

# The California Candle Company

## Statement of Policies And Procedures

- 1) The California Candle Company, hereinafter "Company", is a direct selling marketing company marketing Premium Scented Candles and related items through Independent Consultants. The reason for the Consultant Application/Agreement and the Statement of Policies and Procedures are to set forth the respective duties, obligations and responsibilities of the Company and of the Representative. The Statement of Policies and Procedures herein are applicable to all Independent Consultants of the Company.
- 2) The Company requires that every individual wishing to become an Independent Consultant provide the company with a valid Social Security Number.
- 3) A Consultant is one who has completed a Company Application/Agreement and has been accepted by the Company as a Consultant. *The Company reserves the right to accept or reject anyone as a Consultant.*
- 4) Consultants are Independent Marketing Representatives of the Company and are not to be considered purchasers of a Franchise or a Distributorship. The agreement between the Company and its Consultant does not create an employer/employee relationship, agency, partnership or joint venture between the Company and the Consultants. Each Consultant should hold harmless the Company from any claims, damages or liabilities arising out of Consultants business practices. Consultants have no authority to bind the Company to any obligation. Each Consultant is encouraged to set his/ her own hours and to determine his/her own method of sale, so long as he/she complies with Policies and Procedures of the Company.
- 5) In the conduct of business, the Consultant shall safeguard and promote the reputation of the products of the Company and shall refrain from all conduct which might be harmful to such reputation of the Company or to the marketing of such products or inconsistent with the public interest, and shall avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.
- 6) All Consultants are responsible for paying local, state and federal taxes due on earnings from commissions or any other earnings generated as a seller of Company products.
- 7) The Company will provide a complete IRS Form 1099 to each representative whose earnings for the year are \$600.00 or more.
- 8) Trademarks, Trade Names, Advertising:
  - a). The name of the Company and other names as may be adopted by the Company are proprietary trade names and trademarks of the Company. As such these marks are of great value to the Company and are supplied to the Consultant for Consultants use only in an expressly authorized manner. The Consultant agrees not to advertise the Company product in any other way other than the advertising or promotional materials made available to the Consultant by the Company or materials approved by the Company. Consultant agrees not to use any written, printed, recorded or any other material in advertising, promoting or describing the product or the Company marketing program in any other manner, any material which has not been copyrighted and supplied by the Company unless such material has been submitted to the Company and approved in writing by the Company before being disseminated, published or displayed
  - b). The Consultant, as an Independent Contractor, is fully responsible for all of his/her verbal and written statements made regarding the product and marketing program which are not expressly contained in writing in the current Consultant agreement, and advertising or promotional material supplied directly by the company. Consultant agrees to indemnify the Company as a result of Consultants unauthorized representation.
  - c). The Company will not permit the use of its copyrights, designs, logo trade names, trademarks etc. – without its prior written permission.
  - d). A Consultant will not present his/herself as a spokesperson for the Company before any media – newspaper, radio, television, or on the internet or any online service – without express written consent of the Company.
  - e). All Company materials, whether printed, on film or produced by sound recording, are copyrighted and may not be reproduced in whole or in part by Consultant or any other persons except as authorized by the Company. Permission to reproduce any materials will be considered only in extreme circumstances. Therefore, a Consultant should not anticipate that approval would be granted.
  - f). A Company Consultant may not produce, use or distribute any information relative to the contents, characteristics or properties of Company product, which has not been provided directly by the Company or approved by the Company. This prohibition includes but is not limited to print, audio or video material.
- 9) Any printed material, including business cards and stationary, must be purchased through the Company.
- 10) The Company shall be entitled to change the product prices at any time and to make changes in the Policies and Procedures.
- 11) The Company will grant no exclusive territories as part of this agreement or the compensation plan.
- 12) This Statement of Policies and Procedures is incorporated into the Independent Consultant Application and Agreement and constitutes the entire agreement of the parties regarding their business relationship.
- 13) The Company expressly reserves the right to alter or amend prices, Rules and Regulations, Policies and Procedures, Product Availability and Compensation Plan. upon appropriate notification, such amendments are automatically incorporated as part of the agreement between the Company and the Consultant.
- 14) The Company reserves the right to terminate any Consultant at any time when it is determined that the Consultant has violated the provisions of these Policies and Procedures as they may be amended or the provisions of applicable laws and standards of fair dealing. The Company at its discretion shall make such involuntary termination. Upon an involuntary termination, the Company shall notify the Consultant by mail at the latest address listed with the Company for the Consultant. In the event of termination, the terminated Consultant agrees to immediately cease representing him/herself as a Consultant.

15). Termination:

- a). When a decision is made to terminate a Consultant, the Company will inform the Consultant in writing that the Distributorship is terminated immediately, effective as of the date of their written notification. The termination notice will be sent by certified mail to the Consultants latest known address with the Company as a Consultant.
  - b). The Consultant will have fifteen (15) days from the date of the mailing of the certified letter in which to appeal the termination in writing. The Company must receive the Consultants appeal correspondence within (20) days from the date of mailing of the Company's termination letter. If the appeal is not received within the twenty (20) day period, the termination will be automatically deemed final.
  - c). If a Consultant files a timely appeal of termination, the company will review and reconsider the termination, consider any other appropriate action, and notify the Consultant of its decision. The decision of the Company will be final and subject to no further review. In the event the termination is not rescinded, the termination will be effective as of the date of the Company's original termination notice.
- 16). In all cases, any reference the Consultant makes to him/herself must clearly set forth the Consultants Independent status. For example, if the Consultant has a business telephone, it cannot be listed under the Company's name or in any other manner, which does not disclose the independent contractor status of the Consultant.
- 17). The use of the Company's name or copyrighted materials may not be made with automatic calling devices or "boiler room" operations either to solicit Consultants or retail customers. The Company cannot regulate the use of these methods in ways that are legal.
- 18). All media inquiries are to be referred immediately to the Company. This policy is to assure accuracy and consistent public image.
- 19). The Company never gives up its right to insist upon compliance with these rules or with the applicable laws governing the conduct of business. This is true in all cases, both specifically expressed and implied, unless an officer of the Company who is authorized to bind the Company in contracts or agreements specifies in writing that the Company waive any of these provisions. In addition, any time the Company gives permission for a breach of the rules, that permission does not extend to future breaches. This provision deals with the concept of "waiver", and the parties agree that the Company does not waive any of its rights under any circumstances short of the written confirmation alluded to above.
- 20). These rules are reasonably related to the laws of the state of California and shall be governed in all respects thereby. The parties agree that jurisdiction and venue shall lie with the place of acceptance of the Distributors application, the state of California.
- 21). Should any portion of these Policies and Procedures, the Consultants Application/Agreement or any other instruments referred to herein or issued by the Company be declared invalid by a court of competent jurisdiction, the balance of such rules, applications or instruments shall remain in full force and effect.
- 22). Please retain a copy of this Statement of Policies and Procedures for your records.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_.

- Please send the original to The California Candle Company and retain a copy for your records.

*The California Candle Company*

*www.thecaliforniacandlecompany.com*

*www.asoldierscandle.com*