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Policies & Procedures

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SECTION 1 – INTRODUCTION

1.1 - Policies and Compensation Plan Incorporated into Consultant Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of Gemstra (hereafter “Gemstra” or the “Company”), are incorporated into, and form an integral part of the Gemstra Consultant Agreement. Throughout these Policies, when the term “Agreement” is used, it collectively refers to the completed and submitted Gemstra Independent Consultant Application and Agreement, these Policies and Procedures, the Gemstra Compensation Plan, and the Gemstra Multiple Applicant, Partnership or Corporation Registration Form (if applicable). These documents are incorporated by reference into and form an integral part of the Gemstra Consultant Agreement (all in their current form and as amended by Gemstra). It is the responsibility of each Consultant to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When sponsoring or enrolling a new Consultant, it is the responsibility of the sponsoring Consultant to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the Gemstra Compensation Plan prior to his or her execution of the Consultant Agreement.

1.2 - Purpose of Policies

Gemstra is a company that markets its products through Independent Consultants (hereafter “Consultant” or “Consultants”). It is important to understand that your success and the success of your fellow Consultants depends on the integrity of the individuals who market our products. To clearly define the relationship that exists between Consultants and Gemstra, and to explicitly set a standard for acceptable business conduct, Gemstra has established the Agreement. Gemstra Consultants are required to comply with all of the Terms and Conditions set forth in the Agreement which Gemstra may amend at its sole discretion from time to time, as well as all federal, state and local laws governing their Gemstra business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement. Please review the information in these Policies and Procedures carefully. It explains and governs the relationship between you, as an independent contractor and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from your Sponsor or from Gemstra.

1.3 - Changes to the Agreement

Because federal, state, and local laws, as well as the business environment, periodically change, Gemstra reserves the right to amend the Agreement in its sole and absolute discretion. By becoming a Consultant, a Consultant agrees to abide by all amendments that Gemstra elects to make. Amendments shall be effective upon notice to all Consultants that the Agreement has been modified. The Company shall provide or make available to all Consultants a complete copy of the amended provisions by one or more of the following methods: (1) posting in the Consultant back office; (2) electronic mail (e-mail); (3) fax-on-demand; (4) voice mail system broadcast; (5) inclusion in Company periodicals; (6) inclusion in product orders or bonus checks; or (7) special mailings. The continuation of a Consultant’s Gemstra business or a Consultant’s acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

1.4 – Delays

Gemstra shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party’s source of supply, or government decrees or orders.

1.5 - 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.

1.6 - 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 Gemstra to exercise any right or power under the Agreement or to insist upon strict compliance by a Consultant 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 Gemstra's right to demand exact compliance with the Agreement. Waiver by Gemstra can be effectuated only in writing by an authorized officer of the Company. Gemstra's waiver of any particular breach by a Consultant, or Gemstra's waiver of any particular provision of the Consultant Agreement or these Policies and Procedures, shall not affect or impair Gemstra's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Consultant. Nor shall any delay or omission by Gemstra to exercise any right arising from a breach affect or impair Gemstra's rights as to that or any subsequent breach.

The existence of any claim or cause of action of a Consultant against Gemstra shall not constitute a defense to Gemstra's enforcement of any term or provision of the Agreement.

SECTION 2 - BECOMING A CONSULTANT

2.1 - Requirements to Become a Consultant

To become a Gemstra Consultant, each applicant must:

- Be 18 years of age or older
- Be authorized to work in and reside in the United States, a U. S. Territory, or any country that Gemstra has officially announced is open for business
- Have a valid Social Security Number or Federal Tax Identification Number
- Not be in jail or prison or otherwise confined to a correctional institution
- Not have ever been convicted of a felony
- Not be a current employee, officer or director of Gemstra, or the spouse of any of the foregoing
- Complete and submit a Consultant Application that is accepted by Gemstra
- Purchase a Gemstra Consultant Kit*
- Have a valid e-mail address and valid credit card

*All Consultant Kits (products, subscriptions) are nonrefundable

The Company reserves the right to reject any applications for a new Consultant.

2.2 - Independent Contractor Status

Consultants are independent contractors, and are not purchasers of a franchise or a business opportunity. The agreement between Gemstra and its Consultants does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Consultant. A Consultant shall not be treated as an employee for his or her services or for Federal or State tax purposes. All Consultants are responsible for paying local, state, and federal taxes due from all compensation earned as a Consultant of the Company. The Consultant has no authority (expressed or implied) to bind the Company to any obligation.

Each Consultant shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Consultant Agreement, these Policies and Procedures, and applicable laws. The name of Gemstra and other names as may be adopted by Gemstra are proprietary trade names, trademarks and service marks of Gemstra. As such, these marks are of great value to Gemstra and are supplied to Consultants for their use only in an expressly authorized manner, as outlined in section 4.2. Use of Gemstra name on any item not produced by the Company is prohibited except as follows:

Consultant's Name
Gemstra Independent Consultant

No Consultant may place ads using Gemstra's name or logo. Consultants may not answer the telephone by saying "Gemstra", "Gemstra Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Gemstra.

2.3 - Consultant Benefits

Once Gemstra has accepted and approved a Consultant Application and Agreement, the Consultant is able to participate in and take advantage of the benefits of the program and Compensation Plan. These benefits include the right to:

- Purchase Gemstra products at the Consultant prices
- Participate in Pre-Sales of new product launches
- The improper use or application of coupon codes on Pre-Sales purchases cannot be reversed, altered, or refunded in any way
- Sell Gemstra products at home parties, catalog parties, online (virtual) parties, and through the Consultant's website and profit from these sales
- Participate in the Gemstra Compensation Plan (receiving bonuses and commissions, if eligible)
- Sponsor other individuals as Consultants into the Gemstra business and thereby, build a Team and advance through the various ranks under the Gemstra Compensation Plan
- Participate in Gemstra sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable
- Participate in promotional and incentive contests and programs sponsored by Gemstra for its Consultants
- Consultants may have a single Member account

SECTION 3 - BUSINESS PRACTICES

3.1 - Conflicts of Interest

3.1.1 - Non-solicitation

Gemstra Consultants are free to participate in other direct selling ventures or marketing opportunities (including party plan, network marketing and multilevel marketing), excluding direct sales companies that directly compete with the Gemstra business model. However, during the term of this Agreement, Consultants may not directly or indirectly recruit other Gemstra Consultants for any other direct selling business.

