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**IN THE FOURTH JUDICIAL DISTRICT COURT**

**UTAH COUNTY, STATE OF UTAH**

WEALTH GENERATORS, LLC, a Utah  
limited liability company,

Plaintiff,

v.

EVAN CABRAL, an individual, DANIEL  
LOPEZ, an individual, JOHN LEGARRETA,  
an individual, JOHNATHAN LOPEZ, an  
individual, JULIAN KUSCHNER, an  
individual, NICK GOMEZ, an individual,  
LUKE SHULLA, an individual, NESTOR  
VELAZQUEZ, an individual,  
CHRISTOPHER TERRY, an individual, ISIS  
DE LA TORRE, an individual, ALEX  
MORTON, an individual, IVAN  
BRIONGOS, an individual, BRANDON  
BOYD, an individual, and  
INTERNATIONAL MARKETS LIVE LTD.  
*d.b.a.* iMARKETSLIVE, a British private  
limited company,

Defendants.

**COMPLAINT**

**(Tier 3)**

Civil No. \_\_\_\_\_

Judge \_\_\_\_\_

Plaintiff WEALTH GENERATORS, LLC files this complaint against defendants EVAN

CABRAL, DANIEL LOPEZ, JOHN LEGARRETA, JOHNATHAN LOPEZ, JULIAN

KUSCHNER, NICK GOMEZ, LUKE SHULLA, NESTOR VELAZQUEZ, CHRISTOPHER TERRY, ISIS DE LA TORRE, ALEX MORTON, IVAN BRIONGOS, BRANDON BOYD, and INTERNATIONAL MARKETS LIVE LTD, and alleges as follows:

**RULE 26(c)(3) TIER DESIGNATION**

This case is a tier 3 matter as described in [Rule 26\(c\)\(3\)](#) of the Utah Rules of Civil Procedure.

**PARTIES, JURISDICTION AND VENUE**

1. Plaintiff Wealth Generators, LLC (“WG”) is a Utah limited liability company with its principal place of business in Salt Lake City, Utah.
2. Defendant Evan Cabral (“Cabral”) is an individual residing in Kitchener, Ontario, and who conducts business in Utah.
3. Defendant Daniel Lopez (“Lopez”) is an individual residing in Kitchener, Ontario, and who conducts business in Utah.
4. Defendant John Legarreta (“Legarreta”) is an individual residing in Miami, Florida, and who conducts business in Utah.
5. Defendant Johnathan Lopez (“Johnny”) is an individual residing in Miami, Florida, and who conducts business in Utah.
6. Defendant Julian Kushner (“Kushner”) is an individual residing in Miami, Florida, and who conducts business in Utah.
7. Defendant Nick Gomez (“Gomez”) is an individual residing in Miami, Florida, and who conducts business in Utah.

8. Defendant Luke Shulla (“Shulla”) is an individual residing in Boca Raton, Florida, and who conducts business in Utah.

9. Defendant Nestor Velazquez (“Velazquez”) is an individual residing in New York, and who conducts business in Utah.

10. Defendant Christopher Terry (“Terry”) is an individual residing in Las Vegas, Nevada, and is the Chief Executive Officer of iMarketsLive (defined below).

11. Defendant Isis de la Torre (“Torre”) is an individual residing in Las Vegas, Nevada, and is the Chief Financial Officer of iMarketsLive (defined below).

12. Defendant Alex Morton (“Morton”) is an individual residing in Las Vegas, Nevada, and is the Vice President of Sales of iMarketsLive (defined below).

13. Defendant Ivan Briongos (“Briongos”) is an individual residing in Barcelona, Spain.

14. Defendant Brandon Boyd (“Boyd”) is an individual residing in Provo, Utah, and is the Top Leader - Chairman of iMarketsLive (defined below).

15. Defendant International Markets Live LTD (“iMarketsLive”), is a British Private Company that conducts business throughout the world, including in Utah.

16. Jurisdiction: This Court has jurisdiction over this matter pursuant to Utah Code Section 78B-3-205.

17. Venue: Venue is proper in this Court pursuant to Utah Code Section 78B-3-304 and -307, whereas the contracted services were to be performed by the contracting defendants, including in Utah County, Utah, amongst other locations.

## **SUMMARY OF CASE**

18. This is a case of secret activities within the walls of Wealth Generators by individuals claiming to be loyal and committed to WG while engaging in corporate espionage and misappropriation of valuable information. WG has been the target of its competitor, iMarketsLive, who deviously worked through individuals at Wealth Generators (WG) to steal valuable WG information for use in competition against WG. iMarketsLive's intentional and overt interference and theft of WG's confidential information, intellectual property, and business through defendants' wrongful conduct, included a database breach to WG where critical WG data was altered and/or misappropriated. Additionally, iMarketsLive bribed multiple WG leaders to leave their key leadership positions within WG and to join with iMarketsLive. iMarketsLive continued its brazen attack on WG by going so far as to convince some WG leaders to attend a private meeting after a WG leadership summit event so that iMarketsLive could solicit WG's distributors and traders away from WG by making false statements regarding WG and its business. WG has been financially harmed as a result of this wrongful conduct and stands to suffer further harm if this conduct is not prohibited by the Court. And, the Court should enjoin all defendants who are former WG distributors and traders from continuing to violate their agreements with WG, including ordering that such individuals are enjoined from working for or with iMarketsLive in conformity with such defendants' contractual agreements with WG.

## **GENERAL ALLEGATIONS**

### *Background Information*

19. WG is a financial fitness company that provides its customers with tools and information that can help improve the customers' financial circumstances.

20. WG's products are distributed under the direct sales model and are offered to individuals on a subscription basis. WG's products help WG provide customers with technology, education, and research in the financial arena to help individuals grow and keep their money.

21. WG contracts with distributors in an independent contractor relationship as a way to effectuate the direct sales model of its products and services. These contracts are called Independent Generator Agreements.

22. All WG distributors become distributors of WG products only after entering into an Independent Generator Agreement requiring the WG distributor to agree to WG's Policies and Procedures.

23. The Independent Generator Agreement states that each distributor has carefully read and agrees to comply with WG's Policies and Procedures.

24. WG's Policies and Procedures require, among other things, that:

- a. Distributors may not directly or indirectly recruit other distributors or customers for other network marketing businesses (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);

- b. Distributors may not participate as a distributor in another network marketing company that sells and distributes similar products to WG (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- c. Distributors must not sell, or attempt to sell, any competing non-WG programs, products, or services to WG distributors or customers (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- d. Distributors may not offer any non-WG opportunity, products, services or opportunities at any WG-related meeting, seminar, convention, webinar, teleconference, or other function (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- e. ‘Confidential Information’ includes, but is not limited to, downline reports, the identities of WG customers and distributors, contact information of WG customers and distributors, WG’s distributors personal and group sales volumes, and distributor rank/achievement levels (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- f. Distributor access to Confidential Information is password protected, and is confidential and constitutes proprietary information and business trade secrets belonging to WG (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- g. Confidential Information is provided to distributors in strictest confidence and is made available to distributors for the sole purpose of assisting distributors in

working with their respective down-line organizations in the development of their WG business (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);

- h. Distributors may not use the Confidential Information for any purpose other than for developing their WG business (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- i. To protect the Confidential Information, distributors shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity, directly or indirectly disclose any Confidential Information to any third party (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- j. To protect the Confidential Information, distributors shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity, directly or indirectly disclose the password or other access code to his or her back-office (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- k. To protect the Confidential Information, distributors shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity, use any Confidential Information to compete with WG or for any purpose other than promoting his or her WG business (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- l. To protect the Confidential Information, distributors shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity, recruit or solicit any distributor or customer of WG listed on any

report or in the distributor's back-office, or in any manner attempt to influence or induce any distributor or preferred customer of WG, to alter their business relationship with WG (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);

- m. To protect the Confidential Information, distributors shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity, use or disclose to any person, partnership, association, corporation, or other entity any Confidential Information (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);
- n. The obligation not to disclose Confidential Information shall survive cancellation or termination of the Independent Generator Agreement, and shall remain effective and binding irrespective of whether a distributor's agreement has been terminated, or whether the distributor is or is not otherwise affiliated with WG (*see* Policies and Procedures § 4.10, attached hereto as **Exhibit A**);

*Misconduct by Lopez*

25. Lopez entered into two contracts with WG to provide binary trading services for WG, the first contract was dated February 20, 2017 and the second contract was entered on or around August 20, 2017.

26. Lopez enrolled as a distributor with WG on May 8, 2017 and in so doing agreed to all of the WG Policies and Procedures.

27. At all times relevant herein, Lopez knew and was aware of the terms of the WG Policies and Procedures, including the prohibitions against recruiting WG distributors and traders



to leave WG, the prohibition against working for a competitor of WG, and the prohibition against providing Confidential Information and intellectual property to anyone outside of WG.

28. Lopez breached his contracts with WG by, among other things, leaving WG and immediately beginning work with iMarketsLive.

29. Lopez solicited and recruited WG distributors and customers away from WG and to a competitor of WG, iMarketsLive.

30. Lopez violated his contracts with WG by soliciting and recruiting WG distributors and customers away from WG to iMarketsLive.

31. Lopez secretly, wrongfully, and knowingly conducted business with other WG distributors who planned to leave WG to go to iMarketsLive by carrying out trades for the departing distributors “under the table.”

32. Lopez has performed work for iMarketsLive.

33. Lopez has received payment from iMarketsLive.

34. Lopez knowingly and wrongfully stole Confidential Information and intellectual property from WG and provided the stolen Confidential Information and intellectual property to iMarketsLive.

35. Lopez has used Confidential Information and intellectual property he obtained from WG at iMarketsLive.

36. Lopez violated his contracts with WG by using Confidential Information and intellectual property he obtained from WG at iMarketsLive.

37. Lopez has caused financial harm to WG.

*Misconduct by Cabral*

38. Cabral entered into two contracts with WG to provide binary trading services for WG, one dated February 20, 2017 and the other on or around August 31, 2017.

39. Cabral enrolled as a distributor with WG on May 8, 2017 and in so doing agreed to all of the WG Policies and Procedures.

40. At all times relevant herein, Cabral knew and was aware of the terms of the WG Policies and Procedures, including the prohibitions against recruiting WG distributors and traders to leave WG, the prohibition against working for a competitor of WG, and the prohibition against providing Confidential Information and intellectual property to anyone outside of WG.

41. Cabral breached his contracts with WG by, among other things, leaving WG and immediately beginning work with iMarketsLive.

42. Cabral solicited and recruited WG distributors and customers away from WG and to a competitor of WG, iMarketsLive.

43. Cabral violated his contracts with WG by soliciting and recruiting WG distributors and customers away from WG to iMarketsLive.

44. Cabral secretly, wrongfully, and knowingly conducted business with other WG distributors who planned to leave WG to go to iMarketsLive by carrying out trades for the departing distributors under the table.

45. Cabral has performed work for iMarketsLive.

46. Cabral has received payment from iMarketsLive.

47. Cabral knowingly and wrongfully stole Confidential Information and intellectual property from WG and provided the stolen Confidential Information and intellectual property to iMarketsLive.

48. Cabral has used Confidential Information and intellectual property he obtained from WG at iMarketsLive.

49. Cabral violated his contracts with WG by using Confidential Information and intellectual property he obtained from WG at iMarketsLive.

50. Cabral has caused financial harm to WG.

*Misconduct by iMarketsLive*

51. iMarketsLive through its executives, employees, and/or agents improperly bribed, solicited, and recruited distributors and traders of WG to leave WG and work for iMarketsLive.

52. At all times relevant, iMarketsLive, through its executives, employees, and/or agents knew that bribing, soliciting, and recruiting distributors and traders of WG was wrongful and would cause the distributors and traders to breach the contractual relationship existing between WG and its distributors and traders.

53. iMarketsLive knowingly, intentionally, and tortiously interfered with WG's business relationships with WG's distributors and traders.

54. iMarketsLive specifically targeted some of WG's top distributors and traders, including Cabral, Lopez, and Velazquez to bribe and motivate other WG distributors and traders to breach their contracts with WG and join iMarketsLive.

55. iMarketsLive sent executives, employees, and/or agents to the WG 2017 Leadership Summit to bribe, entice, solicit, and recruit WG distributors to leave WG and join iMarketsLive.

56. As a result of iMarketsLive's bribery, solicitation, and recruitment of WG distributors and traders, some WG distributors and traders breached their contracts with WG and joined iMarketsLive.

57. As a result of iMarketsLive's bribery, solicitation, and recruitment of WG distributors and traders, some WG distributors and traders stole Confidential Information and intellectual property from WG and brought it to iMarketsLive at iMarketsLive's request.

58. iMarketsLive requested that the WG distributors and traders that it bribed, solicited, and recruited steal WG Confidential Information and intellectual property prior to the departure of the WG distributors and traders from WG and bring the Confidential Information and intellectual property to iMarketsLive.

59. Upon receipt of the stolen Confidential Information and intellectual property, iMarketsLive immediately implemented and announced a new iMarketsLive product, "Binary Options Live Educational Platform", featuring Cabral and Lopez.

60. Upon receipt of the stolen Confidential Information and intellectual property, iMarketsLive paid bribes in the form of bonuses to some WG distributors and traders who convinced other WG distributors and traders to leave WG.

61. Terry called the wrongful acquisition and addition of Cabral and Lopez and the implementation of the stolen binary options platform "a massive benefit for iMarketsLive". *See* iMarketsLive Email Announcement, dated October 9, 2017 (attached hereto as **Exhibit B**).

62. iMarketsLive intentionally, knowingly, and tortiously stole WG's Confidential Information and intellectual property for iMarketsLive's benefit.

63. As a result of iMarketsLive's misconduct, WG has been harmed financially.

*Misconduct by Legaretta*

64. At all times relevant herein, Legaretta was a distributor for WG and was subject to the WG Policies and Procedures.

65. At all times relevant herein, Legaretta knew and was aware of the terms of the WG Policies and Procedures, including the prohibitions against recruiting WG distributors and traders to leave WG, the prohibition against working for a competitor of WG, and the prohibition against providing Confidential Information and intellectual property to anyone outside of WG.

66. Legaretta breached the WG Policies and Procedures.

67. Legaretta breached his contracts with WG by, among other things, leaving WG and immediately beginning work with iMarketsLive.

68. Legaretta intentionally and knowingly bribed, solicited, enticed, and recruited WG distributors and traders to leave WG and to work for iMarketsLive.

69. Legaretta intentionally and knowingly bribed, solicited, enticed, and recruited WG distributors and traders to leave WG and to work for iMarketsLive in the form of text messages sent to WG distributors and traders and video conferences conducted with WG distributors and traders. *See Legaretta Text Messages, attached hereto as **Exhibit C**.*

70. During a video-conference with WG distributors Legaretta disparaged WG and lied to the WG distributors by saying: "Yo, like, everyone from WG is leaving. ... All of Columbia is basically leaving. Half of Mexico is almost out the door."

