



Arbitration & Dispute Resolution Policy

1. **Dispute Resolution.** If a dispute between an independent Coach for Beyond Slim and Beyond Slim, LLC (“Beyond Slim” or the “Company”) arises from or relates to the Agreement, the Beyond Slim business, or the rights and obligations of either party, the parties shall resolve the dispute as set forth in this Dispute Resolution Provision.
 - a. **Stages of Dispute Resolution & General Dispute Resolution Procedures.** Disputes between the Company and a Coach(es) that arise from or relate to the Agreement, the business operated by the Coach, or the opportunity offered by the Company shall be resolved according to the three-step procedure of (a) informal negotiation; (b) non-binding mediation; and (c) trial before a court for claims under \$50,000.00 so long as equitable relief is not sought (except as set forth below), or binding arbitration if the claim is for \$50,000.00 or more or if equitable relief is claimed. **IF A CLAIM SEEKS DAMAGES FOR \$50,000.00 OR MORE, OR SEEKS EQUITABLE RELIEF (EXCEPT AS SET FORTH BELOW), THE PARTIES AGREE TO RESOLVE THE DISPUTE THROUGH BINDING ARBITRATION AND WAIVE CLAIMS TO A TRIAL BEFORE ANY COURT OR JURY.** The following shall apply to all proceedings under this dispute resolution provision:
 - Any claim a party has against the other must be brought within one year from the date on which the act or omission giving rise to the claim occurred. In cases in which informal negotiation is required, once informal negotiation is requested in writing the one-year limitation of actions provisions in this provision shall be tolled until the completion of the mediation phase of this provision and for ten calendar days thereafter.
 - At no time prior to the negotiation and mediation procedures below are completed shall either party initiate arbitration or litigation related to this Agreement or the business except as may be specified otherwise in this dispute resolution provision.

- All offers, promises, conduct and statements, whether oral or written, made in the course of the negotiation and/or mediation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible for any purpose, including impeachment, in arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the negotiation and/or mediation.
- Informal negotiations and mediation shall occur in Phoenix, Arizona unless the parties mutually agree on another forum. Informal negotiations and mediation shall take place telephonically if either party requests such.
- Each party shall be responsible for its own attorney's fees, expert, professional and witness fees incurred in pursuing any claim, regardless of the forum.
- If litigation is filed in court the action may be brought in the jurisdiction in which either party resides or has its principal place of business.
- If arbitration is filed all arbitration proceedings shall be filed and held in Phoenix, Arizona.

Step 1 - Informal Negotiation. The parties shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement or the Company's business promptly by negotiation between the aggrieved Coach(es) and executives of the Company who have authority to settle the controversy and who are at a higher level of management than the persons with direct responsibility for administration of this policy. A party may, at its election, choose to be accompanied in such negotiation by an attorney. If one party elects to have its attorney present, the other party must also agree to have its attorney present if that party has retained counsel.

To institute the negotiation process, either party may give the other party written notice of any dispute not resolved in the normal course of business. Within 10 days after delivery of the notice, the receiving party shall submit to the other a written response. The notice and response shall include with reasonable particularity (a) a statement of each party's position and a summary of arguments supporting that position, and (b) the name and title of the executive and attorney who will accompany that party (if applicable), or the name of the Coach and his/her attorney (if

applicable) who will accompany him/her in the negotiation. Within 20 days after delivery of the notice, the parties and the attorneys (as applicable) of both parties shall meet at a mutually acceptable time and place. Such meeting may occur telephonically if one party requests that the meeting be held telephonically.

Unless otherwise agreed in writing by the negotiating parties, mediation may be commenced one business day following the close of the negotiation phase described above. The negotiation phase is “closed” when one party notifies the other in writing that it considers the negotiation “closed.” Such closure shall not preclude continuing or later negotiations if desired by both parties.

Step 2 – Mediation. If the parties are unsuccessful in resolving their dispute through good faith negotiation, they shall seek to resolve the dispute through mediation. If a party elects to pursue mediation, the party shall submit a written request for mediation to the other party within 10 calendar days after the negotiation phase is completed. The parties shall have 10 calendar days following such request to select a mutually acceptable mediator. If the parties cannot agree on a mutually acceptable mediator, they shall apply to JAMS to have a neutral mediator appointed.

Mediation shall be conducted within 20 calendar days from the date on which the mediator is selected or appointed or as otherwise agreed upon by the parties and the mediator.

Unless otherwise agreed upon by the parties, the mediation shall be closed no later than 30 calendar days following the completion of the meeting between the mediator and the parties.