Following the cancellation of a Consultant's Consultant Agreement, and for a period of six calendar months thereafter, with the exception of a Consultant who was personally sponsored by the former Consultant, a former Consultant may not recruit any Gemstra Consultant for another network marketing business. Consultants 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, Consultants and Gemstra agree that this non-solicitation provision shall apply to all markets in which Gemstra conducts business.

3.1.2 - Sale of Competing Goods

Consultants must not sell, or attempt to sell, any competing non- Gemstra products at any Gemstra -related event such as a home party or tradeshow. Any product in the same generic categories as Gemstra products is deemed to be competing (e.g., any jewelry or other fashion accessory is in the same generic category as Gemstra's products, and is therefore a competing product, regardless of differences in cost, quality, material, or design.). No selling (retailing) of samples or jewelry contained in Gemstra products as a prize is allowable. These items can be used to incentivize your business as prizes for your host and customer programs.

3.1.3 - Consultant Participation in Other Direct Selling Programs

If a Consultant is engaged in other non- Gemstra direct selling programs, it is the responsibility of the Consultant to ensure that his or her Gemstra business is operated entirely separate and apart from any other program in which the Consultant participates. To this end, the following must be adhered to:

1. The Consultant may not participate in a direct selling company that directly competes with the Gemstra business model.
2. The Consultant may not offer the Gemstra opportunity or products to non- Gemstra prospective or existing customers. The Consultant shall not display Gemstra promotional materials, sales aids, or products with or in the same location as any non- Gemstra promotional materials, sales aids, products or services.
3. The Consultant may not offer the Gemstra opportunity or products to prospective or existing customers or Consultants in conjunction with any non- Gemstra program, opportunity, product or service.
4. The Consultant may not offer any other direct selling program (non- Gemstra) opportunity, products, services at any Gemstra -related meeting, seminar or convention. If the Gemstra meeting is held telephonically or via the internet, any non- Gemstra meeting must be at least two hours before or after the Gemstra meeting, and on a different conference telephone number or internet web address from the Gemstra meeting.
5. The Consultant will not be eligible to advance past the rank of Amethyst Team Leader, if she participates in other direct selling programs. Therefore, Consultant will not receive Team commissions past Level 2, nor will she be eligible for Generational Bonuses or additional Rank Advancement Bonuses past the Amethyst Team Leader Rank Advancement Bonus.
6. If the Consultant participates in other direct selling programs, the Consultant will not be eligible to be assigned any Assigned Consultants.

3.2 – Assigned Consultants

An Assigned Consultant is defined as a Corporate Sponsored Consultant who is assigned to a new Sponsor. In order to qualify to be assigned an Assigned Consultant, the Sponsor must have reached a minimum of 1500PQV, personally sponsored a minimum of one (1) new Level 1 Consultant in the previous month and cannot be participating in any other direct selling programs. In addition, if at any time the Corporate Office determines that the assigned consultant is not receiving adequate upline support or receives complaints from the assigned consultant that they are not receiving adequate support, the Corporate Office at its sole discretion may reassign the assigned consultant to a new upline. Adequate support is defined as continued engagement in their personal business providing training, support, and recognition for the assigned consultant.

3.3 – Customer Change of Linked Consultant

If a Customer wishes to transfer from their linked Consultant to another Consultant, the Customer may contact Customer Support from the email address on their account to request the change. Requests for transfer under this policy will be evaluated on a case-by-case basis and will only be honored once every twelve (12) months. In the event that a transfer is honored, Gemstra will not retroactively pay previously earned commissions to the new Consultant, but will pay commissions earned from the date of the transfer is effective.

3.4 - Change of Sponsor

Each Consultant may have only one Sponsor. To protect the integrity of the business and safeguard the hard work of all Consultants, Gemstra prohibits changes in sponsorship. A Consultant is not permitted to encourage, offer or assist any other Consultant to change Sponsors or Uplines. Under no circumstance shall any Consultant offer or provide any financial incentive or other consideration to another Consultant in exchange for Consultant's agreement to terminate his or her Consultant subscription and re-apply under another Sponsor. Maintaining the integrity of sponsorship is critical to the success of every organization. Accordingly, the transfer of a Gemstra business from one Consultant to another is not permitted

3.4.1 - Misplacement

In cases in which the new Consultant is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor, a Consultant may request that he or she be transferred to another organization with his or her entire Team intact. All requests for transfer alleging fraudulent enrollment practices shall be evaluated on a case by case basis. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within 60 days from the date of enrollment. The Consultant requesting the change has the burden of proving that he or she was placed beneath the wrong Sponsor.

3.4.2 - Cancellation and Re-application

A Consultant may legitimately change organizations by voluntarily canceling his or her Gemstra business and remaining inactive (i.e., no purchases of Gemstra products for resale, no sales of Gemstra products, no sponsoring, no attendance at any Gemstra functions, participation in any other form of Consultant activity, or operation of any other Gemstra business) for six (6) full calendar months. Following the six month period of inactivity, the former Consultant may reapply under a new Sponsor.

3.5 - Cross-Sponsoring

Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrollment of an individual who or entity that already has a current Consultant Agreement with Gemstra, or who has had such an Agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy is also prohibited. Consultants shall not demean, discredit or defame other Gemstra Consultants in an attempt to entice another Consultant to become part of the first Consultant's Team. If Cross Sponsoring is discovered, it must be brought to the Company's attention immediately. Gemstra may take disciplinary action against the Consultant that changed organizations and/or those Consultants who encouraged or participated in the Cross Sponsoring. Gemstra may also move all or part of the offending Consultant's Team to his or her original Team if the Company deems it equitable and feasible to do so. However, Gemstra is under no obligation to move the Cross Sponsored Consultant's Team, and the ultimate disposition of the organization remains within the sole discretion of Gemstra. Consultants waive all claims and causes of action against Gemstra arising from or relating to the disposition of the Cross Sponsored Consultant's Team.