71. During the same video-conference with WG distributors Legaretta admitted that he, Cabral, and Lopez were operating illegally, wrongfully, and in violation of the WG Policies and Procedures to the detriment of WG when he said: “Right now, we are going to trade with [Cabral] and [Lopez] under the table for illegal purposes, um, starting on Tuesday. So, under the table [Cabral] and [Lopez] have a deal with us that ‘look, we know you are transferring [to iMarketsLive], so are we, and we cannot go public because of legal purposes but we will still trade for you under the table for one week.’”

72. Legaretta stole Confidential Information and intellectual property from WG.

73. Legaretta provided the Confidential Information and intellectual property he stole from WG to iMarketsLive.

74. iMarketsLive received the stolen Confidential Information and intellectual property from Legaretta and knew that the Confidential Information and intellectual property received from Legaretta was stolen.

75. WG was harmed financially by Legaretta’s wrongful conduct.

*Misconduct by Velazquez*

76. At all times relevant herein, Velazquez was a distributor for WG and was subject to the WG Policies and Procedures.

77. At all times relevant herein, Velazquez knew and was aware of the terms of the WG Policies and Procedures, including the prohibitions against recruiting WG distributors and traders to leave WG, the prohibition against working for a competitor of WG, and the prohibition against providing Confidential Information and intellectual property to anyone outside of WG.

78. Velazquez breached the WG Policies and Procedures.

79. Velazquez breached his contracts with WG by, among other things, leaving WG and immediately beginning work with iMarketsLive.

80. Velazquez was bribed, enticed, and solicited by Morton, Briongos, and Boyd to breach his contract with WG and to work for iMarketsLive.

81. Velazquez, Morton, Briongos, and Boyd conspired to bribe, solicit, recruit, and entice other WG distributors and traders away from WG and to iMarketsLive.

82. Velazquez, Morton, Briongos, and Boyd bribed, solicited, recruited, and enticed other WG distributors and traders away from WG and to iMarketsLive.

83. Velazquez intentionally and knowingly bribed, solicited, enticed, and recruited WG distributors and traders to leave WG and to work for iMarketsLive.

84. Velazquez knowingly and intentionally stole Confidential Information and intellectual property from WG.

85. Velazquez knowingly and intentionally gave the Confidential Information and intellectual property he stole from WG to iMarketsLive.

86. iMarketsLive used the Confidential Information and intellectual property that it knew Velazquez stole from WG.

87. Velazquez knowingly and intentionally used the Confidential Information and intellectual property he stole from WG when he worked for iMarketsLive.

88. WG suffered financial harm as a result of Velazquez's wrongful conduct.

*Misconduct by the Miami Team*

89. Johnny, Kushner, Gomez, and Shulla were all distributors for WG working in the Miami area (the "Miami Team").

90. At all times relevant herein, each member of the Miami Team was a distributor for WG and was subject to the WG Policies and Procedures.

91. At all times relevant herein, each member of the Miami Team knew and was aware of the terms of the WG Policies and Procedures, including the prohibitions against recruiting WG distributors and traders to leave WG, the prohibition against working for a competitor of WG, and the prohibition against providing Confidential Information and intellectual property to anyone outside of WG.

92. Each member of the Miami Team breached the WG Policies and Procedures.

93. Each member of the Miami Team breached the contracts with WG by, among other things, leaving WG and immediately beginning work with iMarketsLive.

94. Upon information and belief, each member of the Miami Team knowingly and intentionally stole Confidential Information and intellectual property from WG.

95. iMarketsLive used the Confidential Information and intellectual property that it knew the members of the Miami Team stole from WG.

96. Upon information and belief, each member of the Miami Team knowingly and intentionally used the Confidential Information and intellectual property in working for iMarketsLive that was stolen from WG.

97. WG suffered financial harm as a result of the Miami Team's wrongful conduct.

98. Upon information and belief, Shulla knowingly and intentionally hacked into the WG database and manipulated commission reports to create a false basis for increased payment from WG.



99. Upon information and belief, Shulla knowingly and intentionally hacked into the WG database and manipulated back-office data to create a false basis for increased payment from WG.

100. Upon information and belief, Velazquez was aware of Shulla's actions taken to hack into the WG database to manipulate data.

101. Upon information and belief, Velazquez encouraged Shulla to hack into the WG database and manipulate data.

*Misconduct by iMarketsLive Executive Team*

102. Terry, Torre, Briongos, Boyd, and Morton are all executives and/or top-level leaders of iMarketsLive (the "iMarketsLive Executive Team").

103. Upon information and belief, all of the wrongful conduct on the part of iMarketsLive alleged herein was carried out at the direction and with the knowledge of the iMarkets Executive Team.

104. Upon information and belief, the iMarketsLive Executive Team created a plan whereby iMarketsLive would bribe and entice certain top WG distributors and traders to breach their contracts with WG and leave WG and to also bribe and recruit other WG distributors and traders to breach contracts with WG and leave WG to join iMarketsLive (the "iML Bribery Plan").

105. The iMarketsLive Executive Team knowingly and intentionally conspired and carried out the iML Bribery Plan and encouraged WG distributors and traders to breach their contracts with WG.

106. The iMarketsLive Executive Team succeeded in bribing and enticing WG distributors and traders to breach their contracts with WG and to leave WG and join iMarketsLive, including Cabral, Lopez, Legaretta, Velazquez and others.

107. The iMarketsLive Executive Team solicited and encouraged Kushner to invite and recruit WG distributors and traders to attend a secret meeting on September 24, 2017 with iMarketsLive.

108. WG has been harmed financially by the iMarketsLive Executive Team's wrongful conduct.

**FIRST CLAIM FOR RELIEF**  
(Tortious Interference against all Defendants)

109. Wealth Generators incorporates and re-alleges the allegations above as though fully set forth herein.

110. Defendants intentionally interfered with WG's existing and/or potential economic relations, including by interfering with WG's contracts and agreements with its distributors and traders.

111. Defendants intentionally interfered with WG's existing and/or potential economic relations by improper means, including by bribing or enticing WG distributors and traders to violate their agreements with WG.

112. Defendants' intentional interference with WG's existing and/or potential economic relations by improper means caused injury to WG.

### **SECOND CLAIM FOR RELIEF**

(Misappropriation and Violation of Uniform Trade Secrets Act – Utah Code § 13-24-1 *et seq.* against all Defendants)

113. Wealth Generators incorporates and re-alleges the allegations above as though fully set forth herein.

114. Defendants acquired WG's trade secrets by an improper means, including stealing or misappropriating the trade secrets from WG.

115. Defendants misappropriated WG's trade secrets by disclosing the trade secrets without express or implied consent from WG, including those trade secrets that were obtained without authorization from WG.

116. Defendants further misappropriated WG's trade secrets by using the trade secrets without express or implied consent from WG.

117. Defendants had a duty to maintain the secrecy of WG's trade secrets.

118. As a result of Defendants' misappropriation of WG's trade secrets, WG has suffered damages to be determined at trial, but no less than the actual loss suffered by WG.

119. Pursuant to Utah Code § 13-24-4(2), WG is entitled to exemplary damages due to Defendants' willful and malicious misappropriation of WG's trade secrets.

120. Pursuant to Utah Code § 13-24-5, WG is entitled to its reasonable attorney fees due to Defendants' willful and malicious misappropriation of WG's trade secrets.

### **THIRD CLAIM FOR RELIEF**

(Breach of Contract and the Covenant of Good Faith and Fair Dealing against Cabral, Lopez, Johnny, Legaretta, Velazquez, Gomez, Shulla, and Kushner)

121. Wealth Generators incorporates and re-alleges the allegations above as though fully set forth herein.

122. Cabral, Lopez, Johnny, Legarreta, Velazquez, Gomez, Shulla, and Kushner (the “Contract Defendants”) all entered into, or otherwise agreed to be, and were bound by at least one contract with WG.

123. At all relevant times herein, WG performed the obligations and duties required of it by the contracts it had between WG and the various Contract Defendants.

124. The Contract Defendants each breached their contracts with WG by failing to conform to the terms of their respective agreement(s).

125. The Contract Defendants each breached their covenant of good faith and fair dealing with WG by interfering with WG’s benefits under their respective agreement(s).

126. The breaches of the contracts by the Contract Defendants caused damages to WG.

127. The breaches of the covenant of good faith and fair dealing by the Contract Defendants caused damages to WG.

**FOURTH CLAIM FOR RELIEF**  
(Conspiracy against all Defendants)

128. Wealth Generators incorporates and re-alleges the allegations above as though fully set forth herein.

129. Defendants, in a combination of two or more persons, conspired to commit unlawful acts against WG.

130. Defendants decided upon an object to be accomplished to harm WG – namely Defendants object to be accomplished was (1) the theft of WG Confidential Information and intellectual property, and (2) the bribery, solicitation, recruitment, and encouragement of WG distributors and traders to breach their contracts with WG.

131. Defendants, in a combination of two or more persons, reached a meeting of the minds as to the object to be accomplished identified above.

132. Defendants committed one or more unlawful, overt acts, including to the detriment and harm of WG.

133. WG suffered damages as a proximate result of Defendants' conspiracy and wrongful conduct.

**FIFTH CLAIM FOR RELIEF**

(Defamation against Cabral, Lopez, Legaretta, Shulla, Velazquez, Kushner, and Gomez)

134. Wealth Generators incorporates and re-alleges the allegations above as though fully set forth herein.

135. Cabral, Lopez, Legaretta, Shulla, Velazquez, Kushner, and Gomez (the "Defaming Defendants") published false statements about WG that were not opinions and were presented to be received as true statements, including the following statement(s) or statements to this effect:

- a. that WG is a failing company;
- b. that WG is not paying its distributors the full amount owed to them [such distributors]; and
- c. that WG acted with favoritism and bias toward some of its distributors and to the detriment of others [distributors].

136. The false statements made by the Defaming Defendants were not subject to privilege.

137. The false statements made by the Defaming Defendants were published with the requisite degree of fault.

138. The false statements made by the Defaming Defendants caused damages to WG.

**SIXTH CLAIM FOR RELIEF**

(Injunctive Relief – Preliminary Injunction and Permanent Injunction against all Defendants)

139. Wealth Generators incorporates and re-alleges the allegations above as though fully set forth herein.

140. Pursuant to Rule 65A of the Utah Rules of Civil Procedure and Utah Code § 13-24-3, WG is entitled to the preliminary injunction, subsequently to be made permanent, including the following:

- a. Defendants shall immediately refrain from using any WG customer list, trademark, trade secret, program information, or any other confidential information and/or materials, including downlines, back-office data, FXone TV, binary options trading software, and binary options trading algorithms;
- b. Defendants shall immediately refrain from disclosing any WG customer list, trademark, trade secret, program information, or any other confidential information and/or materials;
- c. Defendants shall immediately return any equipment, or other materials, including but not limited to, hard copies of documents and/or data, electronic copies of documents and/or data, emails, and any other material containing or referring to any WG customer list, trademark, trade secret, program information, or any other confidential information and/or materials;
- d. Defendants shall immediately refrain from conducting and soliciting any business, accepting any employment by or rendering professional services to, any person or organization that is or was a WG distributor, trader, and/or client, which includes

that iMarketsLive shall not conduct business with those Defendants who are former WG distributors or traders; and

- e. Defendants shall immediately refrain from soliciting, recruiting, bribing, and/or enticing WG distributors and/or traders to violate their contracts with WG and/or misappropriate WG's Confidential Information and/or intellectual property.

141. WG will suffer irreparable harm unless the Court enters a preliminary injunction preventing Defendants from soliciting, recruiting, bribing, and/or enticing WG distributors and/or traders to violate their contracts with WG and/or misappropriate WG's Confidential Information and/or intellectual property.

142. WG's damages greatly outweigh any potential damage to Defendants because WG is simply seeking enforcement of the contractual provisions to which many of the Defendants agreed and of which all of the Defendants are aware.

143. A preliminary and subsequent permanent injunction would not be adverse to the public interest because an injunction would only support the Parties' contractual agreements and deter Defendants and all other individuals and companies from improperly obtaining and using another's customer lists, trademarks, trade secrets, program information, or any other confidential information and/or materials.

144. WG has a substantial likelihood of success on the merits of its claims. WG has video of Legaretta engaged in recruiting business away from WG to iMarketsLive, in violation of Legaretta's contractual restrictions. And, other individuals, have further confirmed that Defendants recruited business away from WG to iMarketsLive to directly and/or indirectly compete with WG and that Defendants are disclosing, and may soon disclose more of, WG's

distributor lists and downlines, trademarks, trade secrets, program information, or any other Confidential Information and/or materials.

145. Thus, the Court should enter a preliminary injunction during the pendency of this action and convert the injunction to a permanent injunction at the conclusion of this case.

### **PRAYER FOR RELIEF**

WHEREAS, Plaintiff Wealth Generators, LLC, prays for relief against Defendants as follows:

- a. On the FIRST CAUSE OF ACTION for tortious interference, for a judgment against Defendants awarding Plaintiff such amounts lost resulting from Defendants' tortious interference in an amount to be determined at trial, not less than \$300,000, and post-judgment interest thereon;
- b. On the SECOND CAUSE OF ACTION for misappropriation and violation of the Uniform Trade Secrets Act, for a judgment against Defendants in an amount to be proven at trial, but no less than \$300,000, plus an amount for exemplary damages and attorney fees and pre- and post-judgment interest thereon, as applicable;
- c. On the THIRD CAUSE OF ACTION for breach of contract and breach of the covenant of good faith and fair dealing for a judgment against the Contract Defendants awarding Plaintiff such amounts lost resulting from Contract Defendants' breach of contract and breach of the covenant of good faith and fair dealing in an amount to be determined at trial, not less than \$300,000, and post-judgment interest thereon;
- d. On the FOURTH CAUSE OF ACTION for conspiracy for a judgment against Defendants awarding Plaintiff such amounts lost resulting from Defendants' conspiracy



and wrongful conduct in an amount to be determined at trial, not less than \$300,000, and post-judgment interest thereon;

- e. On the FIFTH CAUSE OF ACTION for defamation for a judgment against the Defaming Defendants awarding Plaintiff such amounts lost resulting from the Defaming Defendants' defamation in an amount to be determined at trial, not less than \$300,000, and post-judgment interest thereon;
- f. On the SIXTH CAUSE OF ACTION for a preliminary and permanent injunction, WG is entitled to injunctive relief restricting Defendants as follows:

- (1) Defendants shall immediately refrain from using any WG customer list, trademark, trade secret, program information, or any other confidential information and/or materials, including downlines, back-office data, FXone TV, binary options trading software, and binary options trading algorithms;
- (2) Defendants shall immediately refrain from disclosing any WG customer list, trademark, trade secret, program information, or any other confidential information and/or materials;
- (3) Defendants shall immediately return any equipment, or other materials, including but not limited to, hard copies of documents and/or data, electronic copies of documents and/or data, emails, and any other material containing or referring to any WG customer list, trademark, trade secret, program information, or any other confidential information and/or materials;

- (4) Defendants shall immediately refrain from conducting and soliciting any business, accepting any employment by or rendering professional services to, any person or organization that is or was a WG distributor, trader, and/or client, which includes that iMarketsLive shall not conduct business with those Defendants who are former WG distributors or traders; and
- (5) Defendants shall immediately refrain from soliciting, recruiting, bribing, and/or enticing WG distributors and/or traders to violate their contracts with WG and/or misappropriate WG's Confidential Information and/or intellectual property.
- g. That Wealth Generators, LLC be awarded its reasonable attorneys fees;
- h. That Wealth Generators, LLC be awarded exemplary damages, as appropriate, and
- i. Any other relief the Court deems reasonable and just.

