



FantaZ Terms and Conditions

Revised 02/15/2020

Member Requirements and Qualifications

1. **Becoming a Member.** An applicant only becomes a Member (ZMember or FantaZ Business Owner ZBO) of FantaZ when both of the following requirements have been completed:
 - a. The applicant enrolls through an online application through the FantaZ Official Website, reviews and accepts both FantaZ's Terms and Conditions and Terms of Use documents.
 - b. The applicant is accepted by FantaZ and an account is created. FantaZ reserves the right to decline any membership application for any reason. FantaZ expressly reserves the right to deny the application of any person who has had a financial interest of any kind in any ZMember or ZBO distributorship under a different enrollment in the preceding six (6) months.
2. **Member Application and Agreement.** The parties recognize that FantaZ may suffer material losses, such as, but not limited to, compliance risks, diminished value of its trademarks, disputes with existing ZMembers and ZBOs regarding proper sponsor, which would be difficult to quantify if a third party attempts to resell FantaZ services or promote the FantaZ Income Opportunity without a written agreement with and approval from FantaZ. Therefore, it is a condition precedent to the obligation of FantaZ to pay any commissions, overrides, or bonuses under the Compensation Plan to the other party until they have completed and executed the applicable Membership Application and Agreement and they have been approved by FantaZ. Any potential Member who recruits Z-Guests, Z-Members or downline ZBOs prior to approval as a ZBO by FantaZ does so at his or her own risk. If a potential ZBO recruits Z-Guests, Z-Members or downline ZBOs and does not complete the applicable ZBO Application and Agreement, or is not approved as a ZBO, that potential ZBO forfeits any commissions, overrides, or bonuses to which he would have been entitled upon approval, and waives any claims for such monies, including claims in quantum merit, quasi-contract, or detrimental reliance. Payment of all monies to ZBOs is governed by the Compensation Plan.
3. **Legal Age.** ZMembers and ZBOs must be of legal age to contract with FantaZ to receive commissions (ZBO's only) through the Compensation Plan or to enter games of skill tournaments for cash and/or prizes. They also must reside in a legal jurisdiction. In no event, may a ZBO be less than eighteen (18) years old.
4. **ZBO Rights.** All ZBOs are authorized to sell all FantaZ products and services offered on the FantaZ Website and to participate in the FantaZ Compensation Plan as it currently exists and may be amended from time to time. All ZBOs may sponsor new ZBOs, so long as such new ZBOs comply with the various Terms and Conditions of distributorship and are accepted by FantaZ. All ZBOs may also sponsor new Z-Guest and Z-Members (Retail Customer) so long as such Z-Guest and Z-Members comply with the various Terms and Conditions and Terms of Use of FantaZ and are accepted by FantaZ.

No Purchase Required for Player Registration. No person is required to purchase any FantaZ products or services to register on the Website or to be eligible to participate as a Z-



Guest or Z-Member. Participation in most events and games of skill on the FantaZ Website requires payment of the entry fee specified. To become a ZBO, one must complete the requirements in section 1. In order to maintain status as a ZBO, a ZBO must remain in good standing with FantaZ and pay a monthly Virtual Office fee of \$9.99. Additionally, a ZBO who wants to be eligible for Uni-Level Commission payments must meet the minimum level of 100 Qualification Points per month. At least 50% of these 100 Qualification Points must come from downline Z-Member(s) (Retail Customers).

The different types of FantaZ participants there are:

- Z-Guest (Free Player) – Is a person that comes to FantaZ.com and plays FREE games without registering. FantaZ will provide global access to free players as anyone will be able to play games on the site for free (including people under the age of 18 years old). Z-Guests will NOT be entitled to participate in Cash Skill Game Tournaments nor will they be entitled to earn Z-Coins, Points, Build a Downline or Earn Commissions.
- Z-Member – A Z-Member is a person whom chooses to register with FantaZ and provides minimal information: Name- First & Last, E-mail (verified), User Name, and Password. To be a Z-Member the Z-Guest will also need to accept FantaZ 's Terms of Use & Terms & Conditions. Z-Members get access to FREE features like a Personal Profile Page and a FantaZ URL. This unique FantaZ URL makes it possible for Z-Members to invite and sponsor their friends to play on the site through the various social networks. The people invited by the Z-Member who come to the site and register become part of the sponsoring Z-Member's downline. Z-Members also have the ability to play in both Free & Cash Game tournaments for Cash and Prizes. They can also purchase Goods and Services through the FantaZ platform.
- ZBO - The cost to become a ZBO to receive the Virtual Office tools is \$9.99 per month or \$99.99 per year (16% Discount). ZBOs must be in a legal jurisdiction and they must meet the minimum age requirements of at least 18 years old to set up a ZBO account. The required information needed to set up a FantaZ ZBO account: Name- First & Last, E-mail (verified), User Name. To activate the FantaZ wallet one of the following will be needed: Credit Card, Debit Card, or ACH. ZBOs also need to agree to FantaZ's Terms of Use and Terms & Conditions. ZBOs can participate in FantaZ's Adjustable Uni-Level Compensation Plan which provides the opportunity to earn commissions on their own personal purchases and play and the purchases and play of the other Z-Members and ZBOs in their uni-level downline up to 7 levels below. Commissions vary from one product to the next and are clearly defined.

5. Married Couples.

- a. Married couples may, but are not required to form a single Z Business.
- b. Z Businesses of persons who marry may not be consolidated unless:

- i. One spouse is the direct sponsor of the other spouse; or both spouses have the same direct sponsor; and
 - ii. Both spouses request, in writing, that the Z Businesses be consolidated.
 - c. If a couple sharing a Z Business divorces or separates, FantaZ will continue to pay commissions and bonuses jointly to the couple unless FantaZ receives written instructions signed by both spouses or the court order of competent jurisdiction directing how the commissions and bonuses are to be divided.
 - d. The Company treats a single Z Business of a married couple as being jointly owned with each spouse having a right of survivorship in the business. This may only be changed with written instructions signed by both spouses.
6. **Corporate, Partnership, LLC, and Trust Documents Requirements.** Corporations, partnerships, trusts, and LLCs may apply to become ZBOs. FantaZ may require such entities to provide, as applicable, the following documents:
- a. Articles of incorporation, bylaws, and shareholder agreement for a corporation;
 - b. Articles of organization and operating agreement for an LLC;
 - c. Partnership agreement and any certificate of partnership for a partnership;
 - d. Declaration of trust or other trust documents for a trust;
 - e. A complete list of all directors, officers, members, managers, partners, and shareholders involved in the entity, or, for a trust, a list of all trustees and beneficiaries;
 - f. Proof of issuance of a Federal Tax ID Number to the entity;
 - g. Proof must be provided of a Federal Tax ID Number and a copy of the Annual Certification from the Secretary of State of the State of Trust, Partnership Registration, or Incorporation;
 - h. Signed agreement by all shareholders, partners, members, beneficiaries, trustees, directors, and officers, as applicable, to agree to be personally liable to FantaZ for compliance with its rules and regulations for Z Businesses;
 - i. Resolution from Managers or Managing Members of an LLC authorizing the transaction;
 - j. Resolution from Board of Directors of a corporation authorizing the transaction.
7. **Fictitious and Assumed Names Prohibited.** A person or entity may not apply as a ZBO using a fictitious or assumed name.
8. **Independent Contractor Status.** All ZBOs are independent contractors with FantaZ and not franchisees, joint ventures, partners, employees, or agents of FantaZ. ZBOs are strictly prohibited from stating or implying, whether orally or in writing, that they are franchisees, joint ventures, partners, employees, or agents of FantaZ. ZBOs may not bind FantaZ to any obligation.
9. **Virtual Office** – All ZBOs will receive a Virtual Office that provides them with the tools necessary to track and promote their unique FantaZ business. The Virtual Office is equipped to provide ZBOs with important data such as; Genealogy Downline Tracking, Qualification Points, Bonus Points, Uni-level Commissions, Pro and Expert Bonuses, etc. The Virtual Office also provides ZBOs with various Marketing and Promotion Tools. The