3.6 - International Sponsoring

Because of legal and tax considerations, Gemstra must limit the presentation of the Gemstra business to prospective Consultants located within the United States and U. S. Territories and those other countries that the Company has announced are officially opened for business. Moreover, allowing a few Consultants to conduct business in markets not yet opened by Gemstra would violate the concept of affording every Consultant the equal opportunity to expand internationally.

Accordingly, Consultants are authorized to enroll Consultants only in the countries in which Gemstra is authorized to conduct business, as announced in official Company literature. In addition, no Consultant may, in any unauthorized country: (a) conduct enrollment or training meetings; (b) enroll or attempt to enroll potential Consultants; or (c) conduct any other activity for the purpose of establishing a Team or promoting the Gemstra opportunity.

3.7 - Unauthorized Claims and Actions

3.7.1 - Indemnification

A Consultant is fully responsible for all of his or her verbal and written statements made regarding Gemstra products and the Compensation Plan, which are not expressly contained in official Gemstra materials. Consultants agree to indemnify Gemstra and Gemstra's directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by Gemstra as a result of the Consultant's unauthorized representations or actions. This provision shall survive the termination of the Consultant Agreement.

3.7.2 - Consultant Activity (Genealogy) Reports

Consultant Activity Reports are available for Consultant access and viewing in the Backoffice of each Consultant's replicated Gemstra website. Access to online Consultant Activity Reports is password protected. All Consultant Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Gemstra. Consultant Activity Reports are provided to Consultants in the strictest confidence and are made available to Consultants for the sole purpose of assisting Consultants in working with their respective Teams in the development of their Gemstra businesses. Consultants should use their Consultant Activity Reports to assist, motivate, and train their downline Consultants. The Consultant and Gemstra agree that, but for this agreement of confidentiality and nondisclosure, Gemstra would not provide Consultant Activity Reports to the Consultant. A Consultant shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

1. Directly or indirectly disclose any information contained in any Consultant Activity Report to any third party;
2. Directly or indirectly disclose, to any individual, partnership, association, corporation, or other entity, the password or other access code to his or her Consultant Activity Report;
3. Use the information contained in any Consultant Activity Report to compete with Gemstra or for any purpose other than promoting or supporting his or her Gemstra business; or
4. Recruit or solicit any Gemstra Consultant listed on any Consultant Activity Report, or in any manner attempt to influence or induce any such Consultant to alter his or her business relationship with Gemstra. Upon demand by the Company, any current or former Consultant will return the original and all copies of Consultant Activity Reports to the Company.

3.8 - Targeting Other Direct Sellers

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

3.9 - Errors or Questions

If a Consultant has questions about or believes any errors have been made regarding commissions, bonuses, Consultant Activity Reports, or charges, the Consultant must notify Gemstra in writing within 30 days of the date of the purported error or incident in question. Gemstra will not be responsible for any errors, omissions or problems not reported to the Company within 30 days.

3.10 - Governmental Approval or Endorsement

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

3.11 - Holding Applications or Orders

Consultants must not manipulate enrollments of new applicants and purchases of products.

3.12 - Identification

All Consultants are required to provide their Social Security Number or a Federal Tax Identification Number to Gemstra. Upon enrollment, the Company will provide a unique Consultant Identification Number to the Consultant by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses.

3.13 - Income Taxes

Each Consultant is responsible for paying local, state and federal taxes on any income generated as an Independent Consultant. If a Gemstra business is tax exempt, the Federal Tax Identification Number must be provided to Gemstra. Every year, Gemstra 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.

3.14 - Inventory Loading

Consultants should never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other Consultant to buy more products than they can reasonably use or sell to retail customers in a month.

3.15 - Adherence to Laws and Ordinances

Consultants 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 Consultants because of the nature of their business. However, Consultants must obey those laws that do apply to them. If a city or county official tells a Consultant that an ordinance applies to him or her, the Consultant shall be polite and cooperative, and immediately send a copy of the ordinance to the Customer Service Department at Gemstra. In most cases there are exceptions to the ordinance that may apply to Gemstra Consultants.

3.16 - Minors

A person who is recognized as a minor in his/her state of residence may not be a Gemstra Consultant. Consultants shall not enroll or recruit minors into the Gemstra program.

Accordingly, Consultants are authorized to enroll Consultants only in the countries in which Gemstra is authorized to conduct business, as announced in official Company literature. In addition, no Consultant may, in any unauthorized country: (a) conduct enrollment or training meetings; (b) enroll or attempt to enroll potential Consultants; or (c) conduct any other activity for the purpose of establishing a Team or promoting the Gemstra opportunity.

3.17 - One Gemstra Business per Consultant and per Household

A Consultant may hold only one account under a single Sponsor. A person or entity may not be a party to more than one Consultant Agreement or hold, directly or indirectly, any interest in additional Consultant business, including any Consultant business operated by a Business Entity. Consultants whose credit card information appears on Consultant accounts other than their own will be in violation of this policy. No Consultant may pay others to market and sell any Gemstra products.

A Consultant may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Gemstra business. No individual may have, operate or receive compensation from more than one Gemstra business. Individuals of the same household family unit may not enter into or have an interest in more than one Gemstra business. A "household family unit" is defined as spouses and dependent children living at or doing business at the same house address. In order to maintain the integrity of the Gemstra Compensation Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become Gemstra Consultants must be jointly sponsored as one Gemstra business. Spouses, regardless of whether one or both are signatories to the Consultant Application and Agreement, may not own or operate any other Gemstra business, either individually or jointly, nor may they participate directly

or indirectly (as a shareholder, partner, trustee, trust beneficiary, or any other legal or equitable ownership) in the ownership or management of another Gemstra business in any form.

3.18 - Actions of Household Members or Affiliated Individuals

If any member of a Consultant's immediate household engages in any activity which, if performed by the Consultant, would violate any provision of the Agreement, such activity will be deemed a violation by the Consultant and Gemstra may take disciplinary action pursuant to these Policies and Procedures against the Consultant. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and Gemstra may take disciplinary action against the entity.

