

**OPTAVIA® CONVENTION 2022:
GLOBAL & PRESIDENTIAL DIRECTOR INCENTIVE
OFFICIAL TERMS & CONDITIONS**

(UPDATED ON JULY 08, 2022)

NO PURCHASE OR PAYMENT OF ANY KIND IS NECESSARY TO ENTER OR QUALIFY FOR THIS INCENTIVE. VOID WHERE PROHIBITED OR RESTRICTED BY APPLICABLE LOCAL LAWS AND REGULATIONS. OPEN ONLY TO RESIDENTS OF 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 OR OLDER. INTERNET ACCESS AND EMAIL ACCESS ARE REQUIRED.

- 1. BINDING AGREEMENT:** By participating in the **OPTAVIA** Convention 2022 Global & Presidential Director Incentive (“Global & Presidential Director Incentive” or “Incentive”), the independent **OPTAVIA** Coach (the “Participant” or “Coach”) fully and unconditionally agrees to accept these Official Terms & Conditions (“Terms & 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 all Coaches that ranked as a Global Director (“GD”) or a Presidential Director (“PD”) in January 2022. **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.

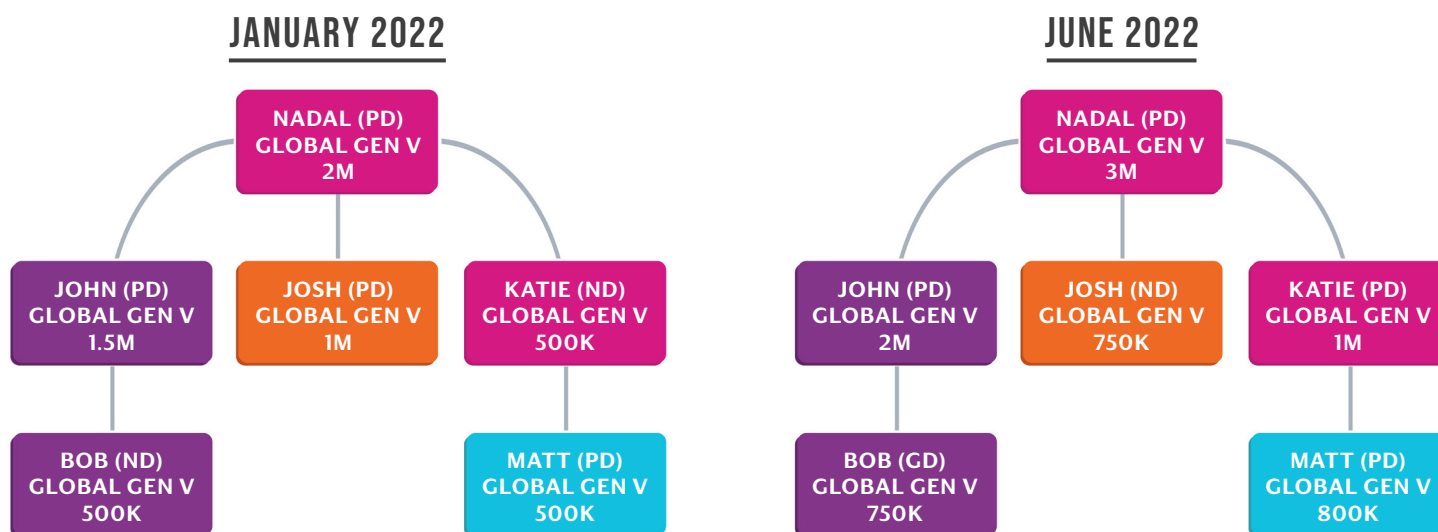
- 3. INCENTIVE QUALIFICATION PERIOD:** The Incentive Qualification Period (“Qualification Period”) commences at 12:00 a.m. PT February 1, 2022 and closes at 11:59 p.m. PT on June 30, 2022.

- 4. INCENTIVE QUALIFICATIONS:** In order to qualify for the Incentive, the Participants must:
 - a. Rank as a GD or PD in January 2022;
 - b. Qualify as a GD or higher each month of the Qualification Period;
 - c. Grow their Global Generation Volume 20% during the Qualification Period, as compared to the Coach’s “Baseline” which is defined in these Terms & Conditions; and
 - d. Rank as one of the top one hundred twenty (120) performing Participants by the close of the Qualification Period with respect to the “Growth Measurements” which are defined in these Terms & Conditions.