current monthly Virtual Office fee is \$9.99 or it can be paid annually for \$99.99 (16% Discount). This \$9.99 fee is due each Calendar Month and must be paid by the ZBO to be Commission Qualified. While FantaZ will endeavor to send reminder notices to ZBOs, ZBOs are responsible for paying the monthly Virtual Office Fee for their Z Business, even if no reminder is received from FantaZ. Any ZBO who does not pay the Virtual Office fee within the calendar month is deemed to have done so through voluntarily action, and thereby forfeits all sponsorship rights, position earned, and any future potential compensation for that calendar month period or compensation requiring continuous qualification spanning multiple consecutive months. FantaZ will attempt to notify ZBOs electronically of their Virtual Office fee obligation, but FantaZ's failure to provide notification, or a ZBO's failure to receive such notification, does not excuse nonpayment of the Virtual Office fee.

10. **Multiple Applications.** If one applicant submits multiple applications with multiple sponsors, only the first completed form to be received by FantaZ will be accepted. FantaZ shall, in its sole discretion, determine the sponsorship of any applicants who submit applications showing different sponsors.
11. **ZBO Qualification Points.** The Company has adopted a minimum ZBO Qualification Point requirement as specified in the Compensation Plan. To earn Commissions a ZBO **MUST** be **COMMISSION QUALIFIED**. A ZBO becomes Commission Qualified in each month when they have tabulated a minimum of **100 QUALIFICATION POINTS** in that calendar month. These Qualification Points are the **COMBINATION** of the ZBO's **PERSONAL POINTS** and the **RETAIL POINTS** generated by Z-Members (non- ZBOs) in that ZBO's direct uni-level line of sponsorship 7 levels deep. Qualification Points are generated from purchases made of any product and/or service offered through FantaZ's E-Commerce platform including Game Entry Fees and Tournament Buy-ins. There are 4 Points awarded for every \$1 in purchases. \$1 equals 1,000 Z-Coins. The 100 Qualification Points needed equates to 25,000 Z-Coin purchases (100 Points = 25,000 Z-Coins = \$25 US dollars). To be Commission Qualified **AT LEAST 50 %** of the overall Qualification Points needed must come from Z-Members (Retail Players) directly sponsored by that ZBO. **COMPRESSION** also occurs for the Qualifying ZBO, so they will also receive credit for the retail points generated by other Z-Members in that ZBO's uni-level downline as long as those Z-Members are not in another ZBO's downline. This qualification requirement occurs each Calendar Month. A ZBO who fails to meet the required Qualification Points is not qualified to earn commissions for the month in which the minimum Points was not met. Therefore, their commissions are compressed (as defined in the ZBO Compensation Plan) and pass to the upline of the non-qualified ZBO. Points for all ZBOs is calculated prior to disqualification, so points earned by a non-qualified ZBO or the non-qualified ZBO's direct Z-Members do not increase Points for the sponsor for the purposes of qualification of the sponsor or the remainder of the non-qualified ZBO's upline.



Representations, Warranties and Indemnities

12. **Indemnity.** ZBOs agree to indemnify and hold harmless FantaZ, its shareholders, employees, agents, and successors in interest from and against any claim, demand, liability, loss, cost, or expense, including, but not limited to: (i) damages from intentional or negligent misrepresentations by the ZBO to third parties; (ii) violations of these Terms and Conditions, violations of the FantaZ.com Terms of Use; (iii) attorneys' fees incurred by FantaZ arising in connection with that ZBO, including, but not limited to, fees incurred defending a claim brought against FantaZ because of the ZBO's conduct, fees incurred in investigating alleged misconduct of a ZBO; and (iv) any misuse, unauthorized use, or infringement by the ZBO, regardless of whether such misuse, unauthorized use, or infringement by the ZBO is intentional or not, of the trademarks, copyrights, patents, or other intellectual property of any third party, whether on the FantaZ Site, a website owned or hosted by the ZBO, or other misuse, unauthorized use, or infringement by the ZBO on the intellectual property of a third party for which the third party alleges that FantaZ is liable.
13. **ZBO Identification Number.** All ZBOs are required to provide a Social Security Number or Federal Tax ID Number for all government reporting purposes. FantaZ will issue a ZBO Identification Number to each ZBO upon approval as a ZBO. The ZBO Identification Number must be indicated by the ZBO on all correspondence with FantaZ, including paperwork for enrolling, product ordering, disputes, Player service inquiries, etc. Receipt of or use of a ZBO number signifies acceptance of these Terms and Conditions.

ZBO Legal Compliance

14. **Taxes.** ZBOs will be treated as independent contractors for all federal or state tax purposes. As independent contractors, ZBOs will not be treated as employees, franchisees, joint ventures, partners, or agents with respect to the Internal Revenue Code, Social Security Act, Federal Unemployment Tax Act, state unemployment acts, or any other federal, state, or local statute, ordinance, rule, or regulation.
15. **Legal Compliance.** All ZBOs shall comply with all federal and state statutes and regulations and local ordinances and regulations concerning the operation of their businesses. All ZBOs are responsible for their own managerial decisions and expenditures, including all estimated income and self-employment taxes. At the end of each calendar year, FantaZ will issue an IRS Form 1099-MISC for non-employee compensation for ZBOs as required by law.

ZBO Restrictions

16. **Other Products and Services.** ZBOs are not restricted from selling the products and services of other companies. However, ZBOs may not promote products, services, or income opportunities of other direct selling companies to FantaZ Z-Members or FantaZ ZBOs. Any ZBO found in violation of this rule risks suspension or termination of their Z Business.
17. **No Exclusive Territories.** There are no exclusive territories for marketing or enrolling purposes. No ZBO shall imply or state that he or she does have an exclusive territory.



18. **No Recruitment Rewards.** FantaZ ZBOs may sponsor other ZBOs into the FantaZ program, and such persons may be enrolled if otherwise qualified. However, ZBOs are only compensated based on Personal and Uni-level downline purchases. Additional Bonus Commissions may also be earned by qualifying Pro & Expert ZBOs as set forth in detail in the ZBO Compensation Plan, and never for enrolling additional participants into the program.
19. **Points on Partner Sites.** The Points and Commissions earned for play or transactions on partner white-label sites (3rd Party strategic partners) may be significantly different than the Points and Commissions earned for transactions on the FantaZ site. Please review the Point and Commission information on the 3rd party strategic partner sites prior to completing any play or transaction. Points and Commissions may only be earned if the user has logged in through the FantaZ site and then completes transactions on 3rd party site. Users who engage in transactions directly on these sites may not earn FantaZ Points and/or Commissions. Additionally, users who have already registered on the 3rd party sites (outside of FantaZ) may be ineligible to earn Points and/or Commissions from these partner sites and may be ineligible to play on the FantaZ site.