3.19 - Sale, Transfer or Assignment of a Gemstra Business

A Consultant may not assign any rights or delegate any duties under the Consultant Agreement.

3.20 - Separation of a Gemstra Business

Gemstra Consultants sometimes operate their Gemstra businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership or trust (the latter three entities are collectively referred to herein as "entities") 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. If the separating parties fail to provide for the best interests of other Consultants and the Company in a timely fashion, Gemstra will involuntarily terminate the Consultant Agreement. 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 Gemstra business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Gemstra to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
2. The parties may continue to operate the Gemstra business jointly on a "business-as-usual" basis, whereupon all compensation paid by Gemstra 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 Team of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Gemstra split commission and bonus checks between divorcing spouses or members of dissolving entities. Gemstra will recognize only one Team and will issue only one commission check per Gemstra business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the Consultant Agreement shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in the original Gemstra 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 Consultant. In either case, however, the former spouse or business affiliate shall have no rights to any Consultants in their former organization or to any former retail customer. They must develop the new business in the same manner as any other new Consultant.

3.21 - Activity/Compression

Effective 10/01/17: To stay active, a Consultant must continue to pay the monthly technology/platform fee (technology fee must be paid concurrently). Compression is designed to ensure all Gemstra Consultants have an active and engaged Sponsor who is leading by consistency and example. Deactivation will occur if a Consultant fails

to pay the monthly technology/platform fee. Upon deactivation, the Consultant's Team will roll-up (compress) to the nearest eligible Quartz and above Consultant Leader.

3.22 - Technology Subscription

The technology subscription fee is a critical part of your Consultant subscription. The technology subscription fee supports your Backoffice and your replicated website. This fee is not connected to Facebook or the Forums. If the technology subscription fee is not paid, you will not have access to your Backoffice or replicated website. If you want to gain access to your Backoffice and replicated website, you will be required to back pay for the any previous non-active month(s).

SECTION 4 - ADVERTISING

4.1 - Adherence to the Gemstra Marketing Plan

Consultants shall not offer the Gemstra opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth by Gemstra. Consultants shall not require or encourage other current or prospective Consultants to participate in Gemstra in any manner that varies from the program as set forth by Gemstra. Consultants shall not require or encourage other current or prospective Consultants to execute any agreement or contract other than official Gemstra agreements and contracts in order to become a Gemstra Consultant. Similarly, Consultants shall not require or encourage other current or prospective Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Gemstra Compensation Plan other than those purchases or payments identified as recommended or required by Gemstra.

4.2 - Advertising

All Consultants shall safeguard and promote the good reputation of Gemstra and its products. The marketing and promotion of Gemstra, the Gemstra opportunity, the Compensation Plan, and Gemstra products shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices. To promote both the products and the opportunity Gemstra offers, Consultants should use the sales aids and support materials produced by Gemstra. The rationale behind this requirement is simple. Gemstra has carefully designed its products, product labels, Compensation Plan, and promotional materials to ensure that each aspect of Gemstra is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal and state laws. If Gemstra Consultants were allowed to develop their own sales aids and promotional materials, notwithstanding their integrity and good intentions, there is a high likelihood that they may unintentionally violate any number of statutes or regulations affecting a Gemstra business. These violations could jeopardize the Gemstra opportunity for all Consultants. Accordingly, Consultants must submit all written sales aids, promotional materials, advertisements, and other literature to the Company for approval.

4.2.1 - Samples

Sample making is highly recommended, with the following restrictions. Samples cannot contain rings. If Gemstra Consultants present samples containing rings that Gemstra is unable to provide quality control for they may unintentionally violate any number of statutes or regulations affecting a Gemstra business and could jeopardize the Gemstra opportunity for all Consultants. Consultants can give out samples and extra/bonus rings, as long as they are separate from each other and the samples are labeled "created by [your name here], Independent Gemstra Consultant".

4.2.2 - Consultant Web Sites

If a Consultant desires to utilize an Internet web page to promote his or her business, he or she may do so through the Company's replicated website program ONLY. This program permits Consultants to advertise on the Internet and personalize the site with the Consultant's contact information. These websites seamlessly link directly to the official Gemstra website giving the Consultant a professional and Company-approved presence on the Internet. No Consultant may independently design a website that uses the names, logos, or product descriptions of Gemstra or otherwise promotes (directly or indirectly) Gemstra products or the Gemstra opportunity. Nor may a Consultant use "blind" ads on the Internet that make product or income claims which are ultimately associated with Gemstra products, the Gemstra opportunity, or the Gemstra Compensation Plan. The use of any other Internet website or web

page (including without limitation to sites such as Amazon, eBay, Etsy, Craigslist, etc...) to in any way promote the sale of Gemstra products, the Gemstra opportunity, or the Compensation Plan is a breach of the Agreement and will result in disciplinary measures.

4.2.3 - Domain Names and Email Addresses

Consultants may not use or attempt to register any of Gemstra's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name. Nor may Consultants incorporate or attempt to incorporate any of the Company's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, into any electronic mail address.

4.2.4 - Facebook

Consultants will refrain from marketing their business on the official Gemstra Facebook page. This includes, but is not limited to, replying to posts and private messaging (PM) individuals who utilize the Company's Facebook page. Failure to comply may lead to termination of Consultant.

4.2.5 - Trademarks and Copyrights

Gemstra does not allow the use of its trade names, trademarks, designs, or symbols by any person, including Gemstra Consultants, without its prior, written permission. Consultants may not produce for sale or distribution any recorded Company events and speeches without written permission from Gemstra nor can Consultants reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

4.2.6 - Media and Media Inquiries

Consultants should not respond to media inquiries regarding Gemstra, its products, or their independent Gemstra business. All inquiries by any type of media must be immediately referred to Gemstra. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

4.2.7 - Unsolicited Email

Gemstra does not permit Consultants 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 Consultant that promotes Gemstra, the Gemstra opportunity, or Gemstra products 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 clearly and conspicuously disclose that the message is an advertisement or solicitation.
4. The use of deceptive subject lines and/or false header information is prohibited.
5. All opt-out requests, whether received by email or regular mail, must be honored. If a Consultant receives an opt-out request from a recipient of an email, the Consultant must forward the opt-out request to the Company. Gemstra may periodically send commercial emails on behalf of Consultants. By entering into the Consultant Agreement, Consultant agrees that the Company may send such emails and that the Consultant's email addresses will be included in such emails as outlined above. Consultants shall honor opt-out requests generated as a result of such emails sent by the Company.