DATED: November 1, 2017.

**GRIMMER & ASSOCIATES, PC**

/s/ Matthew Grimmer

Matthew G. Grimmer

Jacob R. Davis

Attorneys for Plaintiff

Wealth Generators, LLC

## INDEX OF EXHIBITS TO COMPLAINT

Exhibit A – Wealth Generators Policies and Procedures

Exhibit B – iMarketsLive Email Announcement, dated October 9, 2017

Exhibit C – Legaretta Text Messages

# **EXHIBIT A**



# Statement of Policies & Procedures

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EFFECTIVE MARCH 1, 2017

WEALTH GENERATORS LLC | 12 SOUTH 400 WEST SALT LAKE CITY UT 84101  
801.939.3580 | [WWW.WEALTHGENERATORS.COM](http://WWW.WEALTHGENERATORS.COM)

## Table of Contents

<b>SECTION 1: CORPORATE MISSION STATEMENT .....</b>	<b>6</b>
1.1 Wealth Generators Corporate Mission Statement.....	6
<b>SECTION 2: INTRODUCTION.....</b>	<b>6</b>
2.1 Policies and Bonus Plan Incorporated into Generator Agreement.....	6
2.2 Changes to the Agreement.....	6
2.3 Policies and Provisions Severable .....	6
2.4 Waiver.....	7
<b>SECTION 3: BECOMING A GENERATOR OR QUALIFIED GENERATOR.....</b>	<b>7</b>
3.1 Requirements .....	7
3.2 Registration Fee and Product Purchases .....	7
3.3 Generator and Qualified Generator Benefits .....	7
3.3.1 Recognition Program .....	8
3.4 Term and Renewal of Your Wealth Generators Business.....	9
<b>SECTION 4: OPERATING A WEALTH GENERATORS BUSINESS.....</b>	<b>10</b>
4.1 Adherence to the Wealth Generators Bonus Plan .....	10
4.2 Advertising .....	10
4.2.1 General.....	10
4.2.2 Trademarks and Copyrights .....	11
4.2.3 Media and Media Inquiries .....	12
4.2.4 Unsolicited Email .....	12
4.2.5 Unsolicited Faxes.....	13
4.2.6 Telephone Directory Listings.....	13
4.2.7 Television and Radio Advertising.....	13
4.2.8 Advertised Prices.....	13
4.3 Online Conduct .....	14
4.3.1 Generator Web Sites .....	14
4.3.2 Wealth Generators Replicated Websites.....	14

4.3.3 Registered External Website Content.....	15
4.3.4 Wealth Generators Independent Generator Disclosure .....	15
4.3.5 Registered External Websites Must Exclusively Promote Wealth Generators.....	15
4.3.6 No eCommerce or Stock-and-Sell Retailing .....	15
4.3.7 Registered External Website Termination .....	15
4.3.8 Team Websites.....	15
4.3.9 Domain Names, email Addresses and Online Aliases .....	16
4.3.10 Wealth Generators Hotlinks .....	16
4.3.11 Monetizing Registered External Websites .....	16
4.3.12 Online Classifieds .....	16
4.3.14 Online Retailing .....	17
4.3.15 Banner Advertising.....	17
4.3.16 Spam Linking .....	17
4.3.17 Digital Media Submission (YouTube, iTunes, PhotoBucket etc.) .....	17
4.3.18 Sponsored Links / Pay-Per-Click (PPC) Ads.....	17
4.3.19 Domain Names and Email Addresses.....	17
4.3.20 Social Media .....	18
<b>4.4 Business Entities .....</b>	<b>18</b>
4.4.1 Changes to a Business Entity.....	19
<b>4.5 Change of Enroller.....</b>	<b>19</b>
4.5.1 Misplacement .....	19
4.5.2 Up line Approval.....	20
4.5.3 Cancellation and Re-application .....	20
4.5.3 Misleading Basis for Enroller Change .....	20
<b>4.6 Waiver of Claims.....</b>	<b>21</b>
<b>4.7 Unauthorized Claims and Actions .....</b>	<b>21</b>
4.7.1 Indemnification .....	21
4.7.2 Product Claims .....	22
4.7.3 Bonus Plan Claims .....	22
4.7.4 Income Claims.....	22
<b>4.8 Commercial Outlets .....</b>	<b>23</b>
<b>4.9 Trade Shows, Expositions and Other Sales Forums.....</b>	<b>23</b>
<b>4.10 Conflicts of Interest.....</b>	<b>23</b>
4.10.1 Nonsolicitation .....	23
4.10.2 Generator Participation in Other Network Marketing Programs .....	24
4.10.3 Confidential Information.....	24
<b>4.11 Targeting Other Direct Sellers .....</b>	<b>25</b>
<b>4.12 Errors or Questions .....</b>	<b>25</b>
<b>4.13 Governmental Approval or Endorsement .....</b>	<b>26</b>

4.14 Income Taxes .....	26
4.15 Independent Contractor Status .....	26
4.16 Insurance .....	26
4.17 International Marketing .....	26
4.18 Bonus Buying .....	27
4.19 Adherence to Laws and Ordinances .....	27
4.20 One Wealth Generators Business Per Distributorship/Per Household .....	27
4.21 Actions of Household Members or Affiliated Parties.....	28
4.22 Roll-up of Marketing Organization .....	28
4.23 Sale, Transfer or Assignment of Wealth Generators Business.....	28
4.24 Separation of a Wealth Generators Business.....	29
4.25 Enrolling Online.....	30
4.26 Succession .....	30
4.26.1 Transfer Upon Death of a Generator.....	30
4.26.2 Transfer Upon Incapacitation of a Generator .....	31
4.27 Telemarketing Techniques.....	31
4.28 Back Office Access.....	32
<b>SECTION 5: RESPONSIBILITIES OF GENERATORS.....</b>	<b>32</b>
5.1 Change of Address, Telephone, and E-Mail Addresses .....	32
5.2 Continuing Development Obligations.....	32
5.2.1 Ongoing Training.....	32
5.2.2 Increased Training Responsibilities .....	33
5.2.3 Ongoing Sales Responsibilities .....	33
5.3 Non-disparagement.....	33
5.4 Providing Documentation to Applicants .....	34
<b>SECTION 6: SALES REQUIREMENTS .....</b>	<b>34</b>
6.1 Product Sales .....	34
6.1.1 Executing a Sale.....	34
6.1.2 Redirection of Customer Funds & Sales Misrepresentation .....	34



6.2 No Territory Restrictions.....	34
<b>SECTION 7: BONUSES AND COMMISSIONS .....</b>	<b>35</b>
7.1 Bonus and Commission Qualifications and Accrual .....	35
7.2 Adjustment to Bonuses and Commissions .....	35
7.2.1 Adjustments for Returned Products and Cancelled Services .....	35
7.2.2 Hard Copy Commission Checks .....	35
7.2.3 Tax Withholdings.....	35
7.2.4 Maximum Payout 70% Cap Rule .....	36
7.3 Reports.....	36
<b>SECTION 8: PRODUCT GUARANTEES, REPURCHASE AND RESCISSION.....</b>	<b>37</b>
8.1 Product and Purchase Rescission .....	37
8.2 Product Guarantee and Refund Policy .....	37
8.2.1 Product Guarantee .....	37
8.2.2 Montana Residents .....	37
8.2.3 Refund Policy after Ten Days .....	37
8.2.4 No Chargebacks.....	37
8.2.5 Triple Your Subscription Back Guarantee Retired as of March 1 <sup>st</sup> 2017.....	38
8.3 Return of Sales Aids by Generators Upon Cancellation .....	39
8.4 Stop Payment Requests and Payment Reissue .....	39
<b>SECTION 9: DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS.....</b>	<b>39</b>
9.1 Disciplinary Sanctions .....	39
9.2 Grievances and Complaints .....	40
9.3 Mediation .....	40
9.4 Arbitration.....	40
9.5 Governing Law, Jurisdiction and Venue .....	41
9.5.1 Louisiana Residents .....	41
<b>SECTION 10: PAYMENTS.....</b>	<b>42</b>
10.1 Restrictions on Third Party Use of Credit Cards & Checking Account Access .....	42
10.2 Sales Taxes .....	42

<b>SECTION 11: INACTIVITY AND CANCELLATION.....</b>	<b>42</b>
11.1 Effect of Cancellation .....	42
11.2 Cancellation Due to Inactivity .....	43
11.2.1 Failure to Meet PV Quota .....	43
11.3 Involuntary Cancellation .....	43
11.4 Voluntary Cancellation.....	43
11.5 Non-renewal .....	44
11.6 Exceptions to Activity Requirements .....	44
11.6.1 Maternity .....	44
11.6.2 Military Deployment.....	44
<b>SECTION 12: DEFINITIONS .....</b>	<b>44</b>

## SECTION 1: Corporate Mission Statement

### 1.1 Wealth Generators Corporate Mission Statement

Empowering individuals across all demographics to take control of their financial future using a cost effective, scalable, easy to deploy business model.

## SECTION 2: Introduction

### 2.1 Policies and Bonus Plan Incorporated into Generator Agreement

These Policies and Procedures, along with the Purchase Terms and Conditions, the Wealth Generators Replicated Website and Privacy Policy, and the Wealth Generators Bonus Plan, in their present form and as amended by Wealth Generators, LLC (hereafter "Wealth Generators" or the "Company"), are incorporated into, and form an integral part of, the Wealth Generators Generator Agreement. Throughout these Policies, the term "Generator" also applies to a Qualified Generator, unless one or the other is specified as "only" i.e. "Qualified Generators Only". It is the responsibility of each Generator to read, understand, adhere to, and insure that he or she is aware of and operating under the most current version of these Policies and Procedures. Throughout these Policies, when the term "Agreement" is used, it collectively refers to these Policies and Procedures, Agreement Terms and Conditions, the Wealth Generators Replicated Website and Privacy Policy, the Wealth Generators Bonus Plan, and the Wealth Generators Business Entity Application (if applicable). These documents are incorporated by reference into the Wealth Generators Generator Agreement (all in their current form and as amended by Wealth Generators).

### 2.2 Changes to the Agreement

Wealth Generators reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By executing the Generator Agreement, a Generator agrees to abide by all amendments or modifications that Wealth Generators elects to make. Amendments shall be effective five (5) days after publication of notice that the Agreement has been modified. Amendments shall not apply retroactively to conduct that occurred 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 Company's official web site; (2) electronic mail (e-mail); (3) posting in Generators' back-offices; (4) inclusion in Company periodicals; (5) inclusion in product orders or bonus checks; or (6) special mailings. The continuation of a Generator's Wealth Generators business, the acceptance of any benefits under the Agreement, or a Generator's acceptance of bonuses or commissions constitutes acceptance of all amendments.

### 2.3 Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) 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.

## 2.4 Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Wealth Generators to exercise any right or power under the Agreement or to insist upon strict compliance by a Generator with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Wealth Generators' right to demand exact compliance with the Agreement. The existence of any claim or cause of action of a Generator against Wealth Generators shall not constitute a defense to Wealth Generators' enforcement of any term or provision of the Agreement.

# SECTION 3: Becoming a Generator or Qualified Generator

## 3.1 Requirements

In order to become a Generator or Qualified Generator, each applicant must:

- (1) Be at least 18 years of age;
- (2) Reside in the United States or U.S. Territories or country that Wealth Generators has officially announced is open for business;
- (3) Provide Wealth Generators with his/her valid Social Security or Federal Tax ID number;
- (4) Provide payment of annual \$30 Registration Fee via personal credit or debit card;
- (5) Submit a properly completed Generator Application and Agreement to Wealth Generators either in hard copy or online format;

Wealth Generators reserves the right to accept or reject any Generator Application and Agreement for any reason or for no reason.

## 3.2 Registration Fee and Product Purchases

Other than a \$30 registration fee, no person is required to purchase Wealth Generators products, services or sales aids, or to pay any other charge or fee to become a Generator.

## 3.3 Generator and Qualified Generator Benefits

Once a Generator Application and Agreement has been accepted by Wealth Generators, the benefits of the Bonus Plan and the Generator Agreement are available to the new Generator. These benefits include the right to:

- (1) Sell Wealth Generators products and services;
- (2) Participate in the Wealth Generators Bonus Plan (receive bonuses and commissions, if eligible)
- (3) Participate in the Qualified Generator Bonus – Qualified Generators only

- (4) Access to our market education video library – Qualified Generators only
- (5) Membership in the Experts Club – Qualified Generators only
- (6) Enroll other individuals as Customers or Generators into the Wealth Generators business and thereby, build a marketing organization and progress through the Wealth Generators Bonus Plan;
- (7) Receive periodic Wealth Generators literature and other Wealth Generators communications;
- (8) Participate in Wealth Generators-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- (9) Participate in promotional and incentive contests and programs sponsored by Wealth Generators for its Generators.