Trade Secrets and Intellectual Property

20. **Confidentiality Agreement.** Information contained in any genealogy, downline report, Compensation Plan or report, bonus plan or report, marketing plan or similar information provided by FantaZ is proprietary and confidential to FantaZ and is transmitted to the ZBO in the strictest confidence. The ZBO agrees that he or she will not disclose any such information to any third party directly or indirectly, nor use the information to compete with FantaZ for any purpose other than promoting the FantaZ Income Opportunity or recruiting Z-Members or ZBOs. The ZBO and FantaZ agree that, but for this agreement of confidentiality and non-disclosure, FantaZ would not provide the information to the ZBO. Any ZBO who is found to be in violation of this rule risks suspension or termination and agrees that FantaZ will lack an adequate remedy at law and may seek injunctive relief to enforce this provision. The right of FantaZ to seek injunctive remedies does not preclude FantaZ from also seeking monetary damages, including both actual and consequential damages, from a person or entity violating this provision.
21. **Trademarks.** The names the "Z," "ZBO," "Z Business," "FantaZ," "FantaZ.com," "FantaZBiz," "FantaZBiz.com," "FantaZGames," "FantaZlive," "FantaZSports," "FantaZ Celebrities," "Z Celebrities," "FantaZ Charities," "Z Charities," "FantaZ Fashion DivaZ," "FantaZ Fashion Diva", "FantaZ Universe", "FantaZ Global," "Planet FantaZ," and the names of all FantaZ products and services, and the phrases "Where Skill Pays" and "Play Promote Profit" are the registered or unregistered trademarks of and owned by FantaZ Holdings, LLC. Only FantaZ is authorized to produce and market products and literature under these trademarks. Use of the FantaZ name on any item not produced or authorized by FantaZ is prohibited.
22. **Copying Prohibited.** ZBOs shall not copy, record, or transmit, whether for sale or for personal use, any audio or video of: (a) material detailing the FantaZ Income



Opportunity; (b) any product or service presentation; (c) any speech, conference call, webinar, presentation, or other event without express written permission from an officer of FantaZ, regardless of whether the presenter is an employee, shareholder, or officer of FantaZ, a ZBO, or a third party. A presenter who is not an officer of FantaZ may not waive this provision. FantaZ may seek injunctive relief, including destruction of the offending copy or recording, and/or damages from the violator for the unauthorized use of FantaZ copyrights, trademarks, trade secrets, and materials. Video or audio taping of FantaZ meetings and conferences is strictly prohibited. Still photography is allowable at the discretion of the meeting host. This provision does not prohibit a ZBO from transmitting hyperlinks to such material on an authorized FantaZ Site or embedding a FantaZ video in the ZBO's site, so long as the video is actually hosted on the hosting site set by FantaZ.

Sponsorship and Training

23. Obligations of Enrollers. ZBOs who choose to enroll are required to assure the adequate training of their enrolled ZBOs. "Adequate training" includes, but is not limited to, education regarding FantaZ rules and regulations, Compensation Plan, product information, sound business practices, sales strategies, and ethical behavior. An enroller must maintain an ongoing, professional leadership association with ZBOs in his/her organization and must fulfill the obligation of performing as a bona fide sales mentor or sales trainer in the sale or delivery of products or services to the ultimate Z-Member (Retail Customer) or ZBO. Examples of such supervision may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, accompanying individuals to FantaZ training either online or offline, and sharing genealogy information with those enrolled. ZBOs must maintain written or electronic records of the training of their downline and provide these records to FantaZ upon request.

24. Transferring Sponsorship.

- a. FantaZ and ZBOs recognize that transfers can directly affect both the upline and the downline of the transferring ZBO. As such, FantaZ has the sole discretion to approve or disapprove any transfers and to determine whether or not such transfers include a transfer of the downline group under the transferring ZBO. While the following are the general guidelines for transfers that FantaZ considers, FantaZ is not bound by these guidelines and may consider these or other factors at its sole discretion:
 - i. Within the first 30 days after signup as a ZBO, the ZBO submits to FantaZ a written consent and moves with the ZBO's downline group;
 - ii. For a ZBO to transfer without its downline group after the first 30 days after signup as a ZBO, the ZBO must submit to FantaZ written consent from the three immediate upline ZBOs; or
 - iii. For a ZBO to transfer with its downline group after the first 30 days after signup as a ZBO, the ZBO must submit to FantaZ written consent



from the three immediate upline ZBOs and written consent from the downline to be included in the transfer.

- b. FantaZ may charge an administrative fee for each transferring ZBO.
- c. FantaZ may also impose other restrictions on transfers, such as having a transfer become effective at the end of a commission period, bonus period, or pool qualification period, at the sole discretion of FantaZ. Because the commission system provides for payment of commissions and accumulation of Qualification Points and Bonus Points as of the final day of the calendar month at 00:00 UTC (midnight), transfers are generally made on the first day of the following calendar month after a request, and the previous sponsor receives the Commissions and Bonus Points (as applicable) attributable to the transferring ZBO for the month in which the transfer is requested. While the date of a transfer and the application of earned Commissions and Bonus Points prior to the transfer is at the sole discretion of FantaZ, transfers requested in the first 72 hours after signup will generally be (i) made immediately, and (ii) the accrued Commissions and Bonus Points within the same calendar month of the transfer accrued to the new sponsor.

25. ZBO Training. ZBOs are responsible for providing training to the ZBOs they enroll. Training assistance is provided in the FantaZ Official Website such as video, audio, and text materials. Also, each ZBO may receive periodic FantaZ publications that include ongoing training and products and services information. This information may be delivered by online or offline means.

Sale or Transfer of Z Business

- 26. Limits on Transferability or Sale.** Prior to selling, assigning, or transferring a Z Business to a third party, the selling ZBO must first offer the Z Business, in writing, to the immediate sponsor on the same terms. If the immediate sponsor does not accept the offer in writing within five business days, the immediate sponsor's right to purchase the Z Business on such terms terminates, and the ZBO may sell, assign, or transfer his or her Z Business to the third party on such terms, if the third party is approved by FantaZ. While FantaZ shall not unreasonably withhold approval for purchase by a third party, FantaZ may impose the same ownership restrictions on third-party purchasers as FantaZ imposes on new distributors. The third party shall pay FantaZ an administrative fee equal to the current new distributor fee for the transfer (if applicable). If the Company determines, in its sole discretion, that the Z Business was transferred in an effort to circumvent compliance with this Agreement, the Company may order the selling distributor and the new distributor to unwind the sale and may suspend any payments to either distributor until such sale is unwound.
- 27. Succession.** Upon the death of a ZBO, if the ZBO is a natural person, the Z Business passes by will or intestate succession as personal property, as provided by law, unless the Z Business is jointly owned with a spouse, in which case the deceased spouse's interest passes to the surviving spouse pursuant to Section 5. FantaZ will require the successor-in-interest to sign and be bound by the then current ZBO Agreement. The



successor is then entitled to all the rights and subject to all the obligations, just as any other FantaZ ZBO. Until the successor-in-interest accepts the current ZBO Agreement and provides a Federal Tax ID Number, FantaZ shall suspend all payments to the Z Business. If the successor-in-interest fails to provide a Federal Tax ID Number or to accept the current ZBO Agreement within one year of the death of the ZBO, FantaZ may involuntarily terminate the Z Business as of that date and pay the suspended payments to the estate representative or the state unclaimed funds registry for the state in which the ZBO resided.