4.2.8 - Unsolicited Mail

Gemstra does not permit Consultants to send or drop-off unsolicited mail including, but not limited to, business cards, promotional flyers, and other printed content. It is a federal offense to open someone's mailbox or to use a mailbox for anything other than USPS posted mail.

4.2.9 - Unsolicited Faxes

Except as provided in this section, Consultants may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of their Gemstra businesses. The term “automatic telephone dialing system” means equipment that has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers. The term “unsolicited faxes” means the transmission via telephone facsimile of any material or information advertising or promoting Gemstra, its products, the Compensation 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 Consultant 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 an Consultant and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Consultant; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.2.10 - Paid Search

The use of paid search to advertise Consultant businesses is strictly prohibited. It disrupts corporate paid search activities as search engines will only show one ad from the same domain – Gemstra.com. Failure to comply may lead to termination of Consultant.

SECTION 5 - SALES

5.1 - Product Sales

The Gemstra Compensation Plan is based on the sale of Gemstra products to end consumers. Consultants must fulfill sales to be eligible for bonuses and commissions.

5.2 - No Territory Restrictions

There are no exclusive territories granted to anyone. No franchise fees are required.

5.3 - 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 Gemstra does not consider Consultants 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 (up to \$11,000.00 per violation). Therefore, Consultants must not engage in telemarketing in the operation of their Gemstra businesses. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Gemstra product, or to recruit them for the Gemstra opportunity. “Cold calls” made to prospective customers or Consultants that promote either Gemstra’s products or the Gemstra opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Consultant (a “prospect”) is permissible under the following situations:

1. If the Consultant has an established business relationship with the prospect. An “established business relationship” is a relationship between an Consultant and a prospect based on the prospect’s purchase, rental, or lease of goods or services from the Consultant, or a financial transaction between the prospect and the Consultant, 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 Consultant, within the three (3) months immediately preceding the date of such a call.

3. If the Consultant receives written and signed permission from the prospect authorizing the Consultant to call. The authorization must specify the telephone number(s) which the Consultant 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 make a habit of “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. In addition, Consultants shall not use automatic telephone dialing systems relative to the operation of their Gemstra businesses. The term “automatic telephone dialing system” means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

5.4 - Product Claims

No claims, including personal testimonials, as to therapeutic, curative or beneficial properties of any products offered by Gemstra may be made except those contained in official Gemstra literature. In particular, no Consultant may make any claim that Gemstra products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only do such claims violate Gemstra policies, but they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

5.5 - Income Claims

In their enthusiasm to enroll prospective Consultants, some Consultants are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of party plan direct selling. This is counterproductive because new Consultants may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At Gemstra, we firmly believe that the Gemstra income potential is great enough to be highly attractive, without reporting the earnings of others.

Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in direct selling. While Consultants may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact Gemstra as well as the Consultant making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Gemstra Consultants do not have the data necessary to comply with the legal requirements for making income claims, a Consultant, when presenting or discussing the Gemstra opportunity or Compensation Plan to a prospective Consultant, may not make income projections, income claims, or disclose his or her Gemstra income (including the showing of checks, copies of checks, bank statements, or tax records).

5.6 - Commercial Outlets

Consultants may sell Gemstra products from a commercial outlet with written authorization from Company. Consultants may display Gemstra literature in retail or service establishments.

5.7 - Trade Shows, Expo’s and Other Sales Forums

Consultants may display and/or sell Gemstra products at trade shows and professional expositions without approval. We ask that you use ethical judgments and represent the brand in a professional way at these events as well as the selection process of these events. Gemstra further reserves the right that if a Consultant is representing the brand in an unprofessional manner causing or creating a bad image for Gemstra, measures will be taken whether probationary or termination.

5.8 – Discounting

Any displayed or advertised price in a public forum must be at full retail (SRP). Unpublished discounts can only be offered to customers on an individual basis. You must sell Gemstra products in their original packaging and may not repackage, re-label, or alter the labels (other than adding a personalized sticker) in any way. Raffles, giveaways etc. that include discounting can be done only on an individual basis vs. public forums (ex; social media, expos/trade shows). A private forum (individual) is defined as in-person, emails, telephone calls, and one-on-one to current customers.

SECTION 6 - RESPONSIBILITIES OF CONSULTANTS

6.1 - Change of Address or Telephone

To ensure timely delivery of products, support materials, and commission checks, it is critically important that the Gemstra's address and contact records are current. Consultants planning to move should update their personal information via the Backoffice function of the Consultant's replicated Gemstra website or contact the Customer Service Department. To ensure proper delivery, two weeks advance notice must be provided to Gemstra on all changes.

6.2 - Continuing Development Obligations

6.2.1 - Ongoing Training

Any Consultant who sponsors another Consultant into Gemstra must perform assistance and training functions to ensure that his or her downline Consultants are properly operating their respective Gemstra businesses. Consultants should have ongoing contact and communication with the Consultants in their Teams. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Consultants to Gemstra meetings, training sessions, and other functions. Upline Consultants are also responsible to motivate and train new Consultants in Gemstra product knowledge, effective sales techniques, the Gemstra Compensation Plan, and compliance with Company Policies and Procedures. Communication with and the training of downline Consultants must not, however, violate Section 3.2 (regarding the development of Consultant-produced sales aids and promotional materials).

Consultants should monitor the Consultants in their Teams to ensure that downline Consultants do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Consultant should be able to provide documented evidence to Gemstra of his or her ongoing fulfillment of the responsibilities of a Sponsor.

