

# Core-22 Basic Affiliate Licensing Agreement

## Introduction

This agreement defines the terms of the affiliate agreement between Core-22 LLC and the affiliate purchasing an affiliate program. This agreement is available as a hyperlink as terms and conditions that must be agreed to prior to completing the purchase process, it is available upon request before the affiliate program is purchased, and it is emailed to the affiliate upon completion of the purchase process. Core-22 LLC provides affiliate organizations with an online weight loss solution (Product) that combines all the features necessary for a consumer to lose weight and control it in a healthy and sustainable way. The Product includes educational videos about the principles of weight loss and control, daily feedback messages that let users know what they are doing right or wrong each day, a social support system that provide the accountability and motivation to keep users making progress, and nutritional supplements that work with our food plan to reduce hunger, reduce cravings, and boost cell activity (metabolism) to burn more fat.

## Core-22 / Affiliate relationship

The Core-22 affiliate program makes it possible for organizations (Affiliate) to promote the Core-22 product as the affiliate's weight loss solution or the nutritional component of the organization's solution. When a consumer makes a purchase using the affiliate's core-22 custom web address, Core-22 delivers the program and supplements, and the affiliate and or the affiliates sales staff earn a sales commission. The affiliate is able to communicate and follow the progress of the affiliates user's through administration portals that come with the affiliate program.

The affiliates organization is promoted to anyone using their program and to their users' supporters. The web portal used by anyone on the program and their supporters will have the affiliate's name at the top of every page in the header, branded with the affiliate's logo and colors. These portals also include an About Us page that provides information about the affiliate that is provided by the affiliate, and under the affiliate's control. This includes; contact information, hours of operation, amenities, features, services, photos, and special offers that can be downloaded by the user. This allows the affiliate to serve its members, patients, employees, insured etc. and the friends and family of users wherever they are, and as far as the affiliate's marketing programs and social networks reach.

## The Basic Affiliate Program Includes:

- a) **Branded Delivery Portal with Promotional About Us Page** – This includes custom headers with logo and brand colors on every page of the delivery and supporter portals. The About Us page includes images and information that is under the affiliate's control. Affiliates can change or delete images and edit data at any time from the manager's administrative portal.
- b) **Affiliate URL** – This is a custom web address that consumers will use to purchase the program.
- c) **Promotional Material** – This includes 500 business cards, (1) iPad tablet, (1) tablet security stand, tablet kiosk software, (2) 24X63 vinyl banners each with a stand, and (6) 5X7 acrylic signs.
- d) **Administrative Portal (Management)** – This allows the program manager to register sales associates to promote the program and earn a portion of the affiliate sales commission, view and print sales reports, view and print commission reports, view and print user success stories, edit the About Us page used in the user and supporter portals, communicate with users and track their progress, view sales associate training videos, and view videos that explains how the weight loss program works.
- e) **Administrative Portal (Sales Associates)** - Allows sales associates to view presentations about how the program works and how to use it from their respective positions, provides them with a unique discount code they can use to track their sales and offer a discount to potential consumers, and allows them to communicate and follow the progress of the users that sign up using their discount code.
- f) **Dedicated Support (60-days)** – One of our account reps will work with you and your sales associates to get the program up and running.

## Sales commission (Basic)

Affiliates earn a sales commission for each weight loss program and supplement package sold when purchased with the affiliate's unique web address during the licensing agreement period. This commission can be shared with sales associates at the discretion of the affiliate.

### Sales Commissions

- a) \$80 for each program sold
- b) \$0 for each package of supplements

## Secondary Sales Commissions

The Core-22 program provides motivation by asking users to enlist supporters (friends and family) to follow their progress. We offer supporters the affiliate's core-22 web address and the sales associate's discount code every time the person they support passes a 10-pound milestone. Supporters know how well the program works and because approximately seventy percent of them are overweight, many will purchase the program for themselves or for someone they know. When that happens, the you the affiliate and your sales associate earn the same sales commission as if you or your sales associate sold the program directly to the supporter.