- 5. REWARDS:** Registration transfers between individuals are not permitted.
 - a. The top one hundred twenty (120) Participants will each receive four (4) passes to Atlanta Social premium seating at **OPTAVIA** Convention 2022 to take place at State Farm Arena in Atlanta, GA during General Sessions and the Celebration of Success.
 - b. Approximate Retail Value (“ARV”) of the four (4) passes will be provided by the Company at a later date.

6. **DEFINITIONS:** The following definitions apply to this Incentive. Any undefined terms used throughout these Terms & Conditions shall be understood and construed as set forth and used in **OPTAVIA**'s current Policies, Procedures, or the U.S. Integrated Compensation Plan.
- Global Generation Volume: All Qualifying Volume ("QV") between a GD or higher to the next GD or higher.
 - Active Coaches: All Coaches in your Line of Business with positive Frontline Qualifying Volume ("FQV"), down to the next qualifying GD or higher.
 - Baseline: The snapshot of a Coach's Global Generation Volume and Active Coaches as of the close of the month of January 2022. A sample of a Coach's "Baseline" can be seen in the month of January in the "Pinning the Tree" example below.
 - Pinning the Tree/Pinned the Tree: The Company will use a snapshot of the tree structure that exists as of January 2022, this ensures Coaches are not negatively impacted by any "breakaway" that may occur when growing Global Generation Volume and Active Coaches. See the example below:

EXAMPLE: "PINNING THE TREE"



- In this example, John, Josh and Matt have "broken away" from Nadal's Global Generation Volume since they each ranked as PD in January.
- Katie's Global Generation Volume, down to Matt, would be included in Nadal's 2,000,000 Global Generation Volume since Katie did not rank as GD or PD in January.
- John's Global Generation Volume would be inclusive of Bob's 500,000 since Bob ranked as National Director ("ND") in January.
- In June, while Katie ranked up to PD, her Global Generation Volume is still included in Nadal's Global Generation Volume because we Pinned the Tree in January, when Katie was ranked as ND.
- Similarly, although Josh dropped down to ND in June, Nadal does not get credit for that volume because we Pinned the Tree in January. However, Josh would no longer qualify for the Incentive because he did not maintain GD or higher during the entire Qualification Period.

7. GROWTH MEASUREMENTS: The Company will be measuring the Global Generation Volume growth and Active Coach growth of all qualifying Coaches during the Qualification Period. The Company will measure growth against the Baseline. To “level the playing field” and to account for varying sizes of businesses in the **OPTAVIA** Coach Community, growth will be measured in four (4) categories:

- a. Growth Categories:
 - i. Raw Number of Global Generation Volume Growth: The Company will measure each Participant’s growth in Global Generation Volume as a raw number. In the chart below, compared to all qualifying Participants, Coach Amy has the second-highest growth in Global Generation Volume, as a raw number, therefore, Coach Amy earns 3 points.
 - ii. Raw Number of Active Coach Growth: The Company will measure each Participant’s growth of Active Coaches as a raw number. In the chart below, compared to all qualifying Participants, Coach Tim has the lowest growth in Active Coaches, as a raw number, therefore, Coach Tim earns 1 point.
 - iii. Percentage of Global Generation Volume Growth: The Company will measure each Participant’s Global Generation Volume growth as a percentage. In the chart below, compared to all qualifying Participants, Coach George has the second-highest percentage of Global Generation Volume, therefore, Coach George earns 3 points.
 - iv. Percentage of Active Coach Growth: The Company will measure each Participant’s growth of Active Coaches as a percentage. In the chart below, Coach Amy has the second-highest percentage growth of Active Coaches, therefore, Coach Amy earns 3 points.

- b. Point Allocation:
 - i. From each of the four (4) Growth Categories, the Participants will earn points from lowest (1) to highest (120). The sum of total points earned by Participants will be calculated, and the Participants will be ranked based on the total points they earn. The top one hundred twenty (120) point earners, who meet all the Incentive Qualifications, will achieve the Rewards. In the example chart below, George, the recipient of 12 points would be the top earner and would receive four (4) tickets to Atlanta Social, so long as George meets all other Incentive Qualifications.