6.2.2 - Increased Training Responsibilities

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

6.2.3 - Ongoing Sales Responsibilities

Regardless of their level of achievement, Consultants have an ongoing obligation to continue to personally promote sales through the generation of new customers and through the promotion of Gemstra home parties.

6.3 - Nondisparagement

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

6.3.1 - Anti-Bullying

Bullying is an act of aggression, causing embarrassment, pain or discomfort to someone. It can take a number of forms; physical, verbal, making gestures, extortion and exclusion. It is an abuse of power. It can be planned and organized, or it may be unintentional. It may be perpetrated by individuals or by groups, and includes, but is not limited to:

1. **Indirect** - being unfriendly, spreading rumors, excluding, tormenting
2. **Physical** - pushing, kicking, hitting, punching, slapping or any form of violence
3. **Verbal** - name-calling, teasing, threats, sarcasm
4. **Cyber** - All areas of internet misuse, such as nasty and/or threatening emails, misuse of blogs, gaming websites, internet chat rooms and instant messaging, mobile threats by text messaging and calls, misuse of associated technology, i.e. camera and video facilities

Bullying is unacceptable behavior because it breaches principles of equality and fairness, and it frequently represents an abuse of power and authority. It also has potential consequences for everyone involved. Where appropriate, an investigation will be undertaken and disciplinary measures will be taken as necessary.

6.4 - Providing Documentation to Applicants

Consultants must provide the most current version of the Policies and Procedures and the Compensation Plan to individuals whom they are sponsoring to become Consultants.

6.5 - Reporting Policy Violations

Consultants observing a Policy violation by another Consultant should submit a written report of the violation directly to Gemstra. Details of incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

6.6 - 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.

SECTION 7 - RESPONSIBILITIES OF LEADERS

One of the key elements of a Leader is the ability to build and lead a team. When you are building and leading a team you must always lead by example and integrity. One of the many benefits of building a team/organization is earning team level commissions for the time and effort you spend leading, training and supporting each of them in order to achieve success in their personal businesses.

7.1 - Monthly Rank Qualifications

As a Leader, you are required to organically (personally) sponsor in order to maintain your Rank. You may also be eligible to receive ambient (Assigned) Consultants matching your monthly sponsoring efforts, if monthly qualifications are met. In order to be paid on your Rank title you must achieve each minimum Rank requirement on a monthly basis. For all Team Builders and above, once you have achieved and have been paid your Rank Advancement Bonus, your continued support for your downline is required as outlined in this section. If at any time we receive complaints that you are not supporting your team or we see that you are not working your business, we reserve the right to 'Roll-Up' your downline to the next qualified Leader.

7.2 - Minimum Leadership Support

As a Leader, you have chosen to build and lead a team and you are expected as well as required to provide a minimum level of support to your downline Consultants, Team Builders and fellow Leaders in order to maintain your Leader status. The very minimum requirement to maintain your Team/Downline is meeting a minimum 600PQV every calendar quarter, beginning January 2017, in order to avoid any team 'Roll-Up.' To provide a level of Minimum Leadership Support, you must actively practice the Gemstra Mission Statement and Core Values, in addition to the following:

1. Lead by Example; Through training, motivating, and partnering with your downline as you work your personal business.
2. Exemplify the cornerstone of leadership by maintaining and actively working your business through consistently Booking - Selling - and Sponsoring. Which are the three (3) fundamentals of a successful business.
3. Showing consistent engagement in your business. Maintaining your achieved ranked title as well as meeting all structure requirements for that rank.
4. Return phone calls or emails within three (3) business days unless you have pre-notified your Downline that you will be unavailable for a short vacation period of no greater than two (2) weeks. Also notify the Corporate office of any extended leave of absence/vacation.
5. Keep friendly and professional relationships with the Gemstra community at large that includes the Corporate Facebook Consultant page and your all Team pages.
6. Disparaging remarks and negative behavior about anyone within the Gemstra community is not in line with our code of conduct. It is expected of our Team Leaders and above to be a line with the core values and mission statement for Gemstra.
7. Keeping a positive presence within social media and in all other channels.
8. Communicate proactively on a monthly basis through emails, phone or in-person meetings, team page posts, to your Downline to discuss business goals and progress as well as offer encouragement and ICU acknowledgements;
9. Disseminate all Corporate information to your Downline in a timely manner.
10. ICU acknowledgements and recognition for the three (3) fundamental, Booking- Selling- Sponsoring, as well as any personal achievements i.e Rank Advancement or Goal achievements.

If you are exhibiting patterns of engagement and disengagement in your business this may put you at risk for keeping your team.

If your sales patterns suggest you are only qualifying often enough and making last minute purchases to avoid losing your team by 'Roll-up,' your Consultant Development team will reach out to you to discuss these patterns and the best options for your team.

All concerns around product quality and policies should be handled directly with the Corporate Office and not in any public forum, including social media.

Regularly recognize your Downline team via ICU's for efforts and achievements through personal notes, phone calls, team newsletters or forum postings.

Keep open and regular communications with your own Sponsor so as to not cut off additional support for your Downline team. Your Upline leadership team should feel comfortable to freely communicate with your team members in all forums.

If, under any circumstances, the Corporate Office determines, in its sole discretion, that adequate minimum leadership responsibilities are not being met, we may Roll-up your team as discussed in Section 7.8.

It is our goal to ensure that all Gemstra Consultants are getting adequate leadership and support to succeed in their own personal businesses – and this should be your ultimate goal as a Leader as well. The Corporate Office also routinely monitors the minimum leadership activity of Leaders of large teams to ensure the teams are being fully supported by an active and engaged Leader. In the rare event that a Leader is consistently not meeting their personal activity obligations, the Corporate Office may step in and evaluate a more supportive reporting structure for some or all of the Downline Team.