### 3.3.1 Recognition Program

Included in the benefits of an active Generator Agreement is participation in the WG Recognition Program. Each sale is recorded and tracked by Wealth Generators for Corporate Purposes; one primary purpose of this is the recognizing of individuals for rank advancements in sales volume. All Rank advancements will include certification from WG of the rank, pins associated with the rank, and public announcement to the field upon achieving the rank. All Rank advancements and recognition processes are broken up as follows (Rewards for all Rank advancements are subject to the requirements listed below):

- (1) All Generators who achieve a personal sales volume (hereby cited as PV) of 400 during a commission period will achieve the Guaranteed Generator Rank.
- (2) All Generators who attain a sales Group Volume (hereby cited as GV) of 1300 during a commission period will achieve the Business Builder Rank.
- (3) All Generators who attain a sales GV of 4,000 during a commission period will achieve the Executive Business Builder Rank.
- (4) All Generators who achieve a GV of 10,000 during a commission period will achieve the Premiere Rank; those who achieve this rank will also be rewarded an iPad (\$365 value).
- (5) All Generators who achieve a GV of 25,000 during a commission period will achieve the Platinum Rank; those who achieve this rank will also be rewarded a Ring (\$450 value).
- (6) All Generators who achieve a GV of 50,000 during a commission period will achieve the Global Platinum Rank; those who achieve this rank will also be rewarded a custom made two piece suit (\$700 value).
- (7) All Generators who achieve a GV of 100,000 during a commission period will achieve the Presidential Rank; those who achieve this rank will also be rewarded a MacBook Air (\$1,200 value).
- (8) All Generators who achieve a GV of 200,000 during a commission period will achieve the Elite Presidential Rank; those who achieve this rank will also be rewarded their choice of \$3,000 directly deposited into a trade account, or \$3,000 in Silver.

- (9) All Generators who achieve a GV of 350,000 during a commission period will achieve the Ambassador Rank; those who achieve this rank will also be rewarded a trip with the Founders (\$6,000 value).
- (10) All Generators who achieve a GV of 500,000 during a commission period will achieve the Global Ambassador Rank; those who achieve this rank will also be rewarded with their choice of a Rolex watch (\$8,000 value), or \$8,000 in Gold.
- (11) All Generators who achieve a GV of 750,000 during a commission period will achieve the Icon Rank; those who achieve this rank will also be rewarded a Razor (\$15,000 value), or \$15,000 in cash.
- (12) All Generators who achieve a GV of 1,000,000 during a commission period will achieve the Legend Rank; those who achieve this rank will also be rewarded with a car (\$80,000 value).

All rewards distributed by WG as part of the Recognition Program shall be subject to the following conditions:

- (1) Generators will only qualify for recognition and reward after maintaining the Rank for 2 consecutive commission periods.
  - a. Certificate, pin, and public recognition occur upon the actual achievement of Rank.
- (2) All Reward and Recognition items will be available for qualifying Generators beginning on January 4, 2017 and are not retroactively available (only effective prospectively).
- (3) Market Value of the product reward may vary by country and products with similar value will be offered when deemed necessary by WG.
- (4) All Reward recipients will receive a 1099 end of year Tax Form including the value of the incentive reward obtained.
- (5) Generators may elect to cash out any of the rewards listed above for 50% of the dollar value of the item earned (the exception to this is the \$15,000 full cash option of the Icon Rank).

WG reserves the right to distribute all rewards at scheduled regional events, conventions, etc.

### **3.4 Term and Renewal of Your Wealth Generators Business**

The term of the Generator Agreement is one year from the date of its acceptance by Wealth Generators (subject to reclassification for inactivity after six months pursuant to Section 11.2.1. Generators must renew their Generator Agreement each year by paying an annual renewal fee of \$30 on or before the anniversary date of their Generator Agreement. If the renewal fee is not paid within 30 days after the expiration of the current term of the Generator Agreement, the Generator Agreement will be canceled. Generators may elect to utilize the Automatic Renewal Program ("ARP"). Under the ARP, the renewal fee will be charged to the Generator's credit card on file with the Company. Generators without a credit card or bank account must renew by phone or mail.

## SECTION 4: Operating a Wealth Generators Business

### 4.1 Adherence to the Wealth Generators Bonus Plan

Generators must adhere to the terms of the Wealth Generators Bonus Plan as set forth in official Wealth Generators literature. Generators shall not offer the Wealth Generators opportunity through, or in combination with, any other system, program, sales tools, or method of marketing other than that specifically set forth in official Wealth Generators literature. Generators shall not require or encourage other current or prospective Customers or Generators to execute any agreement or contract other than official Wealth Generators agreements and contracts in order to become a Wealth Generators Generator. Similarly, Generators shall not require or encourage other current or prospective Customers or Generators to make any purchase from, or payment to, any individual or other entity to participate in the Wealth Generators Bonus Plan other than those purchases or payments identified as recommended or required in official Wealth Generators literature.

### 4.2 Advertising

#### 4.2.1 General

All Generators shall safeguard and promote the good reputation of Wealth Generators and its products. The marketing and promotion of Wealth Generators, the Wealth Generators opportunity, the Bonus Plan, and Wealth Generators products must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and services, and the tremendous opportunity Wealth Generators offers, Generators should use the sales aids, business tools, and support materials produced by Wealth Generators. The Company has carefully designed its products, product labels, Bonus Plan, and promotional materials to ensure that they are promoted in a fair and truthful manner, that they are substantiated, and the materials comply with the legal requirements of federal and state laws.

Accordingly, Generators may only advertise or promote their Wealth Generators business using approved tools, templates or images acquired through Wealth Generators.

No approval is necessary to use these approved tools. If you wish to design your own online or offline marketing materials of any kind, your designs must be submitted to the Wealth Generators compliance department ([compliance@WealthGenerators.com](mailto:compliance@WealthGenerators.com)) for consideration and approval. Unless you receive specific written approval from Wealth Generators to use such tools, the request shall be deemed denied.

Generators may not sell sales aids to other Independent Wealth Generators. Therefore, Generators who receive authorization from Wealth Generators to produce their own sales aids may not sell such material to any other Independent Wealth Generator. Generators may make approved material available to other Generators free of charge if they wish, but may not charge other Independent Wealth Generators for the material.

Wealth Generators further reserves the right to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and Generators waive all claims for damages or remuneration arising from or relating to such rescission.

### 4.2.2 Trademarks and Copyrights

The name of Wealth Generators and other names as may be adopted by Wealth Generators are proprietary trade names, trademarks and service marks of Wealth Generators (collectively "marks"). As such, these marks are of great value to Wealth Generators and are supplied to Generators for their use only in an expressly authorized manner. Wealth Generators will not allow the use of its trade names, trademarks, designs, or symbols, or any derivatives of such marks, by any person, including Independent Wealth Generators, in any unauthorized manner without its prior, written permission.

The content of all Company sponsored events is copyrighted material. Generators may not produce for sale or distribution any recorded Company events and speeches without written permission from Wealth Generators, nor may Generators reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

No portion of the Company's product may be reproduced or shared at any time including but not limited to trade alerts, trade strategies, training videos, training tools, or any other information item delivered as part of the Wealth Generators Subscription.

As an Independent Wealth Generator, you may use the Wealth Generators name in the following manner:

Generator's Name

Independent Wealth Generator

#### Example:

Alice Smith

Independent Wealth Generator

Generators may not use the name Wealth Generators in any form in your team name, a tagline, an external website name, your personal website address or extension, in an e-mail address, as a personal name, or as a nickname. Additionally, only use the phrase *Independent Wealth Generator* in your phone greeting or on your answering machine to clearly separate your independent Wealth Generators business from Wealth Generators. For example, you may not secure the domain name **www.buyWealthGenerators.com**, nor may you create an email address such as **wealthgeneratorsales@hotmail.com**.

#### 4.2.2.1 Independent Wealth Generator Logo

If you use a Wealth Generators logo in any communication, you must use the Independent Generator version of the Wealth Generators logo. Using any other Wealth Generators logo requires written approval.

Please see examples below:

Logos Approved for Generator Use





Logos NOT Approved for Generator Use:



#### 4.2.3 Media and Media Inquiries

Generators must not attempt to respond to media inquiries regarding Wealth Generators, its products or services, or their independent Wealth Generators business. All inquiries by any type of media must be immediately referred to Wealth Generators' Compliance Department. This policy is designed to ensure that accurate and consistent information is provided to the public as well as a proper public image.

#### 4.2.4 Unsolicited Email

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

- (1) There must be a functioning return email address to the sender.
- (2) There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
- (3) The email must include the Generator's physical mailing address.
- (4) The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- (5) The use of deceptive subject lines and/or false header information is prohibited.
- (6) All opt-out requests, whether received by email or regular mail, must be honored.

If a Generator receives an opt-out request from a recipient of an email, the Generator must forward the opt-out request to the Company.

Wealth Generators may periodically send commercial emails on behalf of Generators. By entering into the Generator Agreement, Generator agrees that the Company may send such emails and that the Generator's physical and email addresses will be included in such emails as outlined above. Generators shall honor opt-out requests generated as a result of such emails sent by the Company.

#### **4.2.5 Unsolicited Faxes**

Except as provided in this section, Generators may not use or transmit unsolicited faxes in connection with their Wealth Generators business. The term "unsolicited faxes" means the transmission via telephone facsimile or computer of any material or information advertising or promoting Wealth Generators, its products, its Bonus Plan or any other aspect of the company which is transmitted to any person, except that these terms do not include a fax: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the Generator has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between a Generator and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Generator; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

#### **4.2.6 Telephone Directory Listings**

Generators may list themselves as an "Independent Wealth Generator" in the white or yellow pages of the telephone directory, or with online directories, under their own name. No Generator may place telephone or online directory display ads using Wealth Generators' name or logo. Generators may not answer the telephone by saying "Wealth Generators", "Wealth Generators Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Wealth Generators. If a Generator wishes to post his/her name in a telephone or online directory, it must be listed in the following format:

Generator's Name

Independent Wealth Generator

#### **4.2.7 Television and Radio Advertising**

Generators may not advertise on television and radio except with Wealth Generators' express written approval.

#### **4.2.8 Advertised Prices**

Generators may not create their own marketing or advertising material offering any Wealth Generators products at a price less than the current online prices, plus shipping and applicable taxes.

### 4.3 Online Conduct

#### 4.3.1 Generator Web Sites

Generators may create their own websites, so long as the website and its content comply with the terms of Wealth Generators' Policies and Procedures. It is the Generator's obligation to ensure your online marketing activities are truthful, are not deceptive and do not mislead customers or potential Generators in any way. Websites and web promotion activities and tactics that mislead or are deceptive, regardless of intent, will result in disciplinary action. Misleading tactics include, but are not limited to, spam linking (or blog spam), unethical search engine optimization ("SEO") tactics, misleading click-through ads (i.e. having the display URL of a Pay-Per-Click ("PPC") campaign appear to be directed to an official Wealth Generators Corporate Site when it in fact goes elsewhere), unapproved banner ads, and unauthorized press releases. Wealth Generators will be the sole determinant of truthfulness and whether specific activities are misleading or deceptive.

#### 4.3.2 Wealth Generators Replicated Websites

Generators receive a Wealth Generators Replicated Website subscription to facilitate online buying experience for their customers and enrollments for prospects. Generators are solely responsible and liable for the content they add to their Replicated Website and must regularly review the content to ensure it is accurate and relevant.

Generators 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-Wealth Generators products, services or business opportunities. Specifically, you may not alter the look (placement, sizing etc.) or functionality of the following:

- The Wealth Generators Independent Wealth Generator Logo
- Your Name
- Wealth Generators Corporate Website Redirect Button
- Artwork, logos, or graphics
- Original text

Because Replicated Websites reside on the mywealthgenerators.com domain, Wealth Generators reserves the right to receive analytics and information regarding the usage of your website.

By default, your Wealth Generators Replicated Website URL is:

www.mywealthgenerators.com/<distributorID#>

You must change this default ID and choose a uniquely identifiable website name that cannot:

- (1) Be confused with other portions of the Wealth Generators corporate website;
- (2) Confuse a reasonable person into thinking they have landed on a Wealth Generators corporate page;
- (3) Be confused with any Wealth Generators name;

- (4) Contain any discourteous, misleading, or off-color words or phrases that may damage Wealth Generators' image.

#### 4.3.3 Registered External Website Content

Generators are solely responsible and liable for their own Registered External Website content, messaging, claims, and information and must ensure that it appropriately represents and enhances the Wealth Generators brand and adheres to Wealth Generators' Policies and Procedures. Additionally, Registered External Websites must not contain disingenuous popup ads or promotions or malicious code. Decisions and corrective actions in this area are at Wealth Generators' sole discretion.

#### 4.3.4 Wealth Generators Independent Generator Disclosure

To avoid confusion, the following three elements must be prominently displayed at the top of every page of your Registered External Website:

- The Wealth Generators Independent Wealth Generator Logo
- Your Name and Title
- Wealth Generators Corporate Website Redirect Button

Although Wealth Generators brand themes and images are desirable for consistency, anyone landing on any page of a Generator's External Website must clearly understand that they are at an Independent Generator site, and not a Wealth Generators Corporate page.

#### 4.3.5 Registered External Websites Must Exclusively Promote Wealth Generators

Your Wealth Generators external website must contain content and information that is exclusive to Wealth Generators. You may not advertise other products or services other than the Wealth Generators product line and the Wealth Generators opportunity.

#### 4.3.6 No eCommerce or Stock-and-Sell Retailing

A Generator's Registered External Website must only facilitate the entry into his/her Wealth Generators Replicated Website. Generators may not *stock and sell* Wealth Generators products, nor may you facilitate an eCommerce environment that would facilitate this model. All orders must be placed through your official Replicated Website or Generator Workstation.

#### 4.3.7 Registered External Website Termination

In the event of the voluntary or involuntary cancellation of your Generator Agreement, you must remove your Registered External Website from public view within three days and redirect (forward) all traffic from that domain to [www.WealthGenerators.com](http://www.WealthGenerators.com). Your external website may be transferred to another Wealth Generators Generator, subject to Wealth Generators approval, on a case-by-case basis.

#### 4.3.8 Team Websites

You may use team websites for the purposes of connecting, communicating, training, education and sharing best practices among team members. Because these sites may

contain sensitive and Company-specific information, these team websites must be password protected and may only be shared with members of your Sales Organization. Before you offer a team website to other Generators, you must request approval of the website from the Company. The team website will only be approved upon written notice from the Company.

#### 4.3.9 Domain Names, email Addresses and Online Aliases

You are not allowed to use or register Wealth Generators or any of Wealth Generators' trademarks, product names, or any derivatives, for any Internet domain name, email address, or online aliases. Additionally, you 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 Wealth Generators. Examples of the improper use of Wealth Generators include, but are not limited to any form of Wealth Generators showing up as the sender of an email or examples such as:

www.MyWealthGeneratorsBiz.com  
 www.WealthGenerators DreamTeam.com  
 www.ISellWealthGenerators.com  
 www.WealthGeneratorsbyJaneDoe.com  
 www.WealthGeneratorsMoney.net  
 www.JanesWealthGeneratorsOpportunity.net

#### 4.3.10 Wealth Generators Hotlinks

When directing readers to your Registered External Website or replicated site it must be evident from a combination of the link, and the surrounding context, to a reasonable reader that the link will be resolving to the site of an independent Wealth Generators Generator. Attempts to mislead web traffic into believing they are going to a Wealth Generators corporate site, when in fact they *land* at a Generator site (replicated or registered external) will not be allowed. The determination as to what is *misleading* or what constitutes a *reasonable reader* will be at Wealth Generators' sole discretion.

