

TEAM BEACHBODY[®] SUCCESS CLUB POINTS CHALLENGE OFFICIAL RULES SPONSORED BY: BEACHBODY, LLC

1. **Challenge Description**: The Team Beachbody Success Club Points Challenge ("Challenge") encourages all Qualified Coaches to earn Success Club Points and achieve Success Club 5 or Success Club 10 Qualifications (as those terms are defined below) to receive recognition and rewards in various Team Beachbody challenges and promotions! For details and information about each of the various Team Beachbody challenges and promotions, please see the applicable Official Rules located in the Team Beachbody Coach Online Office. Beachbody, LLC's ("Team Beachbody") computer is the official time-keeping device for all periods stated in these Official Rules.

2. Qualified Coach: To participate in the Challenge, you must be a Team Beachbody Coach, current with all Coach Business Service Fees, in good standing, and in compliance with the Independent Team Beachbody Coach Policies and Procedures at all times and at the time you receive any recognition and/or rewards in various Team Beachbody challenges or promotions (collectively, a "Qualified Coach").

How to Earn Success Club Points

3. Success Club Points: You can earn success club points ("Success Club Points") by selling Challenge Packs and Home-Direct products to people you have sponsored to enroll as a new Team Beachbody Coach ("Personally Sponsored Coaches"), or to new or existing (non-Coach) customers ("Customers").

(a) New Personally Sponsored Coaches: Subject to the terms, conditions and Coach Success Club Point Limitations below, you may earn Success Club Points as follows:

(i) <u>Challenge Packs</u>. You can earn up to two (2) Success Club Points when you recruit a new Personally Sponsored Coach who enrolls as a Coach and who purchases a Challenge Pack within thirty-one (31) days of enrollment as a Coach¹.

(ii) <u>Home Direct Products</u>. You can earn up to one (1) Success Club Point when you recruit a new Personally Sponsored Coach who enrolls as a Coach and who purchases a Home Direct order(s) (other than a Challenge Pack) totaling a minimum of ninety (90) Personal Volume ("PV") points (as defined in the Team Beachbody Coach Policies and Procedures) within thirty-one (31) days of enrollment as a Coach. You may only earn a maximum of one (1) Success Club Point for each Personally Sponsored Coach who purchases a qualifying Home Direct order.

<u>Coach Success Club Point Limitations</u>. You may not earn more than two (2) Success Club Points from any one (1) Personally Sponsored Coach ever – regardless of the number of Challenge Packs and/or Home Direct orders (or combination thereof) purchased by that Personally Sponsored Coach. For example, if your new Personally Sponsored Coach first purchases a Home Direct order totaling ninety (90) PV within thirty-one (31) days of his/her enrollment as a Coach, and later purchases a Challenge Pack also within thirty-one (31) days of his/her enrollment as a Coach, you will only receive two (2) total Success Club Points from that new Personally Sponsored Coach. Also, for example, if your new

¹ As used throughout these Official Rules, the Coach's date of enrollment counts as the first day (day one) of the 31 day period.

Personally Sponsored Coach purchases a Challenge Pack within thirty-one (31) days of his/her enrollment as a Coach, and later purchases three (3) separate Home Direct orders each totaling ninety (90) PV within thirty-one (31) days of his/her enrollment as a Coach, you will only receive two (2) total Success Club Points from that new Personally Sponsored Coach. If your new Personally Sponsored Coach was previously your Customer from whom you earned two (2) Success Club Points, you may not receive any additional Success Club Points from additional purchases made by that new Personally Sponsored Coach. If your new Personally Sponsored Coach was previously your Customer from whom you earned two (2) Success Club Points, you may not receive any additional Success Club Points from additional purchases made by that new Personally Sponsored Coach was previously your Customer from whom you earned one (1) Success Club Point, you are only eligible to receive a maximum of one (1) Success Club Point from additional purchases made by that Personally Sponsored Coach.

(b) New or Existing (Non-Coach) Customers: Subject to the terms, conditions and Customer Success Club Point Limitations herein, you may earn Success Club Points as follows:

(i) <u>Challenge Packs</u>. You can earn up to two (2) Success Club Points when a Customer purchases a Challenge Pack from you.

(ii) <u>Home Direct Products</u>. You can earn up to one (1) Success Club Point when your Customer purchases a Home Direct order(s) totaling a minimum of ninety (90) PV points. You may only earn a maximum of one (1) Success Club Point for each Customer's purchase of a qualifying Home Direct order in each calendar month.