7.3 - Sponsoring Relationships

Personally, sponsoring new Independent Gemstra Consultants is the foundation of leadership because it reinforces the activity that leads to a consistent, sustainable and strong business – introducing new people to the Independent Gemstra Consultant opportunity. Please note, it is our expectation that when you introduce someone to the opportunity, you bring them into your direct line for sponsorship. We do not support “stacking” teams by suggesting or requiring a new Gemstra Consultant to join the team of a Gemstra Consultant on your Downline team for the purpose of promoting that Downline or yourself. “Personally Sponsored (Organic) Independent Gemstra Consultants” are first line Gemstra Consultants who specifically enrolled on your first line. If you have Personally Sponsored Independent Gemstra Consultants on your first line (as noted above), you may enjoy the full benefits of our Compensation Plan including team sales commissions and qualifications to promote and maintain Rank, based on Rank Qualifications. We do recognize the time and effort required to train and support all new Independent Gemstra Consultants anywhere in your Downline organization through the SEED program and onto success; therefore, those assigned to you via the Assigned Consultants process within their first month of enrollment (see section 3.2) and those who Roll-up to your first line for any reason will count towards the qualifications of the Compensation Plan, just as if they were “Level One Consultants”, but excluding “New Personally Sponsored (Rolling 3 months)” requirements.

7.4 - Leadership Focus Policy

Gemstra Consultants who have achieved the rank of Team Manager or above are given increased access to Gemstra’s Confidential Information, as well as increased team sales commissions and other Team Manager level rewards. In exchange, it is Gemstra’s policy that a Gemstra Consultant holding the rank of Team Manager or above, may not build teams in another direct selling business outside of Gemstra, either directly or via their spouse living at the same address. If you hold team(s) with other direct selling companies and do not wish to give up your team(s), you must inform Consultant Development, who will transition your Gemstra team to the qualified upline Leader, as further described in the Non-Acceptance of Leadership policy.

7.5 - Non-Acceptance of Leadership

We understand that taking on the additional responsibilities of a Leader may not align with your personal career goals. As such, if you feel that this is not for you at the time of a promotion, you may work with your Consultant Development Team to reduce your team size through Roll-up in order to maintain a lower Rank. The Consultant Development Team will assist in the process of Rolling-up team members to the qualified upline Leader. Alternatively, should you wish to lead your full team and believe an exception should be made due to extenuating circumstances and you would like to have your Leadership status reviewed, we ask that you contact the VP of Consultant Development to discuss additional options. Adequate Support and Non-Solicitation policies are always in effect and will be enforced.

7.6 - Inadequate Support

We want all Gemstra Consultants to feel supported by their leadership team, knowing that they have the support and leadership needed to be successful. This section will cover what we require from Sponsors. Under the Compensation Plan, Leaders are incented to support Gemstra Consultants at all levels of their Downline team. As such, please note that Sponsor Reassignments are exceedingly rare and are considered only in extreme circumstances. Your Sponsor and Leadership team should be providing you with the training, support and guidance needed to successfully build and grow your business. If you feel that you are not receiving the ‘Minimum Leadership Support’ from your Sponsor or Leadership team, you should discuss this directly with your Sponsor or Leadership team. You must proactively reach out and request support of your Upline leadership team before claiming lack of support. Below are some examples of situations that demonstrate a lack of ‘Minimum Leadership Support.’ This list is not exhaustive.

1. Regular unresponsiveness to emails and/or unreturned phone calls on a continued basis;
2. Unprofessional behavior during supporting calls, such as being distracted by driving, multi-tasking with other activities, being unprepared or unaware of your business;
3. Lack of consistent supporting towards business goals that have been clearly communicated with your Sponsor;
4. Unenthusiastic, negative and/or obstructive behavior;
5. A history of a long-standing lack of recognition or ICU acknowledgements for promotions and successes;

6. Unethical business behavior;
7. Promotion of other business opportunities or products outside the Gemstra product line Suspicion of Bonus Buying or other non-compliant activities;
8. Negative or disparaging remarks about other Gemstra Consultants, the Corporate Office, our products, the Compensation Plan or any of our programs.

If you notice that you are not receiving the support needed, you should voice this immediately to your Upline team prior to contacting our Consultant Development team. Consultant Development follows a formal mediation process, which will be followed without exception. To be considered for this process, you must have informed your Sponsor of your concerns and made every effort together to resolve your concerns for at least two (2) weeks before Corporate Office will become involved. If we hear concerns about your level of engagement and support from Downline team members, we may roll that team member up to the qualified Upline Leader, bypassing mediation. Note: For the overall protection of all our Gemstra Consultants, we may reject transfers for any reason, including ensuring a 'no poaching' culture and environment is maintained at all times.

7.7 - Release of Team

You may release your team at any time, for any reason. In order to do so, you should email your Consultant Development team with a release request email. Consultant Development will determine when the team reassignment will be effective. Each individual team member will Roll-up to the qualified upline Leader. We ask that you discuss with your Sponsor and downline team members the intent to release your team prior to contacting Consultant Development, so they are aware of the intended change. Should you release your team, the Corporate Office reserves the right to adjust your Rank to Consultant immediately. Please note that you may release individual Gemstra Consultants from your team if you inherited a Gemstra Consultant via downline Compression and you were not planning on growing your team any further and/or you do not feel you have the ability to support the Gemstra Consultant given your goals and the supporting the Gemstra Consultant requires. Please also see Section 7.8, Roll-ups, for further details around roll-up procedures when leaders release large teams, as this may follow a modified procedure at the discretion of the Corporate Office.

7.8 – Compression/Team Roll-Ups

A 'Roll-up' is defined as the process of a team transitioning from the current Sponsor/Leader to a new Sponsor/Leader. Roll-ups occur when you, as a Sponsor/Leader with a team:

1. Terminate the Gemstra Consultant Agreement as a result of Voluntary Cancellation, Deactivation or Corporate Office Termination;
2. Lose your team due to the Compression Policy; Fail to meet the 'Minimum Leadership Support' requirements; and/or
3. Downline concerns of Sponsor/Leader focus where Sponsor/Leader is participating in other direct sales businesses.