Step 3(a) – Claims for under \$50,000.00 with no claim for equitable relief. Claims for less than \$50,000.00 and in which equitable relief is NOT sought may be brought pursuant to the arbitration provision below if the parties agree. If the parties do not agree, a claim may be brought before the small claims or district courts in the county in which either party resides or has its principal place of business.

Step 3(b) – Claims for \$50,000.00 or more or claims seeking equitable relief - Confidential Arbitration. If a claim seeks \$50,000.00 or more, or seeks equitable relief, and the parties do not successfully resolve their dispute through the negotiation and mediation procedures above, the dispute shall be resolved through binding confidential arbitration as set forth below.

Step 3(c) - Public Equitable Relief. If public equitable relief is authorized by federal or state statute, the parties agree that an action may be brought before the district court in the county in which either party resides or has its principal place of business so long as: (a) the relief sought is limited to public equitable relief that is authorized by federal or state statute; and (b) the public equitable relief is unavailable through arbitration proceedings. The confidentiality provisions and corresponding liquidated damage provisions for breach of confidentiality provision contained in this dispute resolution provision shall remain in effect for claims and actions asserted under this Step 3(c) unless an action is brought before a court as specifically permitted pursuant to this subsection and the disclosure is related solely to material that is not filed with the court under seal.

b. JAMS to Administer Arbitration. The arbitration shall be filed with, and administered by JAMS in accordance with its Comprehensive Rules and Procedures, which are available on JAMS' website at <http://www.jamsadr.com/rulesclauses/xpqGC.aspx?xpST=RulesClauses>. Copies of JAMS Rules and Procedures will also be emailed to Coaches upon request to Beyond Slim's customer Service Department. Notwithstanding the rules of JAMS, unless otherwise stipulated by the Parties, the following shall apply to all Arbitration actions:

- The Federal Rules of Evidence shall apply in all cases;
- The Parties shall be entitled to all discovery rights permitted by the Federal Rules of Civil Procedure;
- The Parties shall be entitled to bring motions under Rules 12 and/or 56 of the Federal Rules of Civil Procedure;
- The arbitration hearing shall commence no later than 365 days from the date on which the

arbitrator is appointed, and shall last no more than five business days;

- The Parties shall be allotted equal time to present their respective cases;
- An Arbitrator's Award will consist of a written statement stating the disposition of each claim. The award will also provide a concise written statement of the essential findings and conclusions on which the award is based;
- Any dispute relating to whether the dispute is subject to arbitration shall be decided by through arbitration.

c. Confidentiality. With the exception of discussing the claims with bona fide witnesses to the dispute, neither party shall verbally or in writing discuss, publish, or otherwise disseminate the claims, allegations, merits, evidence, positions, pleadings, testimony, rulings, awards, orders, issues, or any other aspect of the dispute to any third party, including but not limited to disclosure on the internet or on any social media or blog platform, prior to, during, or after any phase of the dispute resolution process unless a specific exemption contained in this dispute resolution provision applies.

d. Arbitration Opt-Out. If a Coach does not want to be subject to this Arbitration Provision may opt out by notifying Beyond Slim in writing of its desire to opt out of this Arbitration Provision within 30 days of the Coach's execution of the Agreement. Acceptable forms of notice include sending electronic mail to support@beyondslim.com.

e. Liquidated Damages for Breach of the Confidentiality Obligation. If a Party violates its confidentiality obligations under this arbitration provision, the nonbreaching party shall incur significant damages to its reputation and goodwill that shall not be readily calculable. Therefore, if a Party, its attorneys, agents, or a proxy of a party breaches the confidentiality provision of this dispute resolution provision, the following shall apply:

- The non-breaching party shall be entitled to liquidated damages in the amount of \$10,000.00 per violation, or \$50,000 per violation if the disclosure is published on the internet, including

but not limited to disclosure on any website or on any social media forum. Every disclosure of each claim, allegation, pleading, or other prohibited disclosure shall constitute a separate violation. Notwithstanding this confidentiality and liquidated damage provision, nothing herein shall limit the right or ability of a Party to disclose evidence, claims or allegations relating to the dispute to any individual who is, or who may be, a bona fide witness to the dispute. **The Parties agree that this liquidated damage amount is reasonable and waive all claims and defenses that it constitutes a penalty; AND**