#### 4.3.11 Monetizing Registered External Websites

Generators may not monetize their Replicated Website or their Registered External Website through affiliate programs, AdSense or similar programs.

#### 4.3.12 Online Classifieds

You may not use online classifieds (including Craigslist) to list, sell or retail specific Wealth Generators products or product bundles. You may use online classifieds (including Craigslist) for prospecting, recruiting, sponsoring and informing the public about the Wealth Generators business opportunity, provided Wealth Generators-approved templates/images are used. These templates will identify you as an Independent Wealth Generator. If a link or URL is provided, it must link to your Replicated Website or your Registered External Website.

. Covered in 4.8 below

#### 4.3.14 Online Retailing

Generators may not list or sell Wealth Generators products on any online retail store or ecommerce site, nor may you enlist or knowingly allow a third party to sell Wealth Generators products on any online retail store or ecommerce site.

#### 4.3.15 Banner Advertising

You may place banner advertisements on a website provided you use Wealth Generator approved templates and images. All banner advertisements must link to your Replicated Website or a Registered External Website. Generators may not use blind ads (ads that do not disclose the identity of the Company) or web pages that make product or income claims that are ultimately associated with Wealth Generators products or the Wealth Generators opportunity.

#### 4.3.16 Spam Linking

Spam linking is defined as multiple consecutive submissions of the same or similar content into blogs, wikis, guest books, websites or other publicly accessible online discussion boards or forums and is not allowed. This includes blog spamming, blog comment spamming and/or spamdexing. Any comments you make on blogs, forums, guest books, etc., must be unique, informative and relevant.

#### 4.3.17 Digital Media Submission (YouTube, iTunes, PhotoBucket etc.)

Generators may upload, submit or publish Wealth Generators-related video, audio or photo content that they develop and create so long as it aligns with Wealth Generators values, contributes to the Wealth Generators community greater good and is in compliance with Wealth Generators' Policies and Procedures. All submissions must clearly identify you as an Independent Wealth Generators Generator in the content itself and in the content description tag, must comply with all copyright/legal requirements, and must state that you are solely responsible for this content. Generators may not upload, submit or publish any content (video, audio, presentations or any computer files) received from Wealth Generators or captured at official Wealth Generators events or in buildings owned or operated by Wealth Generators without prior written permission.

#### 4.3.18 Sponsored Links / Pay-Per-Click (PPC) Ads

Sponsored links or pay-per-click ads (PPC) are acceptable. The destination URL must be to either the sponsoring Generator's Replicated Website or to the sponsoring Generator's Registered External Website. The display URL must also be to either the sponsoring Generator's Replicated Website or to your Registered External Website, and must not portray any URL that could lead the user to believe they are being directed to a Wealth Generators Corporate site, or be inappropriate or misleading in any way.

#### 4.3.19 Domain Names and Email Addresses

Except as set forth in the Generator Website Application and Agreement, Generators may not use or attempt to register any of Wealth Generators' trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative of the foregoing, for any Internet domain name, email address, or social media name or address. If you do register any portion of the Wealth Generators branding to a social media account,

the company will require you to release the site/username to the company or delete the account altogether.

#### 4.3.20 Social Media

In addition to meeting all other requirements specified in these Policies and Procedures, should a Generator utilize any form of social media, including but not limited to Facebook, Twitter, LinkedIn, YouTube, Pinterest, etc., the Generator agrees to each of the following:

- a) No product sales or enrollments may occur on any social media site. To generate sales, a social media site must link only to the Generator's Wealth Generators Replicated Website.
- b) It is each Generator's responsibility to follow the social media site's terms of use.
- c) If the social media site does not allow its site to be used for commercial activity, you must abide by the site's terms of use.
- d) Any social media site that is directly or indirectly operated or controlled by a Generator that is used to discuss or promote Wealth Generators' products or the Wealth Generators opportunity may not link to any website, social media site, or site of any other nature, other than the Generator's Wealth Generators replicated website.
- e) During the term of this Agreement and for a period of 12 calendar months thereafter, a Generator may not use any social media site on which they discuss or promote, or have discussed or promoted, the Wealth Generators business or Wealth Generators' products to directly or indirectly solicit Wealth Generators for another direct selling or network marketing program (collectively, "direct selling"). In furtherance of this provision, a Generator shall not take any action that may reasonably be foreseen to result in drawing an inquiry from other Generators relating to the Generator's other direct selling business activities. Violation of this provision shall constitute a violation of the no solicitation provision in Section 4.11 below.
- f) A Generator may post or "pin" photographs of Wealth Generators products on a social media site, but only photos that are provided by Wealth Generators and downloaded from the Generator's Back-Office may be used.
- g) If a Generator creates a business profile page on any social media site that promotes or relates to Wealth Generators, its products, or opportunity, the business profile page must relate exclusively to the Generator's Wealth Generators business and Wealth Generators products. If the Generator's Wealth Generators business is cancelled for any reason or if the Generator becomes inactive, the Generator must deactivate the business profile page.

#### 4.4 Business Entities

A corporation, limited liability company, partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be an Independent Wealth Generator by submitting a Generator Application and Agreement along with a properly completed Business Entity Application and Agreement and a properly completed IRS form W-9. The Business Entity, as well as all shareholders, members, managers, partners, trustees, or other parties with any ownership interest in, or management responsibilities for, the Business Entity

(collectively “Affiliated Parties”) are individually, jointly and severally liable for any indebtedness to Wealth Generators, compliance with the Wealth Generators Policies and Procedures, the Independent Wealth Generators Agreement, and other obligations to Wealth Generators.

To prevent the circumvention of Sections 4.23 (regarding transfers and assignments of a Wealth Generators business) and 4.5, (regarding Sponsorship Changes), if any Affiliated Party wants to terminate his or her relationship with the Business Entity or Wealth Generators, the Affiliated Party must terminate his or her affiliation with the Business Entity, notify Wealth Generators in writing that he or she has terminated his/her affiliation with the Business Entity, and must comply with the provisions of Section 4.23. In addition, the Affiliated Party foregoing their interest in the Business Entity may not participate in any other Wealth Generators business for six consecutive calendar months in accordance with Section 4.5.3. If the Business Entity wishes to bring on any new Affiliated Party, it must adhere to the requirements of Section 4.23.

The modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5, below. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed Generator Application and Agreement. Wealth Generators may, at its discretion, require notarized documents before implementing any changes to a Wealth Generators business. Please allow thirty (30) days after the receipt of the request by Wealth Generators for processing.

#### 4.4.1 Changes to a Business Entity

Each Generator must immediately notify Wealth Generators of all changes to type of business entity they utilize in operating their businesses and the addition or removal of business Affiliated Parties.

### 4.5 Change of Enroller

Wealth Generators prohibits changes in enrollership. Accordingly, the transfer of a Wealth Generators business from one enroller to another is rarely permitted. Requests for change of enrollership must be submitted in writing using the Enroller Change Request Form to support, and must include the reason for the transfer. Transfers will only be considered in the following three circumstances:

#### 4.5.1 Misplacement

In cases in which the new Generator is enrolled by someone other than the individual he or she was led to believe would be his or her Enroller, a Generator may request that he or she be transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within **fourteen days** from the date of enrollment. The Generator requesting the change has the burden of proving that he or she was placed beneath the wrong enroller. It is up to Wealth Generators’ discretion whether the requested change will be implemented.



#### 4.5.2 Up line Approval

The Generator seeking to transfer submits a properly completed and fully executed Enroller Change Form which includes the written approval of his or her immediate three (3) up line Generators in his or her Marketing Organization. Photocopied or facsimile signatures are not acceptable. All Generator signatures must be notarized. The Generator who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. If the transferring Generator also wants to move any of the Generators in his or her marketing organization, each downline Generator must also obtain a properly completed Sponsorship Transfer Form and return it to Wealth Generators with the \$50.00 change fee (i.e., the transferring Generator and each Generator in his or her marketing organization multiplied by \$50.00 is the cost to move a Wealth Generators business.) Down line Generators will not be moved with the transferring Generator unless all of the requirements of this paragraph are met. Transferring Generators must allow thirty (30) days after the receipt of the Enroller Change Forms by Wealth Generators for processing and verifying change requests. Wealth Generators will consider waiving the four month waiting period under exceptional circumstances. Such requests for waiver must be submitted to Wealth Generators in writing.

#### 4.5.3 Cancellation and Re-application

A Generator may legitimately change organizations by voluntarily canceling his or her Wealth Generators business and remaining inactive (i.e., no purchases of Wealth Generators products for resale, no sales of Wealth Generators products, no sponsoring, no attendance at any Wealth Generators functions, participation in any other form of Generator activity, or operation of any other Wealth Generators business, no income from the Wealth Generators business) for four (4) full calendar months. Following the four-month period of inactivity, the former Generator may reapply under a new enroller, however, the former Generator's downline will remain in their original line of enrollership.

#### 4.5.3 Misleading Basis for Enroller Change

If a Generator counsels a newly enrolled member to execute their right to rescind/cancel and re-enrolls that member under their organization, they will have violated our policies and are subject to disciplinary actions. To understand this fully, we must define "newly enrolled member." A newly enrolled member is an individual who has purchased and paid for a Wealth Generators subscription. If a member enters their information into our order form but does not "pay" for a subscription, then they are not enrolled. This distinction is important as a person who has entered their information but has not purchased a subscription can be enrolled by another distributor at any time.

The spirit in which we conduct business is important and not every scenario can be effectively covered by policies. However, we find that reasonable ethics and guidelines should be deployed at all times.

*Let's take a closer look at this example:*

*If Distributor A enrolls a new paying member and Distributor B counsels that member to cancel and re-enroll with them, then **Distributor B is in violation.***

*If Distributor A has a new member that has entered their information but has not purchased a product/subscription and Distributor B convinces that member to enroll, pay for their product and work with them, then Distributor B is compliant.*

*If Distributor A puts many members into the system without ordering/paying for a product, **then Distributor A could be found in violation of policy.***

*If Distributor A enrolls a new paying member and the member does not feel comfortable with their enroller and finds an enroller they would prefer to work with and that member makes it know to the Company that they do not want to work with Distributor A then that member may request a change of enroller. This change must be made within the first fourteen days and the member must clearly state the reasons they do not want to work with Distributor A. If the reasons are stated and they are in violation of policy, **then Distributor A may also face disciplinary action.***

*If Distributor A enrolls a new paying member and then Distributor B disparages Distributor A to the new member, convincing the new member to request a change of enrollership and Distributor B is misrepresenting and making false claims against Distributor A, **then Distributor B is in violation and may face disciplinary actions.***

As you can see there are many scenarios that can apply to this one policy. We rely on the leaders to manage and monitor down line activities and use our policies as a guide to handle any issues that arise.

Submitting these issues to Wealth Generators should be viewed as a last resort when field leadership has been unable to resolve the situation. If the issue must be submitted to the company, then it should be fully documented with all necessary details and submitted through a support ticket or email to [compliance@wealthgenerators.com](mailto:compliance@wealthgenerators.com).

## 4.6 Waiver of Claims

In cases in which the appropriate enrollership change procedures have not been followed, and a downline organization has been developed in the second business developed by a Generator, Wealth Generators 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 sponsors is often extremely difficult. Therefore,

*GENERATORS WAIVE ANY AND ALL CLAIMS AGAINST WEALTH GENERATORS, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM WEALTH GENERATORS'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF ENROLLERSHIP.*

## 4.7 Unauthorized Claims and Actions

### 4.7.1 Indemnification

A Generator is fully responsible for all of his or her verbal and written statements made regarding Wealth Generators products, services, and the Bonus Plan that are not expressly contained in official Wealth Generators materials. This includes statements and representations made through all sources of communication media, whether person-to-

person, in meetings, online, through Social Media, in print, or any other means of communication. Generators agree to indemnify Wealth Generators and Wealth Generators' 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 Wealth Generators as a result of the Generator's unauthorized representations or actions. This provision shall survive the termination of the Generator Agreement.

#### **4.7.2 Product Claims**

No claims (which include personal testimonials) as to the guarantee of income or market success may be stated, except those stated in official Wealth Generator's literature and website. It should also always be stated that past results are no guarantee of future performance. Not only are such claims in violation of the Generator Agreement, they also violate the laws and regulations of the United States, Canada, and other jurisdictions.

#### **4.7.3 Bonus Plan Claims**

When presenting or discussing the Wealth Generators Bonus Plan, you must make it clear to prospects that financial success with Wealth Generators requires commitment, effort, and sales skill. Conversely, you must never represent that one can be successful without diligently applying themselves.

Examples of misrepresentations in this area include:

- 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 downline for you;
- The company does all the work for you;
- You don't have to sell anything; or
- All you have to do is buy your products every month.

The above are just examples of improper representations about the Bonus Plan. It is important that you do not make these or any other representations that could lead a prospect to believe that they can be successful as a Wealth Generators Generator without commitment, effort, and sales skill.

#### **4.7.4 Income Claims**

Because Independent Wealth Generators do not have the data necessary to comply with the legal requirements for making income claims, a Generator, when presenting or discussing the Wealth Generators opportunity or Bonus Plan to a prospective Generator, may not make income projections, income claims, or disclose his or her Wealth Generators income (including, but not limited to, the showing of checks, copies of checks, bank statements, email notices, electronic records, income system messages or tax records).

## 4.8 Commercial Outlets

Generators may not sell Wealth Generators products from a commercial outlet, nor may Generators display or sell Wealth Generators products or literature in any retail or service establishment. Online auction and/or sales facilitation websites, including but not limited to eBay and Craig's List constitute Commercial Outlets, and may not be used to sell Wealth Generators products.

## 4.9 Trade Shows, Expositions and Other Sales Forums

Generators may display and/or sell Wealth Generators products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Generators must contact the Generator Services department in writing for conditional approval, as Wealth Generators' policy is to authorize only one Wealth Generators business per event. Final approval will be granted to the first Generator who submits an official advertisement of the event, a copy of the contract signed by both the Generator and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Compliance Department. Wealth Generators further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products, services, or the Wealth Generators opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image Wealth Generators wishes to portray.

## 4.10 Conflicts of Interest

### 4.10.1 Nonsolicitation

Independent Wealth Generators are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing") with the main exception of network marketing companies that sell similar products and services to Wealth Generators. However, during the term of this Agreement, Generators may not directly or indirectly recruit other Independent Wealth Generators or Customers for any other network marketing business.

Following the cancellation of a Generator's Independent Wealth Generator Agreement, and for a period of six calendar months thereafter, with the exception of a Generator who is personally sponsored by the former Generator, a former Generator may not Recruit any Independent Wealth Generator or Customer for another network marketing business. Generators and the Company recognize that because network marketing 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 render it wholly ineffective. Therefore, Generators and Wealth Generators agree that this non-solicitation provision shall apply nationwide and to all international markets in which Generators are located. This provision shall survive the termination or expiration of the Generator Agreement.