At the time of a team's Roll-up, every Gemstra Consultant on the first line will immediately roll-up to the qualified upline Leader. A qualified upline Leader is defined as the next Jade Team Leader* within the Genealogy who has qualified based on the PQV requirement per quarter and has the willingness and capacity to actively support the rolling-up team as per the 'Minimum Leadership Support' requirements. Roll-ups will remain at the discretion of Corporate Office in the event of any documented cases of leadership complaints and/or compliance issues against the Upline Gemstra Consultant. If there is not a qualified upline Leader on your Genealogy, the Consultant Development team will manually assign the team to a qualified upline Leader on another Genealogy. In these rare circumstances, first line Gemstra Consultants of the rolling up team will be reassigned to the closest leader with a Rank at least one (1) level higher than that of the rolling Gemstra Consultant, potentially outside the Genealogy. Team Managers and above may be reassigned to the Corporate Office and form a new direct-to-corporate line. The Gemstra Corporate Office is committed to ensuring all Gemstra Consultants have engaged and active sponsors, as such the Consultant Development team will review the Roll-up for any potential conflicts. Note: Roll-ups can occur immediately and without prior notification. However, your Consultant Development team has up to thirty (30) days

to process Roll-ups. Roll-ups are effective in the month executed and will not be retroactive to the date of the original request.

*If Gemstra Corporate Office finds a qualified Quartz Team Leader that has maintained the rank for six (6) consecutive months prior to the compression taking place, then it is at the discretion of the VP of Consultant Development to Roll up a team to that Team Leader.

SECTION 8 - BONUSES AND COMMISSIONS

8.1 - Bonus and Commission Qualifications

A Consultant must be in compliance with the Agreement to qualify for bonuses and commissions. So long as a Consultant complies with the terms of the Agreement, Gemstra will pay commissions to such Consultant in accordance with the Compensation Plan.

8.2 - Adjustment to Bonuses and Commissions

Consultants receive bonuses and commissions based on the actual sales of products to end consumers. When a product is returned to Gemstra for a refund or is repurchased by the Company, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the bonuses and commissions are recovered, from the Consultants who received bonuses and commissions on the sales of the refunded products. In the event that any such Consultant terminates his or her Consultant Agreement, and the amounts of the bonuses or commissions attributable to the returned products have not yet been fully recovered by the Company, the remainder of the outstanding balance will be off set against any amounts owed to the terminated Consultant.

8.3 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Consultant Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Consultant; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Consultants ("phantoms"); (d) the use of a credit card by or on behalf of a Consultant when the Consultant is not the account holder of such credit card; (e) Purchasing Gemstra products on behalf of another Consultant or under another Consultant's I. D. number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by qualified product purchases by end consumers.

8.4 - Reports

All information provided by Gemstra online are believed to be accurate and reliable. Nevertheless, due to various factors including, but not limited to, the inherent possibility of human 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 Gemstra or any persons creating or transmitting the information. ALL PERSONAL AND TEAM RETAIL 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, GEMSTRA AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY CONSULTANT 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 TEAM RETAIL 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 GEMSTRA 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, GEMSTRA 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 Gemstra's online 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 Gemstra's online reporting services and your reliance upon the information.

SECTION 9 - PRODUCT RETURNS

9.1 - (TO REQUEST AN RMA #):

Merchandise is only eligible for return if the product is defective, damaged, or used upon delivery. A return merchandise authorization (RMA) number must be requested within 3 days of delivery. Upon approval, our support team will approve and issue you an RMA# by email.

Please email photos (scanned copies or pics) to hello@gemstra.com of the following items

Full name associated to account

Order ID and Packing Slip

Detailed description of issue for RMA request to be approved

Shipping is not refundable except in special circumstances. Candles may be returned for the following reasons:

Wick has been burned, broken, or used prior to arrival.

Wax has major dents and scratches over a half inch length.

Container/jar is cracked or broken.

Customer Service can be reached at:

Email: hello@gemstra.com

Call: (800) 550-1762

SECTION 10 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

10.1 - 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 an Consultant that, in the sole discretion of the Company may damage its reputation or goodwill (such act or omission need not be related to the Consultant's Gemstra business), may result, at Gemstra's discretion, in one or more of the following corrective measures:

1. Issuance of a written warning or admonition;
2. Requiring the Consultant to take immediate corrective measures;
3. Imposition of a fine, which may be withheld from bonus and commission checks;
4. Loss of rights to one or more bonus and commission checks;
5. Gemstra may withhold from a Consultant all or part of the Consultant's bonuses and commissions during the period that Gemstra is investigating any conduct allegedly in violation of the Agreement. If a Consultant's business is canceled for disciplinary reasons, the Consultant will not be entitled to recover any commissions withheld during the investigation period;

6. Suspension of the individual's Consultant Agreement for one or more pay periods;
7. Involuntary termination of the offender's Consultant Agreement;
8. Any other measure expressly allowed within any provision of the Agreement or which Gemstra deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Consultant's policy violation or contractual breach; or i) In situations deemed appropriate by Gemstra, the Company may institute legal proceedings for monetary and/or equitable relief.

10.2 - Grievances and Complaints

When a Consultant has a grievance or complaint with another Consultant regarding any practice or conduct in relationship to their respective Gemstra businesses, the complaining Consultant 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 Gemstra at the Company. Gemstra will review the facts and attempt to resolve it.

10.3 - Mediation

Prior to instituting any arbitration as provided in Section 9.4 below, 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 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 fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorney fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Orange County, California and shall last no more than two business days.

10.4 - 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 administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Consultants waive all rights to trial by jury or by any court. All arbitration proceedings shall be held in the City of Los Angeles, California, unless the laws of the state in which a Consultant resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

Nothing in these Policies and Procedures shall prevent Gemstra 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 Gemstra's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

10.5 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Orange County, State of California. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of California shall govern all other matters relating to or arising from the Agreement. 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 Gemstra in their home forum and pursuant to Louisiana law.

SECTION 11 - CANCELLATION

11.1 - Involuntary Termination

Gemstra reserves the right to terminate all Consultant Agreements 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.

11.2 - Voluntary Cancellation

A Consultant has the right to cancel at any time, regardless of reason. Cancellation must be submitted to hello@gemstra.com. The notice must include the Consultant's signature, printed name, address, and Consultant I. D. Number.