomers, it is his or her responsibility to maintain its security. An SA should shred or irreversibly delete the Personal Information of others once she/he no longer needs it. Personal Information is information that identifies, or permits an SA to contact, an individual. It includes a customer's, potential customers, SAs and prospective SAs' name, address, email address, phone number, credit card information, social security or tax identification number and other information associated with these details.

10. Confidential Information

"Confidential Information" includes, but is not limited to, the identities, contact information, and/or sales information relating to Yanbal's Advisors and/or customers: (a) that is contained in or derived from any SAs' respective Yanbal Suite; (b) that is derived from any reports issued by the Company to SAs to assist them in operating and managing their business; and/or (c) to which an SA would not have access or would not have acquired but for his/her affiliation with the Company. Confidential Information constitutes proprietary business trade secrets belonging exclusively to the Company and is provided to SAs in strict confidence. Confidential Information shall not be directly or indirectly disclosed to any third party nor used for any purpose other than the SA's use in building and managing his/her Independent Yanbal business.

Any violation of this policy shall cause the Company irreparable harm for which there is no adequate remedy at law. The parties further agree that the harm to the Company shall outweigh any harm to the SA if injunctive relief is awarded to the Company. The Company shall therefore be entitled to immediate and permanent equitable relief to prevent further violations of this policy.

11. Limitations on Style Advisor Business

Advisors may own, operate, control, or

have an interest in, only one Yanbal business, and there may be only one Yanbal business in a household. A "household" is defined as spouses or couples, and dependent children of one or both spouses or couples, living in the same home of the spouses or member of the couple, as well as dependent children of either spouse or member of the couple, while attending school away from home. If a member of the household violates the Agreement in any way, such violation might be attributed to the SA.

IX. Dispute Resolution

1. Dispute Resolution

a. Confidential Arbitration. Except as otherwise provided in the Agreement, any controversy or claim seeking arises out of or relates to the Agreement, the breach thereof, or the Yanbal business shall be resolved through binding confidential arbitration. The Parties waive rights to trial by jury or to any court. The arbitration shall be filed with, and administered by JAMS in accordance with the Rules and Procedures, which are available on JAMS' website at

<http://www.jamsadr.com/rulesclauses/xpqGC.aspx?xpST=RulesClauses>.

Copies of JAMS Rules and Procedures will also be emailed to SAs upon request to Yanbal's customer Service Department. Notwithstanding the rules of JAMS, unless otherwise stipulated by the Parties, 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 Federal Arbitration Act shall**

govern all matters relating to arbitration. The law of the State of Florida, without regard to principles of conflicts of laws, shall govern all other matters relating to or arising from the Agreement and the Yanbal business;

- The arbitration hearing shall commence no later than 365 days from the date on which the arbitrator is appointed, and shall last no more than five business days;
- The Parties shall be allotted equal time to present their respective cases;

All arbitration proceedings shall be held in Miami, Florida or in another competent forum of your choice. The parties may select a mutually agreeable neutral arbitrator. If the parties do not agree on an arbitrator within 60 days from the date on which the arbitration is filed, the petitioner shall request that JAMS appoint an arbitrator. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court to which the Parties have consented to jurisdiction as set forth in this Agreement to arbitrate. This Agreement to arbitrate shall survive the cancellation or termination of the Agreement.

Remedies that are available to you under applicable federal, state or local laws remain available under this arbitration policy.

If you institute arbitration against Yanbal, the only arbitration fee you will be required to pay is \$250. All other arbitration fees shall be borne by Yanbal including any remaining JAMS Case Management Fee and all professional fees for the arbitrator's services. You shall be responsible for paying your own attorney's fees, expert witness fees, and costs associated with prosecuting your case.

An Arbitrator's Award will consist of a written statement stating the disposition of each claim. The award will also provide a concise written statement of the essential findings and conclusions on which the award is based.

The parties, their respective agents and attorneys, and the arbitrator shall maintain the confidentiality of the arbitration proceedings and all evidence associated with the arbitration, and shall not disclose to any third party:

- The substance of, facts underlying, or basis for, the controversy, dispute, or claim;
- The substance or content of any settlement offer or settlement discussions or offers associated with the dispute;
- The pleadings, the content of any pleadings, and exhibits to the pleadings, filed in any arbitration proceeding;
- The content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in arbitration;
- The terms or amount of any arbitration award;
- The rulings of the arbitrator on the procedural and/or substantive issues involved in the case.