The term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through

a third party, another Independent Wealth Generator or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

#### 4.10.2 Generator Participation in Other Network Marketing Programs

Independent Wealth Generators may participate in other non-competing network marketing programs as long as all of the following guidelines and policies are honored. If a Generator is engaged in other non-Wealth Generators direct selling programs, it is the responsibility of the Generator to ensure that his or her Independent Wealth Generators business is operated entirely separate and apart from any other program. To this end, the following must be adhered to:

- (1) Generators MAY NOT participate as a distributor in any network marketing program that sells and distributes similar products to Wealth Generators. This includes financial education, trading, trading signals, trade rooms, automated traders, debt education, debt elimination, or any services that are offered by Wealth Generators. A Generator is allowed to be a consumer of these products but not an independent distributor. All current distributors must ensure they are in compliance with this policy or they will forfeit their distributor status with Wealth Generators.
- (2) Generators must not sell, or attempt to sell, any competing non-Wealth Generators programs, products or services to Wealth Generators Customers or Generators. Any program, product or services in the same generic categories as Wealth Generators products or services is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.
- (3) Generators shall not display Wealth Generators promotional material, sales aids, products or services with or in the same location as, any non-Wealth Generators promotional material or sales aids, products or services.
- (4) Generators shall not offer the Wealth Generators opportunity, products or services to prospective or existing Customers or Generators in conjunction with any non-Wealth Generators program, opportunity, product or service.
- (5) Generators may not offer any non-Wealth Generators opportunity, products, services or opportunity at any Wealth Generators-related meeting, seminar, convention, webinar, teleconference, or other function.

#### 4.10.3 Confidential Information

"Confidential Information" includes, but is not limited to, Downline Genealogy Reports, the identities of Wealth Generators customers and Generators, contact information of Wealth Generators customers and Independent Wealth Generators' personal and group sales volumes, and Generator rank and/or achievement levels. Confidential Information is, or may be available, to Generators in their respective back-offices. Generator access to such Confidential Information is password protected, and is confidential and constitutes proprietary information and business trade secrets belonging to Wealth Generators. Such Confidential Information is provided to Generators in strictest confidence and is made available to Generators for the sole purpose of assisting Generators in working with their respective down-line organizations in the development of their Wealth Generators business. Generators may not use the reports for any purpose other than for developing their Wealth Generators business. Where a Generator participates in other multi-level marketing ventures, he/she is not eligible to have access to Downline Genealogy Reports. Generators

should use the Confidential Information to assist, motivate, and train their downline Generators. The Generator and Wealth Generators agree that, but for this agreement of confidentiality and non-disclosure, Wealth Generators would not provide Confidential Information to the Generator.

To protect the Confidential Information, Generators shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any Confidential Information to any third party;
- Directly or indirectly disclose the password or other access code to his or her back-office;
- Use any Confidential Information to compete with Wealth Generators or for any purpose other than promoting his or her Wealth Generators business;
- Recruit or solicit any Generator or Customer of Wealth Generators listed on any report or in the Generator's back-office, or in any manner attempt to influence or induce any Generator or Preferred Customer of Wealth Generators, to alter their business relationship with Wealth Generators; or
- Use or disclose to any person, partnership, association, corporation, or other entity any Confidential Information.

The obligation not to disclose Confidential Information shall survive cancellation or termination of the Agreement, and shall remain effective and binding irrespective of whether a Generator's Agreement has been terminated, or whether the Generator is or is not otherwise affiliated with the Company.

#### **4.11 Targeting Other Direct Sellers**

Wealth Generators does not condone Generators specifically or consciously targeting the sales force of another direct sales company to sell Wealth Generators products or to become Generators for Wealth Generators, nor does Wealth Generators condone Generators solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should Generators 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 a Generator alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, Wealth Generators will not pay any of the Generator's defense costs or legal fees, nor will Wealth Generators indemnify the Generator for any judgment, award, or settlement.

#### **4.12 Errors or Questions**

If a Generator has questions about or believes any errors have been made regarding commissions, bonuses, genealogy lists, or charges, the Generator must notify Wealth Generators in writing within 60 days of the date of the purported error or incident in question. Wealth Generators will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

### 4.13 Governmental Approval or Endorsement

Neither federal nor state regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programs. Therefore, Generators shall not represent or imply that Wealth Generators or its Bonus Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

### 4.14 Income Taxes

Each Generator is responsible for paying local, state, and federal taxes on any income generated as an Independent Generator. Unfortunately, we cannot provide you with any personal tax advice. Please consult your own tax accountant, tax attorney, or other tax professional. If a Generator's Wealth Generators business is tax exempt, the Federal tax identification number must be provided to Wealth Generators. Every year, Wealth Generators will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.

If Wealth Generators provides a 1099 that is in error due to incorrect information provided by the distributor which requires a corrected 1099, then the distributor will pay a \$50 charge for the corrected 1099. 1099's will be delivered to distributors by January 31st.

### 4.15 Independent Contractor Status

Generators are independent contractors. The agreement between Wealth Generators and its Generators does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Generator. Generators shall not be treated as an employee for his or her services or for Federal or State tax purposes. All Generators are responsible for paying local, state, and federal taxes due from all compensation earned as a Generator of the Company. The Generator has no authority (expressed or implied), to bind the Company to any obligation. Each Generator shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Generator Agreement, these Policies and Procedures, and applicable laws.

### 4.16 Insurance

You may wish to arrange insurance coverage for your business. Your homeowner's insurance policy does not cover business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present home owner's policy.

### 4.17 International Marketing

Generators are authorized to sell Wealth Generators products and services, and enroll Customers or Generators only in the countries in which Wealth Generators is authorized to conduct business, as announced in official Company literature. Wealth Generators products or sales aids may not be shipped into or sold in any foreign country unless a country is officially designated as open by Wealth Generators. Generators may sell, give, transfer, or



distribute Wealth Generators products or sales aids only in their home country or a Wealth Generators authorized country. In addition, no Generator may, in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential customers or Generators; or (c) conduct any other activity for the purpose of selling Wealth Generators products, establishing a marketing organization, or promoting the Wealth Generators opportunity.

#### **4.18 Bonus Buying**

Bonus buying is strictly prohibited. Bonus buying includes any mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers. Bonus buying includes, but is not limited to, purchasing products or services through a straw man or other artifice.

#### **4.19 Adherence to Laws and Ordinances**

Generators 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 Generators because of the nature of their business. However, Generators must obey those laws that do apply to them. If a city or county official tells a Generator that an ordinance applies to him or her, the Generator shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of Wealth Generators.

#### **4.20 One Wealth Generators Business Per Distributorship/Per Household**

A Generator may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Wealth Generators business. No individual may have, operate or receive compensation from more than one Wealth Generators business. Individuals of the same Household may not enter into or have an interest in more than one Wealth Generators Business. A "Household" is defined as spouses, and dependent children living at or doing business at the same address.

In order to maintain the integrity of the Wealth Generators Bonus Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become Independent Wealth Generators must be jointly sponsored as one Wealth Generators business. Spouses, regardless of whether one or both are signatories to the Generator Application and Agreement, may not own or operate any other Wealth Generators business, either individually or jointly, nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or have any other legal or equitable ownership) in the ownership or management of another Wealth Generators business in any form.

An exception to the one business per Generator/household rule will be considered on a case by case basis if two Generators marry or in cases of a Generator receiving an interest in another business through inheritance. Requests for exceptions to policy must be submitted in writing to the Compliance Department.



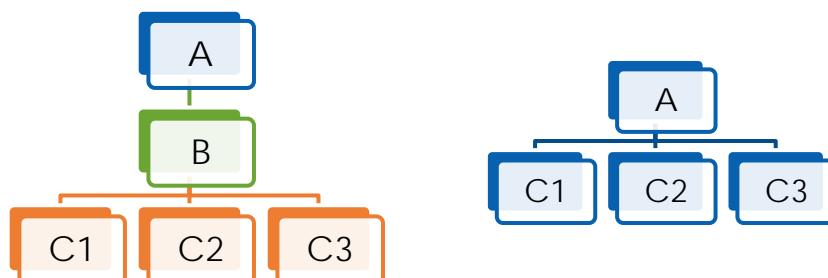
#### 4.21 Actions of Household Members or Affiliated Parties

If any member of a Generator's immediate household engages in any activity which, if performed by the Generator, would violate any provision of the Agreement, such activity will be deemed a violation by the Generator and Wealth Generators may take disciplinary action pursuant to the Statement of Policies against the Generator. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and Wealth Generators may take disciplinary action against the Business Entity. Likewise, if a Generator enrolls in Wealth Generators as a Business Entity, each Affiliated Party of the Business Entity shall be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

#### 4.22 Roll-up of Marketing Organization

When a vacancy occurs in a Marketing Organization due to the termination of an Independent Wealth Generators business, each Generator in the first level immediately below the terminated Generator on the date of the cancellation will be moved to the first level ("front line") of the terminated Generator's enroller. For example, if A enrolls B, and B enrolls C1, C2, and C3, if B terminates her business, C1, C2, and C3 will "roll-up" to A and become part of A's first level.

Example:



#### 4.23 Sale, Transfer or Assignment of Wealth Generators Business

Although a Wealth Generators business is a privately owned and independently operated business, the sale, transfer or assignment of a Wealth Generators business, and the sale, transfer, or assignment of an interest in a Business Entity that owns or operates a Wealth Generators business, is subject to certain limitations. If a Generator wishes to sell his or her Wealth Generators business, or interest in a Business Entity that owns or operates a Wealth Generators business, the following criteria must be met:

- (1) The selling Generator must offer Wealth Generators the right of first refusal to purchase the business on the same terms as agreed upon with a third-party buyer.
- (2) Wealth Generators shall have fifteen days from the date of receipt of the written offer from the seller to exercise its right of first refusal.

- (3) The buyer or transferee must become a qualified Independent Wealth Generator. If the buyer is an active Independent Wealth Generator, he or she must first terminate his or her Wealth Generators business and wait six calendar months before acquiring any interest in a different Wealth Generators business;
- (4) Before the sale, transfer or assignment can be finalized and approved by Wealth Generators, any debt obligations the selling party has with Wealth Generators must be satisfied.
- (5) The selling party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a Wealth Generators business.

Prior to selling an independent Wealth Generators business or Business Entity interest, the selling Generator must notify Wealth Generators' Compliance Department in writing and advise of his or her intent to sell his/her Wealth Generators business or Business Entity interest. The selling Generator must also receive written approval from the Compliance Department before proceeding with the sale. No changes in line of sponsorship can result from the sale or transfer of a Wealth Generators business.

#### 4.24 Separation of a Wealth Generators Business

Independent Wealth Generators sometimes operate their Wealth Generators businesses as husband-wife partnerships, regular partnerships, limited liability companies, corporations, trusts, or other Business Entities. At such time as a marriage may end in divorce or a corporation, LLC, partnership, trust or other Business Entity may dissolve, 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 businesses up or down the line of sponsorship.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- (1) One of the parties may, with consent of the other(s), operate the Wealth Generators business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Wealth Generators to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- (2) The parties may continue to operate the Wealth Generators business jointly on a "business-as-usual" basis, whereupon all compensation paid by Wealth Generators will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. 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 or a dissolving business entity be divided. Similarly, under no circumstances will Wealth Generators split commission and bonus checks between divorcing spouses or members of dissolving entities. Wealth Generators will recognize only one Downline Organization and will issue only one commission check per Wealth Generators business per commission cycle. Commission checks shall always be issued to the same individual or entity.

If a former spouse has completely relinquished all rights in the original Wealth Generators business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his

or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a Generator. In either case, the former spouse or business affiliate shall have no rights to any Generators in their former organization or to any former member. They must develop the new business in the same manner as would any other new Generator.

#### 4.25 Enrolling Online

When enrolling a new Generator through the online enrollment process, the sponsor/enroller may assist the new applicant in filling out the enrollment materials. However, the applicant must personally review and agree to the online application and agreements, Wealth Generators' Policies and Procedures, and the Wealth Generators Bonus Plan. The sponsor/enroller may not fill out the online application and agreement on behalf of the applicant and agree to these materials on behalf of the applicant.

#### 4.26 Succession

Upon the death or incapacitation of a Generator, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Generator should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever Wealth Generators business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Generator's marketing organization provided the following qualifications are met.

The successor(s) must:

- a) Execute a Generator Agreement;
- b) Comply with terms and provisions of the Agreement;
- c) Meet all of the qualifications for the deceased Generator's status;
- d) The devisee must provide Wealth Generators with an "address of record" to which all bonus and commission checks will be sent;
- e) If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification Number. Wealth Generators will issue all bonus and commission checks and one 1099 to the business entity.

##### 4.26.1 Transfer Upon Death of a Generator

To effect a testamentary transfer of a Wealth Generators business, the executor of the estate must provide the following to Wealth Generators:

- a) an original death certificate;
- b) certified letters testamentary or a letter of administration appointing an executor;
- c) written instructions from the authorized executor to Wealth Generators specifying to whom the business and income should be transferred.

#### 4.26.2 Transfer Upon Incapacitation of a Generator

To effectuate a transfer of a Wealth Generators business because of incapacity, the successor must provide the following to Wealth Generators:

- a) a notarized copy of an appointment as trustee;
- b) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the Wealth Generators business;
- c) a completed Generator Agreement executed by the trustee.

#### 4.27 Telemarketing Techniques

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 Wealth Generators does not consider Generators to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law.

**Moreover, these regulations must not be taken lightly, as they carry significant penalties.**

Therefore, Generators must not engage in telemarketing in the operation of their Wealth Generators businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Wealth Generators product or service, or to recruit them for the Wealth Generators opportunity. "Cold calls" made to prospective customers or Generators that promote either Wealth Generators' products or services or the Wealth Generators opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Generator (a "prospect") is permissible under the following situations:

- (1) If the Generator has an established business relationship with the prospect. An "established business relationship" is a relationship between a Generator and a prospect based on the prospect's purchase, rental, or lease of goods or services from the Generator, or a financial transaction between the prospect and the Generator, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- (2) The prospect's personal inquiry or application regarding a product or service offered by the Generator, within the three (3) months immediately preceding the date of such a call.
- (3) If the Generator receives written and signed permission from the prospect authorizing the Generator to call. The authorization must specify the telephone number(s) which the Generator is authorized to call.
- (4) You may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you engage in "card collecting" with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this

exemption. Thus, if you engage in calling "acquaintances," you must make such calls on an occasional basis only and not make this a routine practice.