Termination or Suspension of Z Business

- 28. Voluntary Termination.** A ZBO may voluntarily terminate his or her Z Business by failing to pay the \$9.99 monthly Virtual Office fee when applicable or upon written notice to FantaZ through the Virtual Office. Voluntary termination is effective upon receipt of such notice by FantaZ and any future commissions and/or qualification points will be forfeit.
- 29. Involuntary Termination or Suspension.** A ZBO may be involuntarily suspended or terminated by FantaZ for violating any of the terms of this Agreement or the provisions of any applicable laws.
- a. In ordinary cases, the Company will endeavor to comply with the following procedures before taking such action:
 - i. Complaint(s) by one ZBO against another ZBO regarding any alleged violation(s) will be accepted only if sent to the FantaZ home office in writing or received through the FantaZ Website from a registered Z-Member or ZBO. No phone or email complaints will be accepted. No anonymous complaints will be accepted.
 - ii. Normally, the first determination by the Company that a ZBO has committed a violation of the policies or procedures will result in a warning by phone call or email to the ZBO. The occurrence and substance of this phone call and/or email will be documented and kept in Company records.
 - iii. A second violation will result in a written reprimand or disciplinary letter to be delivered by email and certified mail or courier to the violating ZBO. The Company may impose a monetary sanction of up to one month's commission. Any commission withheld as a monetary sanction will be donated to a charity of the Company's choice.
 - iv. Upon a third violation, the Company may terminate the ZBO. Notification of such proposed action will be made via certified mail or courier to the ZBO citing evidence of the violations. Should no response be provided by the ZBO within 15 days from the date of the notification letter, the termination will, upon Company decision, become final.
 - b. In any situation where the ZBO has committed a violation that results in notification, complaint, or demand from state or federal regulatory or law

enforcement authorities, the Company reserves the right to immediately terminate the ZBO, even for a first violation. The violating ZBO shall indemnify and defend the Company for all fines, losses, attorneys' fees, or other expenses imposed on or incurred by the Company as a result of the ZBO's violation. In the event of notice of such a violation by a ZBO, the Company may withhold, as security for such indemnification, all monies due to the ZBO until resolution of the official complaint. The violating ZBO is obligated to indemnify and defend FantaZ as specified herein, even if FantaZ voluntarily self-reports such violation to any such authorities.

- c. If a ZBO is involuntarily terminated pursuant to this section 29 or self-terminates in lieu of such termination, a violating ZBO must immediately cease representing himself/herself as a ZBO and is barred from reapplying as a ZBO with FantaZ for one (1) year.
- d. The Company may terminate a ZBO for any offense or violation that the Company believes, in its reasonable discretion, could potentially subject the Company or other ZBOs to: (i) criminal prosecution; (ii) significant civil liability; (iii) or other legal relief which could inhibit the Company or other ZBOs from conducting the usual business of the Company.

30. Appeals. An involuntarily terminated ZBO may appeal the termination by submitting a letter of appeal and stating the grounds of the appeal. This letter may be submitted via facsimile, with an original sent U.S. Postal Service or private delivery service return receipt requested and must be received by FantaZ within fifteen (15) days of the date of mailing of the Company's initial termination notice. The letter of appeal should include any evidence or other information relevant to reconsideration of the above. If the Company has not received a letter of appeal by that deadline, the involuntary termination automatically becomes final. If a ZBO files a timely appeal, FantaZ will, in its sole discretion, review and reconsider the termination and notify the ZBO of its decision. The decision of the Company is final and subject to no further review. If the appeal is denied, the termination remains in effect as of the date of the Company's original termination notice.

31. Effect of Suspension. Should FantaZ deem it necessary to suspend a ZBO, such suspension means that the ZBO may not represent itself as a ZBO of FantaZ and that any commissions, royalty overrides, or bonuses due will be held by FantaZ pending resolution. If the ZBO is reinstated, the suspended payments will be paid to the ZBO upon reinstatement. If the ZBO is not reinstated, the held payments will be distributed to the upline of the terminated ZBO, in accordance with the Compensation Plan, as though the ZBO had been terminated effective the date of the suspension.

32. Effect of Termination. In the event a ZBO is terminated, effective with such termination the ZBO can no longer sell FantaZ products and services or enroll other ZBOs. The ZBO also loses all rights to commissions, bonuses, and all other benefits. All downline ZBOs and Z-Members of the terminated ZBO become sponsored by the immediate upline ZBO of the terminated ZBO, effective the date of termination.



Marketing a Z Business

33. Yellow and White Page Listing. ZBOs are not permitted to use the FantaZ trade name or trademarks in advertising their telephone or fax numbers in the white or yellow page sections of the telephone book.

34. Offline/Print or Hard Copy Advertising Policy.

- a. ZBOs are permitted to advertise their business through offline methods as long as the ZBO uses the text, graphics, logos, etc., that are either produced or pre-approved by FantaZ. These methods may include newspaper, magazine print, classified ads, flyers, brochures, postcards, drop cards, or business cards.
- b. ZBOs must investigate any requirements under state or local law for advertising and comply with such requirements. ZBOs may be required to register or seek prior approval for such advertising with a local or state governmental agency.
- c. Pre-approval or production by FantaZ is not a warranty by FantaZ that such materials are compliant with the applicable local law in which an individual ZBO resides or advertises.
- d. ZBOs may not advertise in a Prohibited Jurisdiction.

35. Company literature. Only official FantaZ literature, pictures, videos, flash presentations, etc., may be used in presenting FantaZ products, services, and the FantaZ Income Opportunity. Company literature, pictures, videos, flash presentations, etc., may not be duplicated or reprinted without prior written permission from FantaZ or as stated by FantaZ on the FantaZ Website. All promotional material of any nature, including electronic, must be approved in advance and in writing by FantaZ. Customized videos or other promotional material generated from the FantaZ Website tools are approved for ZBO use so long as they are unaltered from the format and content generated from the FantaZ Website. To ensure the quality of marketing materials, FantaZ requires that the following materials only be purchased from approved vendors through the FantaZ Website: business cards, flyers, and postcards/drop cards.

36. Media Interviews. ZBOs are prohibited from granting radio, television, newspaper, or magazine interviews, or using public appearances, public speaking engagements, or making any type of statement or press release to the public media to publicize FantaZ, its products, services, or their individual Z Business, except with the express written approval of FantaZ. All media contacts and inquiries must be coordinated through the approval and representation of a FantaZ Corporate Representative.

37. Internet and Website Policy.

- a. Provisions Applicable to All Websites of ZBOs:
 - i. No ZBO may, under any circumstance, use the internet or other telecommunications network for the purpose of “bulk” or unsolicited: (i) emailing; (ii) message board posting; (iii) automatic unsolicited instant messaging; (iv) unsolicited texting; (v) auto-dialer services; or (vi) other services generally known as or considered “spamming,” whether to promote the FantaZ Business Opportunity, to advertise



FantaZ services, to solicit interest in business opportunities, or for the promotion of any other business opportunity.