If a Party violates its confidentiality obligations under this arbitration policy, the non breaching party shall incur significant damages to its reputation and goodwill that shall not be readily calculated. Therefore, if a Party, its attorneys or agents breach the confidentiality provisions of this policy, the non breaching Party shall be entitled to liquidated damages in the amount of \$10,000.00 per violation, and \$25,000 per violation if the disclosure is published on the internet, including but not limited to disclosure on any website or on any social media forum. Every disclosure of each allegation, pleading, claim or other pro-

hibited disclosure shall constitute a separate violation. Notwithstanding this confidentiality and liquidated damage provision, nothing herein shall limit the right or ability of a Party to disclose evidence or allegations relating to the dispute to any individual who is, or who may be, a witness to the dispute. The Parties agree that this liquidated damage amount is reasonable and waive all claims and defenses that it constitutes a penalty.

b. Disputes Not Subject to Arbitration.

- **Small Claims.** You may seek remedies in small claims court for disputes or claims within the scope of the jurisdiction of the small claims court in the jurisdiction in which you reside so long as it is the only forum in which the dispute is pending.

- **Equitable Relief.** Notwithstanding the foregoing Arbitration agreement, nothing in this Agreement shall prevent either party from applying to and obtaining from any court to which the Parties have consented to jurisdiction as set forth in the Agreement a temporary restraining order, preliminary or permanent injunction, or other equitable relief to safeguard and protect the party's intellectual property, trade secrets, and/or confidential information, including but not limited to enforcement of its rights under the Non-solicitation provisions of the Agreement.

c. Class Action Waiver.

All disputes arising from or relating to the Agreement, or arising from or relating to the Yanbal business, shall be brought and proceed on an individual basis. The parties waive their rights to pursue any arbitration or lawsuit against the other party and/or their respective owners, officers, directors and agents, on a class or consolidated basis. You may opt out of this class action waiver if you wish by

submitting written notice to the Company of your desire to opt out within 30 days from the date on which you enroll as an SA. Submit your written opt-out notice to the Company at 1341 W Newport Center Dr Deerfield Beach, Florida 33442.

2. Liquidated Damages

In any case which arises from or relates to the wrongful termination of an Advisor's Agreement and/or independent business, the parties agree that damages will be extremely difficult to ascertain. Therefore, the parties stipulate that if the termination of an Advisor's Agreement and/or loss of their independent business is proven and held to be wrongful under any theory of law, Advisor's sole remedy shall be liquidated damages calculated as follows:

- i) For Advisors at the "Paid as" rank Style Advisor through Senior Manager*, liquidated damages shall be in the amount of her gross compensation that she earned pursuant to Yanbal's Compensation Plan in the twelve (12) months immediately preceding the termination.
- ii) For Advisors at "Paid as" rank Director through Senior Star Director*, liquidated damages shall be in the amount of her gross compensation that she earned pursuant to Yanbal's Compensation Plan in the eighteen (18) months immediately preceding the termination.
- iii) For Advisors at the "Paid as" rank Regional Director and Regional Star Director*, liquidated damages shall be in the amount of her gross compensation that she earned pursuant to Yanbal's Compensation Plan in the twenty-four (24) months immediately preceding the termination.

*Each Advisor paid rank as defined in the Compensation Plan.

Gross compensation shall include commissions and bonuses earned by the Advisor pursuant to Yanbal's Compensation Plan as well as retail profits earned by Advisor for the sale of Yanbal merchandise. However, retail profits must be substantiated by providing the Company with true and accurate copies of fully and properly completed retail receipts provided by Advisor to customers at the time of the sale.

The Parties agree that the foregoing liquidated damage schedule is fair and reasonable.

An Advisor's "Paid As" rank is the rank or title at which they actually qualified to earn compensation under the Yanbal Compensation Plan during a pay-period. For purposes of this Policy, the relevant pay-period to determine an Advisor's "Paid As" rank is the pay-period during which the Advisor's business is placed on suspension or terminated, whichever occurs first. The "Paid As" rank differs from the "Title Rank," which is the highest title or rank that an Advisor has ever achieved under the Yanbal Compensation Plan.

3. Damage Waiver

In any action arising from or relating to the Agreement, the parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The parties further waive all claims to exemplary and punitive damages.

4. Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Broward County, State of Florida, or the United States District Court for the Southern District of Florida. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Florida, without regard to principals of conflicts of laws, shall govern all

other matters relating to or arising from the Agreement.

5. Louisiana Residents

Notwithstanding the foregoing, and the arbitration provision set forth above, residents of the State of Louisiana shall be entitled to bring an action against Yanbal in their home forum and pursuant to Louisiana law.