- (5) Generators shall not place or initiate any outbound telephone call to any person that delivers any pre-recorded message (a "robocall") regarding or relating to the Wealth Generators products, services or opportunity.

#### **4.28 Back Office Access**

Wealth Generators makes online back offices available to its Generators. Back offices provide Generators access to confidential and proprietary information that may be used solely and exclusively to promote the development of a Generator's Wealth Generators business and to increase sales of Wealth Generators products. However, access to a back office is a privilege, and not a right. Wealth Generators reserves the right to deny Generators' access to the back office at its sole discretion.

## **SECTION 5: Responsibilities of Generators**

### **5.1 Change of Address, Telephone, and E-Mail Addresses**

To ensure timely delivery of support materials, compensation, and tax documents, it is important that the Wealth Generators' files are current. Street addresses are required for shipping since UPS cannot deliver to a post office box. Generators planning to change their e-mail address or move must send their new address and telephone numbers to Wealth Generators' Corporate Offices to the attention of the Support Department. To guarantee proper delivery, two weeks' advance notice must be provided to Wealth Generators on all changes. A Generator's whose contact information changes must amend their contact information through their Generator Back Office.

### **5.2 Continuing Development Obligations**

#### **5.2.1 Ongoing Training**

Any Generator who enrolls or sponsors another Generator into Wealth Generators must perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her Wealth Generators business. Generators must have ongoing contact and communication with the Generators in their Downline Organizations.

Examples of such contact and communication may include, but are not limited to:

- newsletters
- written correspondence
- personal meetings
- telephone contact
- voice mail
- texting

- electronic mail
- accompaniment of downline Generators to Wealth Generators meetings, training sessions, and other functions

Upline Generators are also responsible to motivate and train new Generators in:

- Wealth Generators product knowledge
- effective sales techniques
- Wealth Generators Bonus Plan
- compliance with Company Policies and Procedures and applicable laws

Communication with and the training of downline Generators must not, however, violate Sections 4.1 and/or 4.2 (regarding the development of Generator-produced sales aids and promotional materials.)

Generators should monitor the Generators in their Downline Organizations to guard against downline Generators making improper product or business claims, violation of the Policies and Procedures, or engaging in any illegal or inappropriate conduct.

### **5.2.2 Increased Training Responsibilities**

As Generators progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the Wealth Generators program. They will be called upon to share this knowledge with lesser experienced Generators within their organization.

### **5.2.3 Ongoing Sales Responsibilities**

Regardless of their level of achievement, Generators have an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers.

## **5.3 Non-disparagement**

Wealth Generators wants to provide its independent Generators with the best products, Bonus Plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the Compliance Department. ([compliance@wealthgenerators.com](mailto:compliance@wealthgenerators.com)) Remember, to best serve you, we must hear from you!

While Wealth Generators welcomes constructive input, negative comments and remarks made in the field by Generators about the Company, its products, or Bonus Plan serve no purpose other than to sour the enthusiasm of other Independent Wealth Generators. For this reason, and to set the proper example for their downline, Generators must not disparage, demean, or make negative remarks about Wealth Generators, other Independent Wealth Generators, Wealth Generators' products, the Marketing and Bonus Plan, or Wealth Generators' directors, officers, or employees.

### 5.4 Providing Documentation to Applicants

Generators must provide the most current version of the Policies and Procedures, Replicated Website and Privacy Policy, Member Terms and Conditions, and the Bonus Plan to individuals whom they are sponsoring to become Generators before the applicant completes an online Generator Agreement, or ensure that they have online access to these materials within five days of their enrollment.

## SECTION 6: Sales Requirements

### 6.1 Product Sales

The Wealth Generators Bonus Plan is based on the sale of Wealth Generators products and services to end consumers. Generators must fulfill personal and Downline Organization sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement set forth in the Bonus Plan.

#### 6.1.1 Executing a Sale

All subscription sales are executed through the member's replicated website or the Company's public website. All product payments are made by the purchasing member directly to the Company via the order process on the replicated website or the Company public website. At times, paper order forms may be necessary but these forms must have all proper disclosures and then execute on-line with the paying member accepting all agreements electronically within five days of enrollment. In no instance shall a new customer pay a distributor directly for Wealth Generators subscriptions. If a distributor is found to be accepting payment for sales of Wealth Generator's products and services, then both company disciplinary and potentially criminal actions may be taken against that distributor.

#### 6.1.2 Redirection of Customer Funds & Sales Misrepresentation

If a Generator enrolls a new member and then accepts payment directly and further misleads the new member that they are an active member of Wealth Generators, and then proceeds to re-distribute Wealth Generators Trade alerts to those new members without the company receiving member's payment then that Generator will face immediate cancellation of their distributor agreement and face criminal proceedings due to violation of state and federal laws. Wealth Generators will prosecute any distributor who has found to be committing criminal and fraudulent actions against another using Wealth Generators as the vehicle to commit such fraud.

### 6.2 No Territory Restrictions

There are no exclusive territories granted to anyone.

## SECTION 7: Bonuses and Commissions

### 7.1 Bonus and Commission Qualifications and Accrual

A Generator must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as a Generator complies with the terms of the Agreement, Wealth Generators shall pay commissions to such Generator in accordance with the Marketing and Bonus Plan. The minimum amount for which Wealth Generators will issue a commission payment is Twenty-Five Dollars (\$25.00). Notwithstanding the foregoing, all commissions owed a Generator, regardless of the amount accrued, will be paid at the end of each fiscal year or upon the termination of a Generator's business.

### 7.2 Adjustment to Bonuses and Commissions

#### 7.2.1 Adjustments for Returned Products and Cancelled Services

Generators receive bonuses, commissions, or overrides based on the actual sales of products and services to end user consumers. When a service is cancelled or a product is returned to Wealth Generators for a refund, any of the following may occur at the Company's discretion:

- (1) the bonuses, commissions, or overrides attributable to the returned product(s) or cancelled service will be deducted from payments to the Generator and upline Generators who received bonuses, commissions, or overrides on the sales of the refunded product(s) or cancelled service, in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered;
- (2) the Generator or upline Generators who earned bonuses, commissions, or overrides based on the sale of the returned product(s) or cancelled service will have the corresponding points deducted from their Group Volume in the next month and all subsequent months until it is completely recovered; or (3) the bonuses, commissions, or overrides attributable to the returned product(s) or cancelled service may be deducted from any refunds or credits to the Generator who received the bonuses, commissions, or overrides on the sales of the refunded product(s) or cancelled service.

#### 7.2.2 Hard Copy Commission Checks

The Company pays commissions via direct deposit into Generators' bank accounts or via electronic payment using an electronic wallet or other electronic means of cash transfer. A Generator may request a hardcopy check however there will be a \$12.00 processing fee to issue a hardcopy check. If a check is lost, a replacement check will cost \$35.00 due to banking and administrative fees.

#### 7.2.3 Tax Withholdings

If a Generator fails to submit a W-9 or any other required tax form, Wealth Generators will deduct the necessary withholdings from the Generator's commission checks as required by law.



### 7.2.4 Maximum Payout 70% Cap Rule

Wealth Generators commits to paying up to a maximum of 70% of revenue from all Sales Volume generated by our subscribers back to the field. To ensure the long-term viability of Wealth Generators and to protect future opportunities for our subscribers, the Company must limit the amount of total commission payout to this percentage. If the total payout is above the 70% cap an adjustment to the Gen Pay bonus pay out will be made to bring the payout in line with the 70% cap rule.

## 7.3 Reports

All information provided by Wealth Generators in downline activity reports, including but not limited to personal and group sales volume (or any part thereof), and down line sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including but not limited to the inherent possibility of human, digital, and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by Wealth Generators or any persons creating or transmitting the information.

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

*TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, WEALTH GENERATORS AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY GENERATOR 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 GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF WEALTH GENERATORS 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, WEALTH GENERATORS OR OTHER PERSONS*

*CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.*

*ACCESS TO AND USE OF WEALTH GENERATORS' ONLINE AND TELEPHONE REPORTING SERVICES AND YOUR RELIANCE UPON SUCH INFORMATION IS AT YOUR OWN RISK. ALL SUCH INFORMATION IS PROVIDED TO YOU "AS IS". IF YOU ARE DISSATISFIED WITH THE ACCURACY OR QUALITY OF THE INFORMATION, YOUR SOLE AND EXCLUSIVE REMEDY IS TO DISCONTINUE USE OF AND ACCESS TO WEALTH GENERATORS' ONLINE AND TELEPHONE REPORTING SERVICES AND YOUR RELIANCE UPON THE INFORMATION.*

## SECTION 8: Product Guarantees, Repurchase and Rescission

### 8.1 Product and Purchase Rescission

Federal and state law requires that Generators notify their customers (members) that they have **three** business days (Five (5) business days for Alaska residents and fifteen (15) business days for Montana residents. Saturday is a business day, Sundays and legal holidays are not business days) within which to cancel their purchase and receive a full refund. Generators **MUST** verbally inform their customers of this right, they **MUST** refer the member to the original invoice provided at time of order along with the notice of right to cancel that the customer agreed to at time of purchase.

### 8.2 Product Guarantee and Refund Policy

#### 8.2.1 Product Guarantee

Wealth Generators, through its Generators, offers a 100% ten (10) day money-back satisfaction guarantee to all Customers, and Generators. The member must submit their cancellation and refund request in writing to [support@wealthgenerators.com](mailto:support@wealthgenerators.com) or via the ticketing system within ten days of their product purchase date.

Every Generator is bound to honor the product guarantee. It should be noted that the Wealth Generators product guarantee is more generous than the state/federal right to rescind stated in Policy 8.1. In all matters, the ten-day product guarantee should be quoted to new members with the only exception being Montana residents who have fifteen days.

#### 8.2.2 Montana Residents

A Montana resident may cancel his or her Generator Agreement within **15 days** from the date of enrollment, for a full refund within such time period.

#### 8.2.3 Refund Policy after Ten Days

If the member cancels after 10 (ten) days, they **will not** receive a refund (partial or otherwise). We will cancel their subscription and they will no longer be billed. Access to the member site will be in place until their subscription billing period ends.

#### 8.2.4 No Chargebacks

The member is provided with the 10-day money back guarantee. Cancellation during this period simply requires the member to email support: [support@wealthgenerators.com](mailto:support@wealthgenerators.com) or submit a ticket requesting their cancellation and refund. Since our subscription program is delivered 100% through electronic methods, there is no foundation for a chargeback by a member.

**Chargeback:** A chargeback is when a consumer contacts their credit card company and informs them of an invalid, unauthorized charge against their card.

Distributors must clearly explain to their customers that they must cancel directly with us. The customer agrees to these provisions when accepting our terms and conditions during their purchase process.

Any chargeback reported by a customer will be challenged by Wealth Generators. It is imperative that all Generators inform new members of this policy.

### 8.2.5 Triple Your Subscription Back Guarantee Retired as of March 1<sup>st</sup> 2017

Wealth Generators "triple your subscription back" guarantee is valid for members who were active prior to March 1<sup>st</sup>, 2017. For all active members after March 1<sup>st</sup>, 2017, the Triple Subscription Guarantee is no longer valid.

Those grandfathered prior to March 1<sup>st</sup>, 2017 would follow the guidelines below.

The guarantee stipulates: If you choose to trade our strategies for six months and lose money, we will reimburse you three times (3x) your subscription fees for that period.

#### Example:

Monthly Subscription:	\$129.99
# of Months:	6 months
Refund Amount:	\$2,339.82
	<i>(\$129.99 subscription x 6 months x 3)</i>

#### The provisions of the guarantee are as follows:

- (1) You must execute at least 90% of the trades for the strategies you are subscribed to for six consecutive months (Note: If the subscription package and product that a customer selects changes throughout the six-month period, their 6-consecutive month period will begin over from the date of the new product subscription activation. The six-month requirement can only be satisfied with the SAME product pack. For example, if a customer has been subscribed to the Algo Pack for four months and then switches to the Equity Pack during the 5<sup>th</sup> month, the six-month period starts over for Guarantee qualifying purposes and begins on the day the customer was switched to the Equity Pack).
- (2) The trades can be executed in a live or "virtual/demo" account with the exception of the FX Accelerator and FX Multiplier subscriptions which do not allow for demo accounts.
- (3) The member must deploy proper trade allocation utilizing no more than 10% (ten percent) of their available capital in any one trade
- (4) The trade history must be submitted to Wealth Generators to exercise the guarantee

All documentation must be submitted to Wealth Generators through the Support ticket system or via email to: [support@wealthgenerators.com](mailto:support@wealthgenerators.com). Wealth Generators will review the triple your subscription back request and provide an acceptance or denial of the claim within 14 days of receipt. Wealth Generators will pay the triple your subscription back over a six-month period where the customer will receive three times their subscription each month for six months.

### 8.3 Return of Sales Aids by Generators Upon Cancellation

Generators are not required to purchase sales aids. Any sales aid available for sale through the company on-line store has clearly stated return policies for each item. Any purchases through the on-line store abide by the policies of the on-line store.

### 8.4 Stop Payment Requests and Payment Reissue

If a Generator requests a stop payment of funds and or the reissue of payment, Wealth Generators will assess a \$35 processing fee each time to cover bank charges and administration expenses.

## SECTION 9: Dispute Resolution and Disciplinary Proceedings

### 9.1 Disciplinary Sanctions

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

- Issuance of a written warning or admonition;
- Requiring the Generator to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;
- Wealth Generators may withhold from a Generator all or part of the Generator's bonuses and commissions during the period that Wealth Generators is investigating any conduct allegedly violating the Agreement.
- If a Generator's business is canceled for disciplinary reasons, the Generator will not be entitled to recover any commissions withheld during the investigation period;
- Suspension of the individual's Generator Agreement for one or more pay periods;
- Permanent or temporary loss of, or reduction in, the current and/or lifetime rank of a Generator (which may subsequently be re-earned by the Generator);
- Transfer or removal of some or all of a Generator's downline Generators from the offending Generator's downline organization.
- Involuntary termination of the offender's Generator Agreement;

- Suspension and/or termination of the offending Generator's Wealth Generators website or website access;

Any other measure expressly allowed within any provision of the Agreement or which Wealth Generators deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Generator's policy violation or contractual breach;

In situations deemed appropriate by Wealth Generators, the Company may institute legal proceedings for monetary and/or equitable relief. In criminal matters, Wealth Generators will assist federal and state authorities in prosecution to the fullest extent of the law.

## 9.2 Grievances and Complaints

When a Generator has a grievance or complaint with another Generator regarding any practice or conduct in relationship to their respective Wealth Generators businesses, the complaining Generator should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Compliance Department at the Company ([compliance@wealthgenerators.com](mailto:compliance@wealthgenerators.com)). The Compliance Department will review the facts and attempt to resolve it.

