

# OPTAVIA 2020 “DOUBLE CAB - DOUBLE ASSIST BONUS” INCENTIVE

## OFFICIAL TERMS & CONDITIONS

NO PURCHASE OR PAYMENT OF ANY KIND IS NECESSARY TO ENTER OR WIN THIS INCENTIVE. VOID WHERE PROHIBITED OR RESTRICTED BY APPLICABLE LOCAL LAWS AND REGULATIONS. OPEN ONLY TO RESIDENTS OF HONG KONG, SINGAPORE, THE UNITED STATES, THE DISTRICT OF COLUMBIA, AND OTHER LOCALES UNDER THE UNITED STATES JURISDICTION, INCLUDING PUERTO RICO, GUAM, U.S. VIRGIN ISLANDS AND OTHER PROTECTED U.S. TERRITORIES. MUST BE 18 YEARS OF AGE AND OLDER. INTERNET ACCESS AND EMAIL ACCESS IS REQUIRED.

1. **BINDING AGREEMENT:** By participating in the Double CAB - Double Assist Bonus incentive (the “Incentive”), the **OPTAVIA** Coach (the “Participant” or “Coach”) fully and unconditionally agrees to accept these Official Terms and Conditions (“Terms and Conditions”) and the decisions of the Sponsor, **OPTAVIA**, LLC (“**OPTAVIA**,” “Company” or “Sponsor”), which are final and binding in all matters related to the Incentive. To be eligible for the Incentive, the Participant must fulfill all requirements set forth herein.
2. **ELIGIBILITY:** This Incentive is open to Hong Kong, Singapore and U.S. residents who are, during the Incentive Qualification Period, at least 18 years of age or older and are also an independent “**OPTAVIA** Coach” (defined as an individual who has purchased an **OPTAVIA** Business Kit, in good standing and without disciplinary action (i.e., in compliance with the **OPTAVIA** Policies, **OPTAVIA** Procedures, Independent **OPTAVIA** Coach Agreement, Integrated Compensation Plan (for U.S. Coaches) and International Compensation Plan (for Hong Kong and Singapore Coaches) (collectively “the Agreement”). **OPTAVIA**, its respective promotions agencies, any of its respective parent companies, affiliates, subsidiaries, officers, directors, partners, principals, partnerships, employees or agents (collectively, “the Incentive Entities”) and their immediate families (defined as spouse, mother, father, sisters, brothers, sons and daughters, regardless of where they reside) and members of their households (whether related or not) are ineligible to participate in this Incentive.
3. **INCENTIVE QUALIFICATION PERIOD:** The Incentive Qualification Period (“Qualification Period”) commences at 12:00 a.m. PST on November 23, 2020 and closes at 11:59 p.m. PST on January 3, 2021.
4. **INCENTIVE QUALIFICATIONS:**
  - a. This Incentive builds on certain bonuses available to U.S. Coaches under the U.S. Integrated Compensation Plan and uses certain terminology from the U.S. Integrated Compensation Plan, however, the Incentive is available to Coaches in all markets. Specifically, this Incentive rewards: 1) New Coaches\* who achieve a “Client Acquisition Bonus” (“CAB”)† during the Qualification Period and 2) Existing Coaches‡ who assist New Coaches in achieving their CAB during the Qualification Period, i.e., Existing Coaches who achieve an “Assist Bonus”§ during the Qualification Period.
  - b. In order to qualify for the Incentive, the following must take place:
    - i. A New Coach achieves their CAB during the Qualification Period, i.e., the New Coach generates 1,000 Frontline Qualifying Volume (“FQV”) from five (5) New Clients¶ in their first 30 days as a Coach.
    - ii. A Business Coach assists their frontline New Coach in earning their CAB during the Qualification Period.

\*A “New Coach” is a Coach who purchased a Business Kit between November 23, 2020-January 3, 2021.

†A “Client Acquisition Bonus” is a special US \$100.00 bonus offered under the U.S. Integrated Compensation Plan, to a New Coach that generates a total of 1,000 Frontline Qualifying Volume (FQV) within that New Coach’s first 30 days as a Coach, from five (5) frontline New Clients and/or New Coaches. For purposes of this Incentive, Coaches in Hong Kong and Singapore will have the opportunity to earn a double CAB bonus during the Incentive Qualification Period.

‡An “Existing Coach” is a Coach who purchased a Business Kit prior to November 23, 2020.

§An “Assist Bonus” is a special US \$100.00 bonus offered under the U.S. Integrated Compensation Plan, to a Business Coach, if the Business Coach assists a personally sponsored New Coach in earning his/her Client Acquisition Bonus. For purposes of this Incentive, Coaches in Hong Kong and Singapore will have the opportunity to earn a double Assist Bonus during the Incentive Qualification Period.