<u>Customer Success Club Point Limitations</u>. You may not earn more than two (2) Success Club Points from any one (1) Customer ever – regardless of the number of Challenge Packs and/or Home Direct orders (or combination thereof) purchased by that Customer. For example, if your Customer purchases a Home Direct order totaling ninety (90) PV, and later purchases a Challenge Pack, you will only receive two (2) total Success Club Points from that Customer. Also, for example, if your Customer purchases a Challenge Pack, and two (2) years later, purchases three (3) more Challenge Packs, you will only receive two (2) total Success Club Points from that Customer. If you earned two (2) Success Club Points from a Customer later enrolls as your new Personally Sponsored Coach, you may not receive any additional Success Club Points from additional purchases made by that new Personally Sponsored Coach. If you earned one (1) Success Club Point from a Customer, and that Customer later enrolls as your new Personally Sponsored Coach. If you earned one (1) Success Club Point from a Customer, and that Customer later enrolls as your are only eligible to receive a maximum of one (1) Success Club Point from additional purchases made by that new Personally Sponsored Coach.

(c) Returns/Refunds. If any Challenge Packs and/or Home Direct orders for which you received Success Club Points are returned or refunded, then those Success Club Points will not be counted and will be deducted from your Success Club Points total in the month in which the return or refund occurred.

(d) General. For Challenge Packs, the two (2) Success Club Points will be deemed earned in the calendar month during which the Challenge Pack was purchased. For Home Direct Products, the one (1) Success Club Point will be deemed earned in the calendar month during which the Home Direct order(s) totaling at least ninety (90) PV points was purchased. Success Club Points earned during any calendar month will not carry over into or from any other calendar month. Team Beachbody Club Membership fees and Coach Business Services Fees <u>do not</u> count towards Success Club Home Direct Requirements or Success Club Points (*i.e.*, neither count towards any PV points). Any Home Direct order(s) produced from the Shakeology Customer Lead Program do not count toward Success Club Points. Any new Coach produced from the Coach Connection Program, or any new Coach who transfers into or purchases an existing Beachbody Coach Business Center, do not count toward Success Club Points. Team Beachbody may in its discretion offer incentives or promotions at any time that may increase or otherwise affect the number of Success Club Points you can earn.

How to Earn Success Club 5 and Success Club 10 Qualifications

4. How to achieve Success Club 5 or Success Club 10 Qualifications:

(a) Success Club 5 Qualifications: To qualify for Success Club 5 during any calendar month, you must during that calendar month:

- Be enrolled with a Home Direct order(s) totaling a minimum of 90 PV; and
- Earn five (5) Success Club Points.

(b) Success Club 10 Qualifications: To qualify for Success Club 10 during any calendar month, you must during that calendar month:

- Be enrolled with a Home Direct order(s) totaling a minimum of 90 PV; and
- Earn ten (10) Success Club Points.

5. Qualification Calculations and Timeframe: Preliminary Success Club Points and Success Club 5 and Success Club 10 Qualifications will be calculated on a daily basis and displayed in the Coach Online Office on <u>www.TeamBeachbody.com</u>. Final evaluation and confirmation of Success Club Points and Success Club 5 and Success Club 10 Qualifications for any calendar month will not be determined until the following calendar month to ensure that each Qualified Coach's qualifications do not change for any reason, including due to any deduction of Success Club Points, whether due to returned or refunded product or otherwise.

Note: When calculating qualifications for Qualified Coaches with more than one (1) Beachbody Coach Business Center, all activity that occurs from each of that Coach's Business Centers will be aggregated and reflected in the Coach's primary business center for purposes of determining qualifications set forth herein. Only the primary Beachbody Coach Business Center for each Coach is eligible to receive the qualifications set forth herein; Beachbody Coach Business Centers outside of the primary are not eligible to receive any qualifications.