- ii. No ZBO may violate any local, state, or federal laws regarding the internet or other telecommunications network, including the “do not call” federal and state lists.
- iii. No ZBO may refer to the FantaZ Website or Opportunity as “gambling,” “wagering,” “betting,” “sports betting,” a “sports book,” or similar terms.
- iv. ZBO Site shall not encourage cross-lining, i.e., for Z-Members or ZBOs in another line of sponsorship to transfer or open additional ZBO accounts under a different sponsor.
- v. All Z-Members and ZBOs shall safeguard and promote the good reputation of FantaZ and its games, services and products. The advertising, promotion, and marketing of FantaZ, the FantaZ Business Opportunity, its Compensation Plan, and FantaZ games, services, and products are to be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical, or immoral conduct or practices. FantaZ prohibits any ZBO from enticing a prospect to join FantaZ as a ZBO by showing copies of bonus or commission checks or copies of any bonus or commission statement.
- vi. FantaZ strictly prohibits making false and exaggerated income claims or misrepresenting its games, services or products in any way, shape, or form. FantaZ has carefully designed its games, services and products, advertising, marketing, sales tools, presentations, and Compensation Plan to make sure that each aspect of FantaZ is fair, truthful, and complies with the vast and complex legal requirements of federal and state laws. To promote the games, services, and products, and the Business Opportunity FantaZ offers, ZBOs are required to use the marketing materials, sales tools, and support materials produced and approved by FantaZ. If ZBOs develop their own sales tools, marketing and/or promotional materials, it is very likely that they would violate laws regarding the marketing of their Z Business. Violations would harm the FantaZ Business Opportunity for all ZBOs.
- vii. ZBOs promoting FantaZ with a web page, website, blog, banner ad, text ad, or any other advertising by electronic means that uses the logos or banners of FantaZ must use only logos or banners published by FantaZ without modification (including resizing such graphics).
- viii. ZBOs may not: (i) represent that FantaZ or the ZBO Business Opportunity is endorsed by any person or entity; or (ii) use the image, likeness, logo, or trademark of any person or entity on a website promoting FantaZ or the ZBO Business Opportunity unless: (i) the ZBO has a written agreement between the ZBO and that person or entity



- authorizing such endorsement or usage; and (ii) the ZBO has provided FantaZ with a copy of such written agreement.
- b. ZBO Registration of Domain Names Containing “FantaZ” or other Trademarks of FantaZ are Governed by the Following:
- i. “Protected FantaZ Trademarks” means “Fanta-Z,” “FantaZ,” “ZBO,” “Where Skill Pays,” “Play Promote Profit,” or any similar term.
 - ii. ZBOs are prohibited from purchasing, owning, or creating domain names (including subdomains and international domains) or usernames/email addresses on other major sites (such as Facebook, , Twitter, or social networks or public email sites such as Hotmail, Gmail, etc.) containing Protected FantaZ Trademarks.
 - iii. If a ZBO registers, creates, or owns a domain or username on a major site with a Protected FantaZ Trademark in violation of these provisions, such registration is in trust for FantaZ, and, upon demand, the ZBO shall transfer such registration to FantaZ. Furthermore, the ZBO appoints FantaZ attorney-in-fact to transfer such registration to FantaZ.
- c. Website Names on the FantaZ Server: FantaZ, at its discretion, offers ZBOs a FantaZ URL on the FantaZ.com server (www.fantaz.com/URLName).TM
- i. The “URLName” portion of the FantaZ URL may not contain the following Prohibited Terms:
 1. A trademark of a third party without express permission from that third party (e.g., “Pepsi”);
 2. Name of a person different from the ZBO (e.g., John Smith may not use “Michael Jackson” for his URL);
 3. Only the name of a geographic location (continent, country, state, city, etc.) (by itself);
 4. Only a name of a game on the FantaZ Site or a game which FantaZ expects to have on the Site (by itself) (e.g., “Checkers,” “HangMan,” or “Tetris” would be inappropriate);
 5. A broad category (by itself) (e.g., “churches,” “charities,” “nightclub,” “union” would be inappropriate);
 6. A deceptive word or phrase (e.g., “login” or “resetpassword”).
 - ii. Compound usernames which contain one or more of the Prohibited Terms, which, when combined, are: (1) not deceptive; and (2) do not appear to be categories, are permitted. For instance, “TexasGuy,” “CheckersChampion” or “HoustonTetrisPlayer” are permitted.
 - iii. FantaZ, at its sole discretion, may offer ZBOs who have achieved a certain large Z Business the opportunity to have a premium Profile Page (e.g., www.fantaz.com/URLName). These premium offerings are at the sole discretion of FantaZ, and may be revoked by FantaZ at any time. Such premium Profile Pages are solely at the invitation of



FantaZ, and unsolicited requests for premium Profile Pages will generally not be accepted.

- iv. FantaZ may, at its sole discretion, revoke or alter any name which, in the sole discretion of FantaZ, FantaZ believes to be false, deceptive, illegal, or in violation of the intellectual property rights of a third party.
 - d. ANY ZBO WHO DOES NOT FOLLOW THE FANTAZ INTERNET AND OFFLINE WEBSITE AND ADVERTISING POLICIES MAY BE TERMINATED IMMEDIATELY AND WITHOUT WARNING. FANTAZ MAY ALSO CONTACT THE HOSTING COMPANY OF ANY SUCH PAGES AND REQUEST, AS THE TRADEMARK HOLDER, THAT SUCH PAGES BE REMOVED.
 - e. If a ZBO has a public webpage, website, or presence on any websites (such as, but not limited to, Twitter, Facebook, etc.), the ZBO shall only use FantaZ produced and approved advertising, marketing text, banner ads, etc. The ZBO shall use the approved FantaZ advertising and marketing materials “as is” with no changes or alterations of any kind (including, but not limited, resizing such material or adding the ZBO’s name or logo thereto).
 - f. The Digital Millennium Copyright Act (DMCA) notification, counter-notification, and take-down policy of FantaZ is located in the FantaZ Terms of Use.
- 38. No Business Name Containing FantaZ Trademarks.** ZBOs shall not incorporate or organize any entity containing the name “FantaZ,” “Fanta-Z,” “ZBO,” “Play-Promote-Profit,” “Where Skill Pays” or similar name. ZBOs shall not register any assumed name, fictitious name, or DBA using such terms. This provision does not prohibit the use of the term “Z Business” or “Z” (such as “Bob’s Z Business, LLC” or “Bob’s Z Site, Inc.”).
- 39. No Trademark Registration by ZBOs.** ZBOs may not use or attempt to register any of FantaZ’s trade names, trademarks, service names, service marks, product names, Company name, or any derivative thereof, for any Internet domain name or for any federal or state trademark. The ZBO may not incorporate FantaZ’s trade names, trademarks, service names, service marks, product names, Company name, or any derivative thereof, into any electronic mail address. Any registration by a ZBO in violation of this provision is held in trust for the benefit of FantaZ and shall be assigned, on demand, to FantaZ.
- 40. Independent Communications.** ZBOs, as independent contractors, are encouraged to distribute information and direction to their respective downlines. FantaZ encourages the use of newsletters, email, training workshops both online and offline, and other organizational programs.
- a. ZBOs must identify their personal communications as such and not give the impression that such communications are the official communications of FantaZ.
 - b. ZBOs are responsible for ensuring that their communications are accurate, comply with applicable law, and do not violate any policy of FantaZ.