## Commission payments

Commissions are calculated at the end of each month and processed for payment within 10-days. Commissions are paid directly to the affiliate and the affiliate's sales associates through Tipalti, a third party accounts payable vender. Before that can happen, the affiliate and sales associates must provide the necessary data that allows Tipalti to perform the required verifications (social security, delinquent child support, money laundering registry) before they can cut and mail a check, or deposit the commission directly into the appropriate bank account. If for any reason Tipalti is unable to process payment, they will notify the affiliate or the affiliate's sales associate directly to correct whatever issue is preventing payment. Commissions of less than \$50 will be deferred until they exceed \$50.

## Clawbacks

Because we offer users a money back guarantee, there may be times when an affiliate's user is granted a refund. If that occurs, the commission paid to the affiliate and or the affiliate's sales associate for that sale will be deducted (clawed back) from the next commission payment.

## Year-End Tax Forms

IRS form 1099 will be processed and delivered to the affiliate and the affiliate's sales associates whenever the total sales commission earned by an individual exceeds \$600 in a given year as required by law.

## Independent parties

The affiliate understands that he or she is an independent contractor and does not intend for this Agreement to be interpreted as an employment, agency, joint venture, or partnership relationship between the parties. Core-22 LLC will not withhold taxes of any kind; provide workers compensation or unemployment insurance coverage for affiliates or the affiliate's registered sales associates. Affiliates are free to promote the Product as much or as little as they like, in the manner of their choosing, within the confines of the terms of this agreement. Core-22 LLC will not directly manage Affiliates or the affiliate's sales associates or oversee their efforts to promote the Product.

## Notices

Except as explicitly stated otherwise, any notices permitted or allowed under this Agreement must be sent to the principal contact of each party by email and deemed to have been received on the date of the email time stamp.

## Non-Disclosure, Non-Compete

Affiliate acknowledges and agrees that in providing the Product, Core-22 LLC may disclose to the affiliate, certain confidential, proprietary, trade secret information (the "Confidential Information"). Confidential Information may include, but is not limited to, the content delivered to users through the program, the web-based delivery of the program, computer programs, flowcharts, diagrams, manuals, schematics, development tools, specifications, design documents, marketing information, financial information or business plans. During the period of this Agreement and for a period five years thereafter, the Affiliate agrees not to disclose any Confidential Information or any part thereof to any third party, except to the extent that such Confidential Information is or becomes generally available to the public through no fault of the Affiliate, is rightfully received by Affiliate from a third party without limitation as to its use, or is independently developed by the Affiliate. Affiliate may disclose confidential information with the prior written consent of Core-22 LLC. At the termination of this Agreement, Affiliate will return the Product and all other Confidential Information.

In consideration for the use of Product and agreed upon commissions structure, the affiliate agrees that at no time during the term of this agreement or the Five (5) year period immediately following termination of this agreement, will it attempt to develop, or assist any other business to develop, an online weight loss solution that closely approximates the Core-22 Product's information, features, principles, feedback system, social support system, and technical delivery systems.

## Appropriate Use of Product

Affiliate agrees not to duplicate, reproduce, translate, modify, copy, print out, disassemble, decompile, the Product, combine it with any other products, tamper with the product, reverse engineer or decompile, decode, decrypt, or in any other way disassemble product or in any way derive source code from the product except to the extent the enforcement the foregoing is prohibited by applicable law.

The program should be delivered to users without alteration. It works because it delivers only that information found to be critical to weight loss and weight control. There is no need for an affiliate or sales associate to explain, alter, or expand upon the principles.

The program works because the supplements provided and the Core-22 food plan work together. They provide the right combination of nutrients necessary to reduce hunger, reduce cravings, and burn the maximum amount of fat. Users of the program should not be encouraged to use a supplement substitution or be encouraged to deviate from the food plan as this will likely reduce a user's chances of success and would violate this licensing agreement.