¶A “New Client” must have never previously placed an order with **OPTAVIA**.

5. INCENTIVE REWARDS:

- a. New Coaches who meet the CAB requirements during the Qualification Period will receive a "double" CAB, i.e., US \$200.00, S \$280.00 or HK \$1,580.00.
  - i. As a CAB is only received once during a New Coach's first 30 days as a Coach with **OPTAVIA**, the Participant is limited to achieving one (1) "double" CAB of US \$200.00, S \$280.00 or HK \$1,580.00.
- b. Existing Coaches who assist their frontline New Coach in earning their CAB during the Qualification Period will receive a "double" Assist Bonus, i.e., US \$200.00, S \$280.00 or HK \$1,580.00.
  - i. As an Assist Bonus can only be achieved once per New Coach, during the New Coach's first 30 days as a Coach, the Participant will only receive one (1) "double" Assist Bonus per New Coach. However, Existing Coaches may achieve multiple "double" Assist Bonuses, one (1) per New Coach that is sponsored during the Qualification Period who meets the Incentive Qualifications.

6. ADDITIONAL INCENTIVE CONDITIONS:

- a. Bonuses earned will be paid out with weekly commission payouts the week following when the Bonus was achieved.
- b. **OPTAVIA** reserves the right to amend the Incentive Terms and Conditions at any time and at its sole discretion.
- c. **OPTAVIA** reserves the right to interpret the Incentive Qualifications at its sole discretion.
- d. **OPTAVIA** reserves the right to audit and verify that all Incentive Qualifications and requirements were met compliantly and by following the **OPTAVIA** Official Policies, Procedures, Independent Coach Agreement, and the Integrated Compensation Plan or International Compensation Plan (all of these items are collectively referred to as "the Agreement"). **OPTAVIA** reserves the right to revoke any Incentives which were achieved through non-compliant activities on the part of the Coach and/or were in violation of the Agreement.
- e. **OPTAVIA** does not allow or condone manipulation or fraudulent activity associated with the Incentive or Compensation Plans and, as such, **OPTAVIA** reserves the right to conduct an investigation prior to making any determinations concerning qualification for the Incentive. The discovery by **OPTAVIA** of any manipulation or fraudulent activity will be grounds for disqualification from the Incentive and potential disciplinary action pursuant to the **OPTAVIA** Policies and Procedures. Manipulation of this Incentive or the Company's Compensation Plans includes, but is not limited to, using Wellness Credits (Wellness Credits are currently only available in the U.S. market) to purchase full orders for Clients and/or Coaches; Wellness Credits may only pay for a maximum of 50% of an order (for one of the purposes outlined in the Policies and Procedures) in order to be considered compliant. Additionally, placing orders under other Coach's accounts and/or personally purchasing items under fictitious or actual accounts is considered manipulation.
- f. The account of any Coach, who was subject to disciplinary action during the Qualification Period, or at any time prior thereto, is subject to a review by **OPTAVIA** and is subject to disqualification from this Incentive.
- g. Sponsor reserves the right to cancel, suspend, and/or modify the Incentive and/or extend or delay the Incentive Qualification Period or any part of thereof: (1) for any reason, (2) due to force majeure (e.g. an act of war or terror, pandemic, etc.), or (3) if any other factor beyond Sponsor's reasonable control impairs the integrity or proper functioning of the Incentive in any manner, or for any reason related to the administration of the Incentive, as determined by Sponsor in its sole discretion. In the event the Incentive is not capable of running as planned, including due to infection by computer virus or bugs, tampering, unauthorized intervention, fraud, technical

failures, or any other causes beyond the control of Sponsor, which corrupt or affect the operation, administration, security, fairness, integrity or proper conduct of the Incentive, Sponsor may, in its sole and absolute discretion and without any fault or liability, void any suspect entries and (a) cancel the Incentive; (b) modify the Incentive or suspend the Incentive to address the impairment and then resume the Incentive in a manner that best conforms to the spirit of these Terms and Conditions; and/or (c) award the Prize from among the eligible, non-suspect Entries received up to the time of the impairment in accordance with the criteria in these Terms and Conditions.