Success Club Points and Success Club 5 and Success Club 10 6. General Conditions: Qualifications are subject to verification by Team Beachbody in its sole and absolute discretion of all requirements and qualifications in these Official Rules and the then-current Team Beachbody Coach Policies and Procedures. Team Beachbody reserves the right in its sole and absolute discretion to deduct Success Club Points and qualifications for any Qualified Coach deemed by Team Beachbody to have exceeded the Success Club Point Limitations above or committed any violation of the Team Beachbody Coach Policies and Procedures (such as bonus buying, etc.). Qualified Coaches must meet the definition of "Qualified Coach" and all other terms and conditions herein to be awarded any Success Club Points or qualifications. Subject to all applicable federal, state, and local laws and regulations. Void where prohibited by law. By participating in the Challenge, you confirm your full and unconditional agreement to these Official Rules and Team Beachbody's decisions, which are final and binding in all matters related to the Challenge. Achieving or accepting any Success Club Points or qualifications that may be awarded in the Challenge is contingent upon fulfilling all requirements herein, tax, regulatory, and legal obligations, and any other requirements set forth in these Official Rules, which shall all be at your sole obligation. Team Beachbody reserves the right to cancel, suspend, and/or modify the Challenge or Official Rules or any part of thereof for any reason, including due to force majeure (including an act of terror or war), or if any fraud, technical failure, or any other factor beyond Team Beachbody's reasonable control impairs the integrity or proper functioning of any Challenge in any manner, or for any reason related to the administration of a Challenge, as determined by Team Beachbody in its sole discretion. Team Beachbody reserves the right in its sole discretion to disqualify any individual it finds to be tampering with the operation of any Challenge or to be acting in violation of these Official Rules, the Team Beachbody Coach Policies and Procedures, or any other Team Beachbody promotion or in an unsportsmanlike or disruptive manner. Team Beachbody's failure to enforce any term of these Official Rules shall not constitute a waiver of that provision or any other provision herein.

7. Limitation of Liability: By participating in the Challenge, you expressly acknowledge and agree that Beachbody, LLC, Team Beachbody and their respective parent companies, subsidiaries, affiliates, suppliers, distributors, advertising/promotion agencies, and reward suppliers, and each of their respective officers, directors, employees, and agents are not responsible for: (1) any incorrect or inaccurate information, whether caused by you or any other person, printing errors, or by any of the equipment or programming associated with or utilized in the Challenge; (2) technical failures of any kind, including, but

not limited to, malfunctions, interruptions, or disconnections in phone lines, cable connections, or network hardware or software; (3) technical or human error which may occur in the administration of the Challenge or the processing or calculation of Success Club Points, qualifications, notifications, and/or confirmations; (4) any lost, late, delayed, corrupted, undelivered, or undeliverable Challenge communications, notifications and/or confirmations; (5) any cancellation, suspension or modification of the Challenge or these Official Rules; or (6) any injury or damage to persons or property which may be caused, directly or indirectly, in whole or in part, from your participation in the Challenge. If for any reason a Qualified Coach's Success Club Points or qualifications are confirmed to have been erroneously deleted, lost, or otherwise destroyed or corrupted, the Qualified Coach's sole remedy is to earn additional Success Club Points; provided that, if it is not possible to earn additional Success Club Points for any reason, including due to discontinuance of the Challenge, none shall be awarded.

8. Disputes: All issues and questions concerning the construction, validity, interpretation, and enforceability of these Official Rules, or the rights and obligations of the entrant and Team Beachbody in connection with the Challenge, shall be governed by, and construed in accordance with, the laws of the State of California, U.S.A., and resolved in California courts, without giving effect to any choice of law or conflict of law rules (whether of the State of California or any other jurisdiction), which would cause the application of the laws of any jurisdiction other than the State of California. You and Team Beachbody each agree that any action relating to these Official Rules or the rights and obligations of you and Team Beachbody in connection with the Challenge shall exclusively be brought in Los Angeles County, California, and each party irrevocably consent to the jurisdiction of the State and Federal courts located in Los Angeles, California. You and Team Beachbody each expressly waive any objection that it may have based on improper venue or forum non conveniens to the conduct of any such suit or action in any such court. Except where prohibited, all Challenge participants hereby agree that any claims, disputes, or actions of any kind shall be resolved individually, without resort to any form of class action, and waive all rights to claim indirect, punitive, incidental, or consequential damages, and/or multipliers of damages, and any other damages, other than for actual out-of-pocket expenses incurred as the result of participation in the Challenge. The parties hereby agree to waive their respective rights to a jury trial of any claim or cause of action related to or arising out of the Challenge. The scope of the waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to any Challenge, including without limitation, contract claims, tort claims, breach of duty claims, and all other common law, regulatory, and statutory claims. In the event of litigation, these Official Rules may be filed as written consent to a trial by court. If any part of these Official Rules is declared invalid or unenforceable by a court of competent jurisdiction, it shall not affect the validity of the balance of these Official Rules.

9. Privacy Policy: By participating in the Challenge, all participants are subject to and expressly agree to be bound by Team Beachbody's Privacy Policy accessed through the bottom of http://www.teambeachbody.com/ or otherwise posted and updated on Team Beachbody's website.

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