## Use of the Core-22 Name and Logo

The Affiliate is licensed to use the Core-22 LLC logo and other related names only in connection with Affiliates solicitation of sales and servicing of Core-22 LLC products during the agreement period. Any other use must first be approved by Core-22.

## Agreement Period

Affiliate shall have a non-exclusive; nontransferable agreement to use the Product until terminated by either party at the end of the month after notice to terminate is given. The obligations of Affiliate under the heading of "Non-Disclosure" above shall survive the termination of this Agreement. Commissions earned on purchases made while the agreement is in effect will be paid.

## **Affiliate Program Refund policy**

If within the first 30-days of purchase you are dissatisfied with the Core-22 Affiliate Program for any reason; simply return the promotional material in good condition for a full refund - minus any commissions earned. To receive a refund, email your refund request to support@core-22.com explaining the reason for your dissatisfaction and return all promotional material to Core-22 at 2824 Broadview Terrace, Annapolis MD 21401.

## **Core-22 LLC warranties**

Core-22 LLC represents and warrants that it has the requisite right and legal authority to grant the Affiliate a license to use the Product and the Confidential Information as contemplated by this Agreement.

Core-22 LLC makes no other warranty, expressed or implied, with respect to the product or any other confidential information. All other warranties, whether expressed or implied, are hereby disclaimed, including, without limitation the implied warranties of merchantability and fitness for a particular purpose.

## **Core-22 websites**

Core-22 reserves sole and complete discretion with respect to the operation of THE WEBSITES. Core-22 reserves the right to modify THE WEBSITES, in whole or in part, at any time for any reason, including but not limited to changes to any features, content, functionality, software or other items used or contained in the site. Core-22 further reserves the right to suspend THE WEBSITES, including for periodic maintenance, equipment malfunctions or causes beyond Core-22's control. Core-22 further reserves the right to terminate THE WEBSITES. My continued access to or use of THE WEBSITES constitutes my conclusive acceptance of any such modifications. Core-22 shall not be liable to the Affiliate for any such modification, suspension or termination of THE WEBSITES.

## **Privacy policy**

Core-22 LLC regularly reviews its compliance with this Privacy Policy. Changes to the Core-22 LLC Privacy Policy will be noted on this website so that you can be fully informed about the privacy protections provided. Any change to this Privacy Policy shall be effective as to any visitor that has accepted the website Terms and Conditions before and after the change was made.

## **Security and Website Access**

As a user of the Core-22 websites you must guarantee that you will not give your username or password to any other individual, and will not log any other individual into your account. Further, you must certify that you will be the only person who views any material or interacts with web forms under your username and password.

## **Copyright Notice and limitations of Use**

All information, content, and services (collectively, the "Content ") within or provided through Core-22 websites are protected by copyright and other intellectual property laws. Core-22 LLC owns the Content. The Content is intended for the personal use of users of the Service. You may not reproduce, sell, publish, distribute, modify, display, re-post or otherwise use any portion of the Content in any other way or for any other purpose without the written consent of Core-22, LLC. Requests regarding use of the Content for any purpose other than personal, non-commercial use should be directed support@core-22.com. You acknowledge that the Content includes certain trademarks and service marks owned by Core-22 LLC and certain logotypes, as well as trademarks owned by other providers. You agree not to copy, use or otherwise infringe upon these trademarks or service marks. You further agree that you will not alter or remove any trademark, copyright or other notice from any copies of the Content.

## **Use of Your Personal Information**

Personal data collected by Core-22 will be used to deliver the purchased product or service requested and may be used for additional reasons including, but not limited to, sending you, or your users, information, to respond to request, for general core-22 correspondence, editorial and feedback purposes, statistical analysis of users' behavior, product development, content improvement, or customization of the content and layout of this website. None of the information collected will be sold or shared with anyone outside of Core-22.