- c. FantaZ, at its sole option, may require that any or all ZBOs communicate with their downline only through FantaZ channels including, but not limited to, a private mail system on the FantaZ Website, or by sending communications to FantaZ for mail-outs to the downline at the ZBO's expense.
 - d. At FantaZ's sole discretion, FantaZ may require any or all ZBOs to have the communication of such ZBOs to their downline pre-approved by FantaZ prior to sending such communication.
 - e. A ZBO shall not represent to third parties that: (i) the ZBO has any exclusive rights to offer a particular FantaZ program; (ii) that the ZBO is endorsed by FantaZ; (iii) that the ZBO is offering a program or opportunity which no other ZBO offers.
41. **Endorsements.** No endorsements or testimonials of any kind, including by FantaZ officers, may be alleged, except as expressly communicated in FantaZ literature or approved in writing. If a ZBO is endorsed by a third party (such as a celebrity, charitable organization, etc.), the ZBO must have written authority from the third party to use such endorsement, and must have provided a copy of such written authority to FantaZ prior to advertising with such endorsement.
42. **Telephone Answering.** ZBOs may not answer the telephone by saying "FantaZ," "FantaZbiz," "FantaZsports," "FantaZgames," or with any other FantaZ-related trademark, or in any other manner that would lead the caller to believe that he or she has reached the corporate offices of FantaZ or its licensed affiliates.
43. **Repackaging, Relabeling, and "Masking" Prohibited.** ZBOs may not repackage or re-label any FantaZ products, services, or materials in any way. ZBOs shall not "mask" the FantaZ domains such that downline or consumers do not see the actual domain name of the website that they are viewing. ZBOs may "redirect" domains to their FantaZ ZBO website, so long as the actual FantaZ ZBO website name is visible (e.g., redirect "www.MakeMoneyWithBobSmith.com" to "www.FantaZ.com/zbo/BobSmith" with "www.FantaZ.com/zbo/BobSmith" visible to the user). In this section, "redirect" and "mask" have the meanings associated with their use in the web design and internet hosting context.
44. **Consent to Promotion Using Name.** By becoming a ZBO, the ZBO consents to FantaZ listing the ZBO's name, likeness, and FantaZ internal ZBO URL or landing page on any page in the FantaZ Website or on any FantaZ promotional material, including, but not limited to, the Wall of Fame page, the Home page, a ZBO landing page, or the Promotional Carousel.

Payments and Z-Wallet

45. **Calendar Periods for Calculation and Payment.** All compensation designated in the Compensation Plan, as "Commissions or Unilevel Compensation" will be calculated based on the calendar month and paid no later than the end of the following calendar month. All compensation designated in the Compensation Plan as "Bonuses" or "Pools" will be calculated based on the period designated in the bonus program (e.g., calendar months, calendar quarters, calendar halves, calendar years) and paid by the end of the

calendar month following the end of such period. All period end times are based on Coordinated Universal Time (UTC). Any payments by FantaZ of commissions or bonuses prior to such deadline is wholly discretionary on the part of FantaZ and does not constitute a “course of dealing” or “course of performance” and expressly does not obligate FantaZ to continue to make any such payments before the deadlines set forth herein. In the event that the Compensation Plan or a special bonus program designates a different calculation period or payment period, the Compensation Plan or special bonus program guidelines will control the calculation or payment. FantaZ, at its option, may offset any monies owed to it by a ZBO, or credits for refunds, or uncollectible accounts from any money to be paid to a ZBO even if the monies owed or credits would be from a later period than the compensation to be paid. If FantaZ, in its sole discretion, believes itself to be under-secured for potential refunds, chargebacks, offsets, or other deductions from a ZBO, FantaZ may withhold a reasonable amount of commissions, overrides, or other payments to a ZBO for a reasonable period of time as security against such potential refunds, chargebacks, offsets, or other deductions.

46. **Payments through Z-Wallet.** FantaZ may make all payments to a ZBO by depositing the payments in the ZBO’s Z-Wallet or other payment processing system on the FantaZ Site. Upon making such an electronic payment, FantaZ shall notify the ZBO by electronic mail or electronic entry within the Z-Wallet system showing the calculation, period, and type of compensation.
47. **Withdrawals from Z-Wallet.** ZBOs may request withdrawals from the Z-Wallet at any time through the FantaZ Website. ZBOs may either have the funds transmitted by Automated Clearing House (ACH), wire transfer, or check. If funds contained in a Z-Wallet are traceable to deposits from specific credit cards or ACH/wire transfers from specific accounts, FantaZ may require that withdrawals, to the extent of those deposits, are refunded to those specific credit cards or returned to those specific bank accounts.
48. **Withdrawal Fees from Z-Wallet.**
- a. There are no fees for ACH withdrawals.
 - b. The fee for a domestic wire transfer is US \$25.
 - c. The fee for an international wire transfer is US \$45.
 - d. There are no fees for refunding a deposit to a credit card which was used for that specific deposit.
 - e. The fee for issuance and first class mailing of a physical check is US \$25.
49. **No Payments to Prohibited Jurisdictions.** FantaZ is not obligated to and will not mail checks to a Prohibited Jurisdiction. If a ZBO requests that a check be sent to a Prohibited Jurisdiction, or a ZBO does not provide any address except that in a Prohibited Jurisdiction, FantaZ may tender payment by making the check available for pickup by the ZBO at its corporate headquarters, and it will be the responsibility of the ZBO to retrieve the check. FantaZ will not send a check to a Prohibited Jurisdiction with the U.S. Postal Service or with a common carrier to an address in a Prohibited Jurisdiction, even if a pickup is arranged with such a carrier by a ZBO. FantaZ is not obligated to and will not send an ACH transfer or wire transfer to a bank address in a Prohibited Jurisdiction or for credit to an account based in a Prohibited Jurisdiction. In



the event that any such request is made, FantaZ will endeavor to inform the ZBO that the payment cannot be made because the requested address is located in a Prohibited Jurisdiction. Even if the ZBO does not receive actual notice that FantaZ has rejected the payment location, the ZBO is deemed to have constructive notice of the Prohibited Jurisdiction and FantaZ has tendered payment by making a check available for pickup at its corporate headquarters.

50. **Refunds or Chargebacks.** FantaZ may recover commissions from any ZBO for monies refunded to or charged back by a ZBO or Z-Member in the ZBO's downline. FantaZ will attempt to equitably charge such refund to all ZBOs who received a portion of the commission from such refunded or charged-back monies, but FantaZ may charge or offset the refund or chargeback from any ZBO in the upline of the Z-Member or ZBO who receives the refund or chargeback.

Products and Shipping

51. **Retail Outlets.** ZBOs may not resell merchandise with the FantaZ logo in retail outlets, including, but not limited to, flea markets or swap meets, shopping malls, or restaurants, without prior written approval. FantaZ may sell merchandise in these locations or authorize ZBOs to sell merchandise in these locations at the sole discretion and option of FantaZ.
52. **Price Changes.** All FantaZ products, services, literature, ZBO monthly fees (if applicable), annual renewal fees (if applicable), and other prices are subject to change without notice. All prices will be the same for all ZBOs.
53. **Termination Returns.** If a terminating ZBO has purchased products for resale while the ZBO Agreement was in effect, the Company will honor any applicable statutory buyback requirements. The ZBO must submit a request for a Return Merchandise Authorization (RMA), follow the FantaZ instructions to return the products, and prepay all return shipping costs less a 20% restocking fee. Products or sales materials not in resalable condition will be returned to the ZBO at the ZBO's expense.
54. **Downline Genealogy.** A ZBO may view his downline genealogy through the virtual office. Upon termination, a ZBO may no longer access any information to his downline genealogy as this is confidential and proprietary information belonging to FantaZ.

Games and Tournaments

55. **Cancellation of Tournament and Refund of Entry Fees.** If a Z-Member or ZBO prepays for a service offered by FantaZ (such as the entry fee for a tournament or game of skill) and either: (1) the underlying event does not take place; (2) the FantaZ Website is unavailable to all users; (3) the game or tournament, for technical reasons, cannot be played; or (4) FantaZ for any reason, at its sole discretion, chooses to cancel the game or tournament, then FantaZ shall credit a refund of the prepaid entry fees to the accounts of all participants in such event or game and cancel the event or game, and FantaZ has no further obligation to pay a prize for that tournament.
56. **Z-Member or ZBO Responsible for Website Connection.** It is the responsibility of each Z-Member and ZBO to ensure that he or she has sufficient technical resources to access

the FantaZ Website. If a Z-Member or ZBO is unable to access or continue participation in a game or event because of technical problems of the Z-Member or ZBO or the network or internet provider or that Z-Member or ZBO, FantaZ is not obligated to refund entry fees to that particular Z-Member or ZBO.