- h. At its sole discretion, Sponsor may disqualify any Coach whom it considers to have intentionally violated these Terms and Conditions or any element of this Incentive. By participating, the Coach agrees to be bound by the Terms and Conditions and the decisions of Sponsor and to waive any right to claim ambiguity in these Terms and Conditions. The Incentive Entities are not responsible for technical, hardware, software, or telephone failures of any kind, lost or unavailable network connections, fraud, incomplete, garbled, or delayed computer transmissions, whether caused by Sponsor, users or by any of the equipment or programming associated with or utilized in the Incentive or by technical or human error which may occur and/or which may damage a user's system, hardware or software or limit a Coach's ability to participate in the Incentive.
  - i. Any undefined terms used throughout these Terms and Conditions shall be understood and construed as set forth and used in **OPTAVIA's** current Policies, Procedures and U.S. Integrated Compensation Plan (the "Agreement"). Should any conflicts exist between the definitions under these Terms and Conditions and the Agreement, the definition under these Terms and Conditions will govern.
7. **ARBITRATION:** Except where prohibited by law, as a further condition of participating in this Incentive, Participants agree that (a) any and all disputes and causes of action arising out of or connected with this Incentive shall be resolved individually, without resort to any form of class action, and exclusively, by final and binding arbitration under the rules of JAMS (alternative dispute resolution service) ("JAMS"); (b) the Federal Arbitration Act shall govern the interpretation, enforcement and all proceedings at such arbitration; (c) judgment upon such arbitration award may be entered in any court having jurisdiction; and (d) these Terms and Conditions, and this Incentive, shall be governed by the laws of the State of Maryland. All arbitration proceedings and rules, and all materials produced pursuant to the arbitration, shall be strictly confidential. All proceedings shall be conducted in the city of the Sponsor's corporate headquarters. Except as prohibited by law, the parties waive all rights and claims to punitive, incidental or consequential damages, including attorney's fees, and Participants further waive all rights to have damages multiplied or increased.
8. **INDEMNIFICATION AND LIMITATION OF LIABILITY:** BY PARTICIPATING IN THE INCENTIVE, EACH PARTICIPANT AGREES TO INDEMNIFY, RELEASE AND HOLD HARMLESS THE SPONSOR AND ITS RESPECTIVE PARENT, AFFILIATE AND SUBSIDIARY COMPANIES ( INCLUDING BUT NOT LIMITED TO, MEDIFAST, INC.), ITS ADVERTISING AND PROMOTIONAL AGENCIES, AND ALL THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES AND AGENTS FROM ANY LIABILITY, DAMAGES, LOSSES OR INJURY (INCLUDING, WITHOUT LIMITATION, DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES) WHETHER ARISING IN TORT (INCLUDING NEGLIGENCE, WHETHER ACTIVE, PASSIVE OR IMPUTED), CONTRACT, WARRANTY, STRICT LIABILITY, RELIANCE OR UNDER ANY OTHER THEORY RESULTING IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, FROM THAT PARTICIPANT'S PARTICIPATION IN THE INCENTIVE AND/OR THE ACCEPTANCE, USE OR MISUSE OF ANY PRIZE(S) THAT MAY BE WON, AND WHETHER OR NOT THE INCENTIVE ENTITIES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE INCENTIVE ENTITIES AND THEIR RESPECTIVE PARENTS, AFFILIATES AND SUBSIDIARY COMPANIES DO NOT MAKE ANY WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION, FITNESS OR MERCHANTABILITY OF ANY PRIZE(S).

9. WEBSITE USE: Participant understands and agrees that the download or installation of any content or program, and/or the use of the Sponsor's website and all other elements of this Incentive are at Participant's own discretion and risk. The Incentive Entities and their parents, subsidiaries, affiliates (including but not limited to Medifast, Inc.), advertising and promotional agencies, all their respective officers, directors, employees, representatives and agents disclaim any liability for damage to any computer system or loss of data resulting from access to or the download of information or materials connected with the Incentive. Participants expressly acknowledge and agree that use of the Sponsor's website and all other elements of this Incentive are at Participants' sole risk. All elements of this Incentive are provided on an "as-is" and "as available" basis and you assume full responsibility and risk for use of the Sponsor's website, the internet, and all other elements of this Incentive. Participants understand that the Incentive Entities do not make any representations or warranties regarding the reliability, timeliness, availability, and/or performance of any elements of this Incentive.
10. INTELLECTUAL PROPERTY: The Incentive Official Terms and Conditions and all related web pages, content and code are the property of the Sponsor or authorized third parties. The copying or unauthorized use of any of those materials, associated trademarks or any other intellectual property without the express written consent of its owner is strictly prohibited.
11. SEVERABILITY: If any term or other provision of these Official Terms and Conditions is determined to be invalid, illegal or incapable of being enforced by any rule or law, or public policy, such provisions shall be severed and all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.
12. SPONSOR: The Sponsor of this Incentive is **OPTAVIA**, LLC (the "Sponsor"), a Delaware Corporation whose principal business address is 100 International Drive, 18th Floor, Baltimore, MD 21202.