## 9.3 Mediation

Prior to instituting an arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediation shall occur within 60 days from the date on which the mediator is appointed. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorney's fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in the City of Salt Lake City, Utah, and shall last no more than two business days.

## 9.4 Arbitration

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration. The Parties waive all rights to trial by jury or to any court. The arbitration shall be filed with, and administered by, the American Arbitration Association ("AAA") or JAMS Endispute ("JAMS") under their respective rules and procedures. The *Commercial Arbitration Rules and Mediation Procedures* of the AAA are available on the AAA's website at [www.adr.org](http://www.adr.org). The *Streamlined Arbitration Rules & Procedures* are available on the JAMS website at [www.jamsadr.com](http://www.jamsadr.com). Copies of AAA's *Commercial Arbitration Rules and Mediation Procedures* or JAM's *Streamlined Arbitration Rules & Procedures* will also be emailed to Generators upon request to Wealth Generators' Compliance Department ([compliance@wealthgenerators.com](mailto:compliance@wealthgenerators.com)).

Notwithstanding the rules of the AAA or JAMS, the following shall apply to all Arbitration actions:

- (1) The Federal Rules of Evidence shall apply in all cases;
- (2) The Parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure;
- (3) The Parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure;
- (4) The arbitration shall occur within 180 days from the date on which the arbitrator is appointed, and shall last no more than five business days;
- (5) The Parties shall be allotted equal time to present their respective cases, including cross-examinations.

All arbitration proceedings shall be held in Salt Lake City, Utah. There shall be one arbitrator selected from the panel that the Alternate Dispute Resolution service provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The arbitration shall occur within 180 days from the date on which the arbitration is filed, and shall last no more than five business days. The parties shall be allotted equal time to present their respective cases. 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 of competent jurisdiction. This agreement to arbitrate shall survive the cancellation or termination of the Agreement.

The parties and the arbitrator shall maintain the confidentiality of the entire arbitration process and shall not disclose to any person not directly involved in the arbitration process:

- (1) The substance of, or basis for, the controversy, dispute, or claim;
- (2) The content of any testimony or other evidence presented at an arbitration hearing or obtained through discovery in arbitration;
- (3) The terms or amount of any arbitration award;
- (4) The rulings of the arbitrator on the procedural and/or substantive issues involved in the case.

Notwithstanding the foregoing, nothing in these Policies and Procedures shall prevent either party from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect its intellectual property rights, and/or to enforce its rights under the non-solicitation provision of the Agreement.

## 9.5 Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Salt Lake County, State of Utah. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Utah shall govern all other matters relating to or arising from the Agreement.

### 9.5.1 Louisiana Residents

Notwithstanding the foregoing, and the arbitration provision in Section 9.4, residents of the State of Louisiana shall be entitled to bring an action against Wealth Generators in their home forum and pursuant to Louisiana law.

## SECTION 10: Payments

### 10.1 Restrictions on Third Party Use of Credit Cards & Checking Account Access

Generators shall not permit other Generators or Customers to use his or her credit card, or permit debits to their checking accounts, to enroll or to make purchases from the Company. **Wealth Generators will only make payment to account that are registered to the Generator in the name of the Generator.**

### 10.2 Sales Taxes

Wealth Generators is required to charge sales taxes on all purchases made by Generators and Customers, and remit the taxes charged to the respective states. Accordingly, Wealth Generators will collect and remit sales taxes on behalf of Generators, based on the suggested retail price of the products, according to applicable tax rates in the state or province to which the shipment is destined. If a Generator has submitted, and Wealth Generators has accepted, a current Sales Tax Exemption Certificate and 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 on the Generator. 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 Wealth Generators is not retroactive.

## SECTION 11: Inactivity and Cancellation

### 11.1 Effect of Cancellation

So long as a Generator remains active and complies with the terms of the Generator Agreement and these Policies and Procedures, Wealth Generators shall pay commissions to such Generator in accordance with the Bonus Plan. A Generator's bonuses and commissions constitute the entire consideration for the Generator's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following a Generator's non-renewal of his or her Generator Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her Generator Agreement (all of these methods are collectively referred to as "cancellation"), the former Generator shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization.

A Generator whose business is cancelled will lose all rights as a Generator. This includes the right to sell Wealth Generators products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Generator's former downline sales organization. In the event of cancellation, Generators 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 his or her former downline organization.

Following a Generator's cancellation of his or her Generator Agreement, the former Generator shall not hold himself or herself out as a Wealth Generators Generator and shall not have the right to sell Wealth Generators products or services. A Generator whose business is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary termination).

## 11.2 Cancellation Due to Inactivity

### 11.2.1 Failure to Meet PV Quota

If a Generator fails to either personally purchase a subscription (100 PV) or generate at least 400 PV for 4 consecutive months, his or her Generator Agreement shall be canceled for inactivity.

## 11.3 Involuntary Cancellation

A Generator's violation of any of the terms of the Agreement, including any amendments that may be made by Wealth Generators in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary cancellation of his or her Generator Agreement. Cancellation shall be effective on the date on which written notice is mailed, emailed, faxed, or delivered to an express courier, to the Generator's last known address, email address, or fax number, or to his/her attorney, or when the Generator receives actual notice of cancellation, whichever occurs first.

Wealth Generators reserves the right to terminate all Generator 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.

## 11.4 Voluntary Cancellation

As a member or Generator you have the right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address, via Support Ticket or email to support@wealthgenerators.com. The written notice must include the Members or Generator's signature, printed name, address, and I.D. Number. A phone call to support is not sufficient to cancel a membership, it must be in writing via hardcopy via US mail delivery or electronic transmission to the company.

Voluntary cancellation will place your account in an inactive state for 7 days. After 7 days, the position will be removed from the placement and enrollment trees and all association with Wealth Generators. If the Generator wishes to re-enroll, they must wait 4 months to enroll with a different enroller. Should they wish to re-enroll with their original enroller after the initial 7 days of inactivity, they may do so at any time but will not be able to regain their position and organization within Wealth Generators.



## 11.5 Non-renewal

A Generator may also voluntarily cancel his or her Generator Agreement by failing to renew the Agreement on its anniversary date or by failing to pay his/her annual renewal fee. The Company may also elect not to renew a Generator's Agreement upon its anniversary date.

## 11.6 Exceptions to Activity Requirements

### 11.6.1 Maternity

A pregnant Generator shall be exempt from meeting her Personal Volume and Group Volume quotas for a period of four months following the birth of a child.

### 11.6.2 Military Deployment

Military personnel shall be exempt from meeting their Personal Volume and Group Volume quotas for the duration of the deployment and one full calendar month thereafter while deployed into a foreign country.

## SECTION 12: Definitions

**Active Customer:** A Customer who purchases Wealth Generators products and whose subscription has been paid for the current month.

**Active Generator:** A Generator who satisfies the minimum Personal Sales Volume requirements, as set forth in the Wealth Generators Bonus Plan, to ensure that he or she is eligible to receive bonuses and commissions.

**Active Rank:** The term "active rank" refers to the current rank of a Generator, as determined by the Wealth Generators Bonus Plan, for any pay period. Also referred to as "paid as rank". To be considered "active" relative to a particular rank, a Generator must meet the criteria set forth in the Wealth Generators Bonus Plan for his or her respective rank. (*See the definition of "Rank" below.*)

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

**Agreement:** The contract between the Company and each Generator includes the Generator Application and Agreement, the Wealth Generators Policies and Procedures, the Wealth Generators Bonus Plan, and the Business Entity Form (where appropriate), all in their current form and as amended by Wealth Generators in its sole discretion. These documents are collectively referred to as the "Agreement."

**Cancel:** The termination of a Generator's business. Cancellation may be either voluntary, involuntary, through non-renewal or inactivity.

**Downline Leg:** Each one of the individuals enrolled immediately underneath you and their respective marketing organizations represents one "leg" in your marketing organization.

**Enrolled Member:** A new member who enters their order information, selects a membership level and subscription package and pays for that order via our on-line portal. If a new

member enters their information but does not pay for a product, then they are not enrolled nor are they a member.

**Household:** Spouses, heads-of-household, and dependent family members residing in the same residence.

**Immediate Household:** Spouses, heads-of-household, and dependent family members residing in the same residence.

**Level:** The layers of downline Customers and Generators in a particular Generator's Marketing Organization. This term refers to the relationship of a Generator relative to a particular upline Generator, determined by the number of Generators between them who are related by sponsorship. For example, if A sponsors B, who sponsors C, who sponsors D, who sponsors E, then E is on A's fourth level.

**Marketing Organization:** Another term for "downline."

**Official Wealth Generators Material:** Literature, audio or video tapes, websites, and other materials developed, printed, published and/or distributed by Wealth Generators to Generators.

**Personal Production:** Moving Wealth Generators products or services to an end consumer for actual use.

**Personal Volume:** The commissionable value of services and products purchased by: (1) a Generator (2) all personally enrolled Members or Generators.

**Rank:** The "title" that a Generator holds pursuant to the Wealth Generators Bonus Plan. "Title Rank" refers to the highest rank a Generator has achieved in the Wealth Generators Bonus Plan at any time. "Paid As" rank refers to the rank at which a Generator is qualified to earn commissions and bonuses during the current pay period.

**Recruit:** For purposes of Wealth Generators' Conflict of Interest Policy (Section 4.10), the term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Wealth Generators Generator or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

**Registered External Website:** A Generators Wealth Generators-approved personal website that is hosted on non-Wealth Generators servers and has no official affiliation with Wealth Generators.

**Replicated Website:** A website provided by Wealth Generators to Generators which utilizes website templates developed by Wealth Generators.

**Customer:** An individual who purchases Wealth Generators products from a Generator but who is not a participant in the Wealth Generators Bonus Plan.

**Member:** Same as a Customer and is used interchangeably throughout this document.

**Generator:** A person or business entity that enrolls in Wealth Generators and pays the annual fee. Generators have access to selected Wealth Generators' products and back office. They do not have access to the Experts Pack. They also participate in the Bonus Plan, but do not participate in the Wealth Generator Bonus.

**Qualified Generator:** A title given to a person whom purchases the Qualified Generator Education Pack. Qualified Generators have access to selected Wealth Generators'

products. They also have access to the Experts Pack section of the members site. Active Qualified Generators participate in the QG Bonus.

**Guaranteed Generator:** A person or business entity that enrolls in Wealth Generators as a Generator and establishes a 400 PV is considered Guaranteed and is officially recognized as a Guaranteed Generator.

**Sales:** Sales of subscription to customers or generators.

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

**Placement Tree:** Tracks the Placement relationships within your organization.

**Enrollment Tree:** Tracks the Enrollment relationships within your organization.

**Enroller:** The Generator who signs you up as an Independent Wealth Generator.

**Sponsor:** A Generator under whom an enroller places a new Generator, or Customer. The Sponsor and Enroller may be the same person or different people.

**Upline:** This term refers to the Generator or Generators above a particular Generator in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Generator to the Company.

# **EXHIBIT B**



# iMARKETSLIVE

## **We are excited to announce our Binary Options Live Educational Platform!**

We are pleased to add, Evan Cabral and Daniel Lopez to the IML Trading team. Both have a large following due tot heir amazing trading success and educational insight.

CEO Christopher Terry said "Adding these Binary Options Experts is a massive benefit for iMarketsLive!"

Both Evan and Daniel's trading schedule has been added to [www.imarketslive.tv](http://www.imarketslive.tv). We will have both English and Spanish channels available!

Services for Binary Trading will be free until November 2017!!

Check our Daniel and Evan at [www.imarketslive.tv](http://www.imarketslive.tv).

# **EXHIBIT C**



John



Don't worry about setting up anything with johnny and nick. I wish you the best. I'm staying with wealth gen.

Read 1:02 AM

Are you sure

A lot of things are happening behind the scenes and it doesn't look pretty

I can't really disclose the info but now would be the time to lock in your spot before everything happens

I'm only telling you because I care enough to tell you before anything bad happens

But yeah, it's up to you

I just rather leave the "titanic" before everything sinks and people are left trying to find a home



iMessage





Mail

COMPOSE

Inbox (85)

Starred

Sent Mail

Drafts (9)

Accounting (36)

Bitcoin

Finance Email (...)

General GPG (1...)

GPG Payment S...

Paypal (29)

Propay

Safety Pay

All Support Sprea...

From Kurt (37)

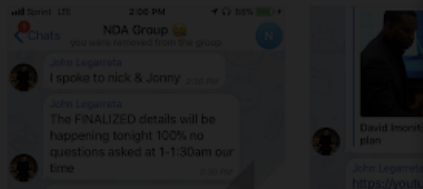
B List (8)

Back End Stuff (1)

Blue Chip Promot...

Sent from my iPhone

3 Attachments



Annette Raynor  
to Compliance



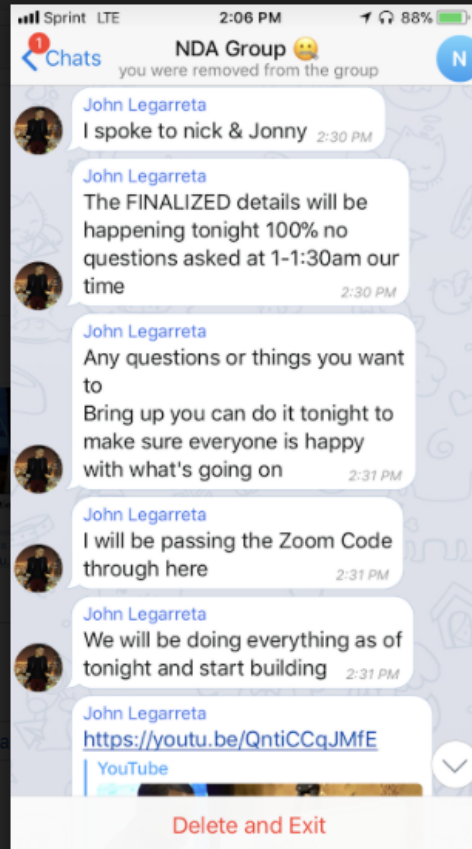
English > Spanish Translate message

Annette Raynor  
Wealth Generators LLC

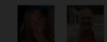
Toll Free: **888.778.5372**

Fax: **888.217.8720**

Open with



25 of 136

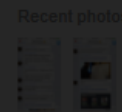


1 more

Chad Miller

chad@wealthgenerators.com

Recent photos



Show details

Sep 29 (3 days ago)


Turn off for: English



Chats

NDA Group


you were removed from the group



John Legarreta

We will be doing everything as of tonight and start building


2:31 PM




John Legarreta

<https://youtu.be/QntiCCqJMfE>

YouTube




28:34



David Imonitie | IML Compensation plan


3:58 PM



John Legarreta

<https://youtu.be/cJ9dN994ox4>

YouTube



33:37

IML

Deletar Exit