57. **Disconnection of Participant.** If a game is a live, multiple-player game, a Z-Member or ZBO who becomes disconnected and remains disconnected for a reasonable period of time (which would be disclosed at the beginning of the game) may be treated as having resigned from the game. If a game is not a live game, a Z-Member or ZBO who becomes disconnected for any period of time will be treated as having resigned from the game. At the option of FantaZ (but consistent within the specific tournament), the resignation (or disconnection) of a Z-Member or ZBO from a tournament, for scoring purposes, FantaZ will either: (1) treat the Z-Member or ZBO as though he had not left any unanswered questions unanswered; (2) treat the Z-Member or ZBO as though he had not taken any further actions in the game in which he or she was participating; (3) provide a zero score to the Z-member or ZBO; or (4) provide the minimum score in the game to the Z- Member or ZBO.

FantaZ will allow a player to report an issue to obtain a refund with the following conditions:

- A refund of the game fees can only occur up to a maximum of 3 times per month (subject to change)
- The player must request the refund within 3 hours of the time of the last player for the tournament
- The player did not initiate the disconnection event
- The game is a casual game. Live game events are not eligible for refunds.

58. **FantaZ Right to Waive Certain Provisions.** In exceptional circumstances, FantaZ may, at its sole option, waive the enforcement of either of the above two sections (section 56 or section 57) and require Players to continue the tournament at a later time.

59. **Intentional Disconnection Prohibited.** A Z-Member or ZBO is prohibited from intentionally disconnecting from a game or tournament without using the built-in option to withdraw from the game or tournament. FantaZ may suspend or restrict a Z-Member or ZBO who makes an intentional practice of disconnecting from games.

60. **Event Timing.** For all game events, both live and casual, the time recorded by the FantaZ system servers shall represent the time of record. In all instances of timing, the time FantaZ system records the start and end time of all events. In the case of a tie, the time calculated at the FantaZ system is the final authority. Live Event play requires the player to submit responses to the server where time of submission becomes an important factor. Due to the inherent delays that can occur due to a player's Internet or cellular connection, the FantaZ system time is used as the authoritative time and is used for establishing the user's submittal time.



Legal Rights, Notices, and Limitation of Liability

61. **Buyer's Right to Cancel.** Federal law empowers a buyer to cancel certain sales without penalty prior to midnight of the third business day after the transaction. This rule covers retail consumer sales of \$25 or more that occur away from the seller's main office. All signups should be only through the FantaZ online sign-up page to ensure that the proper notifications are given. Any ZBO, which signs up Z-Members, or ZBOs other than through the FantaZ online Website is personally liable for any liability incurred because of cancellation rights.
62. **Recordkeeping.** FantaZ encourages all its ZBO to keep complete and accurate records of all their business dealings for tax and accounting purposes. A recommended publication is the Retail Industry ATG - Chapter 3 – Examination Techniques for Specific Industries (Direct Sellers), available from the IRS website.
63. **Income Claims.** **ZBO EXPRESSLY REPRESENTS AND WARRANTS TO FANTAZ THAT NO EMPLOYEE, SHAREHOLDER, OFFICER, AGENT OF FANTAZ, AND NO ZBO, SPONSOR, OR OTHER PERSON HAS MADE ANY REPRESENTATION OF INCOME THAT THE ZBO WILL EARN FROM THE FANTAZ OPPORTUNITY. ZBO EXPRESSLY REPRESENTS AND WARRANTS TO FANTAZ THAT ZBO HAS FULLY INVESTIGATED THE FANTAZ OPPORTUNITY AND THAT ZBO UNDERSTANDS THAT THIS AND ALL BUSINESS VENTURES ARE INHERENTLY RISKY AND THAT ZBO IS INVESTING MONEY THAT ZBO CAN AFFORD TO LOSE SOME AND/OR ALL OF IF THE BUSINESS VENTURE IS UNSUCCESSFUL.** Any false, deceptive or misleading claims regarding the Business Opportunity or product/service are prohibited. ZBOs occasionally, in violation of the rules of FantaZ, represent hypothetical income figures based upon mathematical calculations of the power of network marketing as actual income projections. This is counterproductive, and prohibited, since new ZBOs may be quickly disappointed if their results are not as rapid as the hypothetical model. If a ZBO is uncertain as to the accuracy of any calculations or income projections presented, ZBO should contact FantaZ for additional information. Even though a ZBO may witness another party making false, deceptive, misleading, or hypothetical calculations of income, this provision is not waived and the ZBO is not permitted to engage in such activity.
64. **Contact.** Each person who registers on the FantaZ Website consents to receiving periodic emails and other contact from FantaZ regarding FantaZ and the FantaZ Opportunity and specifically about such person's account. Persons who register with FantaZ may opt-out of the periodic emails by following the instructions in such emails. Persons may not opt-out of certain emails specific to their FantaZ account, except by cancelling their FantaZ account.
65. **No Governmental Endorsement.** Federal and state regulatory agencies do not approve or endorse direct-selling programs. In some instances, the FantaZ program may be registered with a state or federal agency. Registration does not represent or imply endorsement by that agency and does not mean that agency has undertaken any investigation of the FantaZ program. Therefore, ZBOs may not represent or imply, directly or indirectly, that the FantaZ program has been approved or endorsed by any governmental agency.

66. **Amendments.** FantaZ reserves the right to amend this Agreement, its prices, product availability, and Compensation Plan as it deems appropriate, so long as all Amendments apply equally to all ZBOs. Generally, Amendments are effective for all ZBOs as of the effective date stated in the Amendment; however, in the event that, because of applicable law or practical implementation issues, an Amendment cannot be applied to all ZBOs immediately, such Amendment will be applicable to each ZBO on that ZBO's annual renewal date. Amendments will be communicated to all ZBOs through FantaZ publications, through its Website, or by electronic means. This provision does not apply to the arbitration clause found in the Terms of Use, as that clause can only be modified by mutual consent.
67. **Non-Waiver Provision.** No failure of FantaZ to exercise any right under this Agreement or to insist upon strict compliance by a ZBO with any obligation or provision herein and no custom or practice of the parties at variance with this Agreement shall constitute a waiver of FantaZ's right to demand exact compliance with this Agreement. Waiver by the Company can only be made in writing by an authorized officer of the Company. FantaZ's waiver of any particular default by a ZBO shall not diminish or impair FantaZ's rights with respect to that default, if it is continuing, or any subsequent default, nor shall it diminish or impair in any way the rights of FantaZ with respect to any obligations of any other ZBO.
68. **Severability.** If any provision of this Agreement, including these rules and regulations, or any specification or operating procedure which FantaZ has prescribed is held to be invalid or unenforceable under law or rule of any applicable jurisdiction, FantaZ shall have the right to modify the invalid or unenforceable provision to the extent necessary to render it valid and enforceable. The ZBO shall be bound by any such modification. The modification will be effective only in the jurisdiction in which it is required.
69. **Jurisdiction.** All disputes and claims relating to this Agreement, the FantaZ Compensation Plan, its products, the rights and obligations of a ZBO and FantaZ, or any other claims or causes of action relating to the performance of this Agreement by either party shall be governed by the laws of Nevada and shall be adjudicated totally and finally in Nevada, or such other location as FantaZ prescribes. *Louisiana residents only:* In the event of a dispute for jurisdictional purposes, a Louisiana resident ZBO shall be entitled to file an adjudicatory claim or lawsuit in the jurisdiction of Louisiana and the governing law shall be Louisiana law.
70. **US -Applicant.** All applicants who reside in the United States and its territories or who are otherwise physically located in the United States may register with FantaZ to become a Z-Member or ZBO. This provision excludes applicants who reside in states where "Games of Skill" are forbidden by state law to be played for cash and or prizes (these states are listed below). FantaZ's gaming platform is designed to BLOCK or limit activities of residence from these forbidden states. Any applicant that attempts to sign up from a state or territory where games of skill are forbidden will be permitted to access and use the FantaZ website for FREE PLAY ONLY. Applicants from "BLOCKED STATES" will NOT be confirmed as a Z-Member or ZBO, they will NOT be permitted to participate in cash and or prize tournaments. Additionally, there are also certain states Where Skill Pays™ 2780 South Jones Blvd