	January 2022		June 2022		Growth (Raw Number)				Growth (Percentage)				Total
	Global Gen V	Active Coaches	Global Gen V	Active Coaches	Global Gen V	Ranking	Active Coaches	Ranking	Global Gen V	Ranking	Active Coaches	Ranking	
Amy	2M	1,500	2.45M	1,950	450K	3	450	4	22.5%	1	30%	3	11
George	1.5M	1,200	2M	1,500	500K	4	300	3	33.3%	3	25%	2	12
Kelly	1M	800	1.25M	1,050	250K	2	250	2	25%	2	31.3%	4	10
Tim	500K	500	700K	600	200K	1	100	1	40%	4	20%	1	7

- c. Ties:
 - i. In the event of a tie for total points, the Reward will be given to the Coach with the highest ranking in the raw number growth in the Global to Global Generation Volume.

8. REPORTING:

- a. In order to track a Participant’s qualification for the Incentive, the Company will provide monthly reports to each Participant on or about the 10th of each month, which will show the Participant’s personal ranking in each category as well as the Participant’s overall ranking; the reporting will only include a Coach’s personal performance, all other information will be anonymized. Please note, reporting for the month of February only will exclude the Coach’s overall ranking in the Incentive.

9. ADDITIONAL INCENTIVE CONDITIONS:

- a. **OPTAVIA** reserves the right to amend the Incentive Terms & Conditions at any time and at its sole discretion.
- b. The Sponsor may collect personal data about Coaches who participate in the Incentive (including, without limitation, name, phone number, and e-mail); personal data will be collected pursuant to the Company's Privacy Policy.
- c. **OPTAVIA** reserves the right to interpret the Incentive Qualifications at its sole discretion. In addition, notwithstanding the Incentive Qualifications in Section 4, **OPTAVIA** reserves the right to award the Incentive Rewards to the Participants 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 OPTAVIA Coach Agreement](#), and the [Integrated 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 activities will be the 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 Clients or Coach's accounts and/or personally purchasing items under fictitious or actual accounts with the purpose of gaining the Incentive is considered manipulation.
- f. The account of any Coach, which 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. Coaches who may earn a Reward must be in good standing, i.e., not on probation or with any outstanding compliance violations or open compliance cases at the close of the Incentive Period, to receive the Reward.
- g. The Sponsor reserves the right to cancel, suspend, and/or modify the Incentive and/or extend or delay the Incentive Qualification Period or any part 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 the 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 the Sponsor in its sole discretion. In the event the Incentive is not capable of running as planned, including, but not limited to, infection by a computer virus or bugs, tampering, unauthorized intervention, fraud, technical failures, or any other causes beyond the control of the Sponsor, which corrupt or affect the operation, administration, security, fairness, integrity or proper conduct of the Incentive, the 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 & Conditions; and/or (c) award the Incentive Rewards from among the eligible, non-suspect Entries received up to the time of the impairment in accordance with the criteria in these Terms & Conditions.
- h. At its sole discretion, the Sponsor may disqualify any Coach whom it considers having intentionally violated these Terms & Conditions or any element of this Incentive. By participating, the Coach agrees to be bound by the Terms & Conditions and the decisions of the Sponsor and to waive any right to claim ambiguity in these Terms & 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 the 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 & Conditions shall be understood and construed as set forth and used in **OPTAVIA**'s current Policies, Procedures and Integrated Compensation Plan (the

"Agreement"). Should any conflicts exist between the definitions under these Terms & Conditions and the Agreement, the definition under these Terms & Conditions will govern.

- 10. 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 & Conditions 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.
- 11. 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 REWARDS 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 REWARD(S).
- 12. WEBSITE USE:** Participants expressly acknowledge and agree 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 Participants' 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. All elements of this Incentive are provided on an "as-is" and "as available" basis and Participants 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.
- 13. INTELLECTUAL PROPERTY:** The Incentive Official Terms & 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.
- 14. SEVERABILITY:** If any terms or other provisions of these Official Terms & Conditions are determined to be invalid, illegal or incapable of being enforced by any rule or law, or public policy, such terms or provisions shall be severed and all other terms and provisions of these Terms & Conditions shall nevertheless remain in full force and effect.
- 15. 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.