## **Protection of a User's Personal Information**

We have implemented security features to prevent the unauthorized release of, or access to, a user's personal information retained by Core-22 LLC. A variety of security measures have been established to maintain the safety of personal information when an order is placed through or use any Core-22 website.

We use a secure server. All sensitive and/or credit information is transmitted via Secure Socket Layer (SSL) technology and then encrypted into our payment gateway providers' database only to be accessible by those authorized with special access rights to such systems who are required to keep the information confidential. Core-22 personnel have limited access to sensitive material and those who do, have personal usernames and passwords to prevent unauthorized personnel from gaining access to this information.

## **Disclosure of Information to Outside Parties**

We will not give, sell, transfer, rent, or lease any personal information about you or your users to third parties without expressed permission, unless to: (i) respond to duly authorized information requests of police and governmental authorities; (ii) comply with any law, regulation, subpoena, or court order; (iii) help prevent fraud or to enforce or protect the rights and properties of Core-22 LLC, its subsidiaries or affiliates; or (iv) protect the personal safety of our employees and third parties on our property.

Notwithstanding the previous, we may permit trusted third parties access to personal information to the extent such third parties are assisting us in operating the Core-22 websites, conducting our business, or serving our affiliates or users, and have agreed to keep personal information confidential.

Core-22, LLC secures the private and personal information provided on Core-22 websites and does not sell, share or otherwise disclose for financial remuneration any of the information about its current or former Associates or their customers to any third parties. Core-22 reserves the right to and may use your personal information, however, as is required by law or legal process. This data is maintained in a secure environment and only authorized personnel have access to the information.

Please note that this policy applies only to the Core-22 website and not to the websites of other companies to which Core-22 may provide links. Core-22 encourages you to review the terms and conditions of use and the privacy policy of those sites prior to providing any personal or sensitive information. Affiliates agree with the practices described in this policy and to the extent possible, will abide with the terms of these policies.

## **Children's Online Privacy Protection Act Compliance**

This website is in compliance with the requirements of the Children's Online Privacy Protection Act. We do not collect any information from anyone under thirteen (13) years of age.

This website and the products and services sold are all directed to people who are at least thirteen (13) years of age or older. Individuals under the age of 13 are not permitted to purchase the Core-22 program without the supervision of a parent. A parent or guardian may sign up for the program and provide the program to his or her child under the guidance of the parent and at the parent's sole discretion, use the program for the benefit of their child.

## **Applicable law and jurisdiction**

All disputes arising out of this Agreement, including its validity shall be determined in accordance with laws of the State of Maryland. All legal disputes arising out of the terms of this Agreement shall be litigated in the Courts of the Ann Arundel County of the state of Maryland.

## **Severability**

If any provision of this Agreement shall be held to be invalid or unenforceable, then the meaning of that provision shall be construed, to the extent feasible, so as to render the provision enforceable, and if no such interpretation is practical, it shall be severed from the remainder of this Agreement, which shall remain in full force and effect.

## **Miscellaneous**

A failure to enforce any provision of this Agreement will not be interpreted as a waiver of that breach or any preceding or succeeding breach of the same or similar nature. The provisions of this Agreement cannot be waived or altered in whole or in part except in writing and signed by duly authorized representatives of both parties.

## **No Assignment**

The Affiliate may not assign this Agreement without the prior written consent of Core-22 LLC. This Agreement shall be binding upon and inured to the benefit of the parties and their respective administrators, successors, and assigns.

## **Headings**

Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

## **Final agreement**

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. Only a further writing that is duly executed by both parties may modify this Agreement.

## **Contacting Core-22**

If you have any questions regarding this Affiliate Agreement, you may contact us using the information below.

Website: [Core-22.com](http://Core-22.com)

Email: [Support@core-22.com](mailto:Support@core-22.com)

Business legal address: Dr. Richard Schmitt 2824 Broadview Terrace, Annapolis MD 21401