Suite #200-3431 Las Vegas, Nevada 89146 that forbid their residents from earning commissions or from participating in building a downline to earn commissions on "Games of Skill" (these states are also listed below). Any applicant that sign-up from a state where earning commissions or building a downline is forbidden will be permitted to access and use the FantaZ website for FREE PLAY ONLY but will NOT be entitled to earn commissions of any kind.

- a. A US Applicant (Excluding residence of Blocked States) may sign up ZMembers and ZBOs.
- b. FantaZ makes no representations or warranties: (1) if any US Blocked Jurisdiction will become a Permitted Jurisdiction; or (2) the time frame in which a US Blocked Jurisdiction may become a Permitted Jurisdiction.
- c. FantaZ has no duty, and expressly disclaims any obligation, to make any efforts to convert any US Blocked Jurisdiction to a Permitted Jurisdiction.
- d. FantaZ 3rd party strategic partners and white label sites have the sole responsibility to ensure their members comply with local governing laws.
- e. **TOTALLY BLOCKED STATES** - Where earning Cash and Prizes on Games of Skill and Fantasy Sports as well as earning Commissions for building a downline are forbidden.
 - i. Delaware
 - ii. Louisiana
 - iii. Maryland
 - iv. Montana
 - v. Tennessee
- f. **FANTAZ LIVE BLOCKED STATES**- Where earning Cash and Prizes on FantaZ Live is forbidden.
 - i. Delaware
 - ii. Louisiana
 - iii. Maryland
 - iv. Montana
 - v. Tennessee
 - vi. Iowa
- g. **FANTASY SPORTS BLOCKED STATES**- Where earning Cash and Prizes on Fantasy Sports is forbidden.
 - i. Alabama
 - ii. Arizona
 - iii. Delaware
 - iv. Hawaii
 - v. Idaho
 - vi. Illinois
 - vii. Iowa
 - viii. Louisiana
 - ix. Maryland
 - x. Montana
 - xi. Nevada
 - xii. Tennessee

- xiii. Texas
- xiv. Washington
- h. **30 DAY GUARANTEE PRIZE PAYOUT STATES** - We intend to pay out a guaranteed prize for all tournaments within 30 days from the start date of the event. We are doing this to meet the law requirements of the following states. This way we will be compliant if a player enters a tournament from one of these states.
 - i. Arizona
 - ii. Arkansas
 - iii. Florida
 - iv. Nebraska
 - v. New Mexico
 - vi. South Carolina
- 71. **Non-US Applicant.** All applicants who reside in countries outside of the United States or who are otherwise physically located outside of the United States and its territories may register with FantaZ to become a Z-Member or ZBO. This provision excludes applicants who reside in or who are physically located in any of the SANCTIONED COUNTRIES or territories listed below. Any applicant that attempts to sign-up from a Sanctioned Country or territory will NOT be permitted to access or use the FantaZ website in any way. They will NOT be confirmed as a Z-Member or ZBO, will NOT be permitted to participate in cash and or prize tournaments, and will NOT be entitled to earn commissions from building a downline of any kind.
 - a. A Non-US Applicant (Excluding residence of Sanctioned Countries) may sign up Z-members and ZBOs.
 - b. FantaZ makes no representations or warranties: (1) if any non-US sanctioned jurisdiction will become a Permitted Jurisdiction; or (2) the time frame in which a non-US sanctioned jurisdiction may become a Permitted Jurisdiction.
 - c. FantaZ has no duty, and expressly disclaims any obligation, to make any efforts to convert any non-US sanctioned jurisdiction to a Permitted Jurisdiction.
 - d. FantaZ 3rd party strategic partners and white label sites have the sole responsibility to ensure their members comply with local governing laws.
 - e. Embargoed and Sanctioned Countries
 - i. CRIMEA - REGION OF UKRAINE
 - ii. CUBA
 - iii. IRAN
 - iv. NORTH KOREA
 - v. SUDAN
 - vi. SYRIA
- 72. **Pre-Launch Applicants.** FantaZ, at its sole discretion, may allow applicants to pre-register prior to the full launch of the FantaZ Website ("Pre-Launch Applicants"). Such registrants are only submitting applications to become ZBOs, and FantaZ's acceptance of such applicants as ZBOs is expressly made conditional upon the prerequisites set forth in section 1 and compliance with these Terms and Conditions. Acceptance of Pre-Launch



Applicants as ZBOs and allowing the Pre-Launch Applicants to register other Pre-Launch Applicants and Z-Members is wholly within the discretion of FantaZ.

73. **Notices.** All legal notices, demands, and service must be made to:

Fanta-Z Holdings, LLC

Attn: Legal Department

2780 S. Jones Blvd; Suite 3431

Las Vegas, NV 89146

74. **Limitation of Liability, Waiver of Claims, and Indemnification of FantaZ.** To the extent permitted by law, FantaZ shall not be liable for and ZBO releases and holds FantaZ harmless from, and agrees to indemnify and defend FantaZ from, and waives all claims for any loss of profits, direct or indirect, special or consequential damages or any other loss incurred or suffered by ZBO as a result of: (a) the breach by the ZBO of this Agreement; (b) the operation of ZBO's business; (c) any incorrect or wrong data or information provided by ZBO; (d) the failure to provide any information or data necessary for FantaZ to operate its business, including without limitation, the enrollment and acceptance of ZBO into the FantaZ Income Opportunity or the payment of commissions and bonuses; (e) any misrepresentations by the ZBO, whether intentional, knowing, negligent or unintentional, to any party; (f) any misrepresentations by a third party, including a member of the upline or potential upline of ZBO, to the ZBO; and (g) any misuse, unauthorized use, or infringement by the ZBO, regardless of whether such misuse, unauthorized use, or infringement by the ZBO is intentional or not, of the trademarks, copyrights, patents, or other intellectual property of any third party, whether on the FantaZ Site, a website owned or hosted by the ZBO, or other misuse, unauthorized use, or infringement by the ZBO on the intellectual property of a third party for which the third party alleges that FantaZ is liable. Furthermore, it is agreed that any liability from FantaZ to the ZBO may not exceed, and is hereby expressly limited to, the lesser of: (i) the amount paid by the ZBO to FantaZ within the previous six months; or (ii) the amount of commissions owed to the ZBO at such time.

75. **Incorporation.** The FantaZ Compensation Plan and Terms of Use are incorporated into this Agreement and made part of it as if restated in full.