- **Breach of the confidentiality provision by disseminating or publishing information described in subparagraph c. above through any form of mass media (including but not limited to posting on the Internet or on any social media platform) by a party, a party's agent, or a party's proxy shall constitute an act of wanton and gross bad faith, and shall constitute a waiver of the breaching party's right to pursue the claim(s) and/or defense(s) against the non-breaching party, and shall entitle the non-breaching party to a default judgment against the breaching party.**
- f. **Emergency Relief.** Either party may bring an action before JAMS seeking emergency relief to protect its intellectual property rights, including but not limited to protecting its rights pursuant to the non-solicitation provisions of these policies. A claim or cause of action seeking emergency relief shall be brought pursuant to the Emergency Relief Procedures in JAMS Comprehensive Rules and Procedures, available at <https://www.jamsadr.com/rules-comprehensive-arbitration/#Rule%202>, or by contacting the company at support@beyondslim.com
- g. **Disputes Not Subject the Three-Step Dispute Resolution Procedure.** A party need not go through the informal negotiation or mediation steps in the following situations:
- **Action to Enforce Arbitration Award or Order.** Either party may bring an action in a court properly vested with jurisdiction to enforce an Arbitration award or order,

including but not limited to an order for emergency relief.

- **Petitions for Emergency Relief.** If a party deems it necessary to seek emergency relief to protect its interests, it may seek emergency relief as set forth in this arbitration provision without engaging in the negotiation provision mediation process set forth above. Notwithstanding the foregoing, the parties are encouraged, but not required, to engage in negotiation and or mediation concurrently with any pending request for emergency relief.
 - **Public Equitable Relief.** If public equitable relief is authorized by federal or state statute, an action may be brought before a court properly vested with jurisdiction over the parties so long as: (a) the relief sought is limited to public equitable relief that is authorized by federal or state statute; and (b) the public equitable relief is unavailable through arbitration proceedings.
 - **Disciplinary Sanctions.** The Company shall not be required to engage in the three-step dispute resolution process prior to imposing disciplinary sanctions for violation of the Agreement.
- h. Remedies.** Remedies available to you under U.S. federal laws, and the state and local laws of your state, shall remain available to you in any arbitration proceeding.
- 2. Class Action Waiver.** All disputes, whether pursued through arbitration or before the courts, that arise from or relate to the Agreement, that arise from or relate to the Beyond Slim business, or that arise from or relate to the relationship between the parties, shall be brought and proceed on an individual basis. The parties waive their rights to pursue any action against the other party and/or their respective owners, officers, directors and agents, on a class or consolidated basis. You may opt out of this class action waiver if you wish by submitting written notice to the Company of your desire to opt out within 30 days

from the date on which you enroll as a Coach. Submit your written opt-out notice to the Company at support@beyondslim.com.

3. Governing Law. The Federal Arbitration Act shall govern all matters relating to arbitration. Except as is otherwise specifically referenced in these policies, the law of the State of Arizona without regard to principals of conflicts of laws, shall govern all other matters relating to or arising from the Agreement, the business, the relationship between the parties, or any other claim between the Parties. Notwithstanding the foregoing, if a dispute is brought in a small claims court properly vested with jurisdiction, the law of the state in which the small claims court resides shall apply.

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

- For Coaches earning up to \$240,000.00 in the 12 calendar months prior to termination, liquidated damages shall be in the amount of one times their gross compensation that he/she earned pursuant to Beyond Slim's Compensation Plan in the twelve (12) months immediately preceding the termination.
- For Coaches earning between \$240,000.01 and \$60,000.00 during the 12 calendar months prior to termination, liquidated damages shall be in the amount of two times their gross compensation that he/she earned pursuant to Beyond Slim's Compensation Plan in the twelve (12) months immediately preceding the termination.
- For Coaches earning more than \$60,000.00 in the 12-calendar months prior to termination, liquidated damages shall be in the amount of three times his/ her gross compensation that he/she earned pursuant to Beyond Slim's Compensation Plan in the

twelve (12) months immediately preceding the termination, but not to exceed \$500,000 in total.

5. **Damage Waiver.** In any action arising from or relating to the Agreement, the parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The parties further waive all claims to exemplary and punitive damages. Nothing in this provision or this Agreement shall restrict or limit a Party's right to recover liquidated damages as set forth in these Terms & Policies.

6. **Severance.** If any provision of this policy is deemed unenforceable or void, only such limited provision, or portion of such provision, as is held unenforceable or void shall be severed from the policy, and all remaining provisions shall remain in effect.

7. **Louisiana Residents.** The dispute resolution provisions in these Policies shall apply to Louisiana residents with the exception that Louisiana residents may bring arbitration against Beyond Slim in his/her home forum and pursuant to Louisiana law.