

# NATIONAL DIRECTOR ADDENDUM



This Addendum (the **“Addendum”**) constitutes an addendum to the inCruises® Independent Partner Agreement entered into with the Company by \_\_\_\_\_ (Partner full legal name), an individual residing at \_\_\_\_\_ (full mailing address), hereafter **“PARTNER”**, and INGROUP INTERNATIONAL LLC d/b/a INCRUISES INTERNATIONAL LLC, a Puerto Rico limited liability company, and for Puerto Rico residents INCRUISES PUERTO RICO LLC, a Puerto Rico limited liability company, (the **“Company”**) having its principal place of business at St. 1- Lot #3, Suite 500 (Metro Office Park 3) Guaynabo, Puerto Rico 00968-1705

WHEREAS, inCruises is a multilevel marketing company that sells and distributes vacation packages, cruises, hotel and resort stays, and other travel-related products and services through Independent Partners in a competitive market throughout the United States and internationally;

WHEREAS, PARTNER is an inCruises Independent Partner who has met the qualification requirements to advance to the National Director (or higher) rank as set forth in the inCruises Compensation Plan;

WHEREAS, the National Director rank is the first of the top five ranks in the inCruises Compensation Plan and is a senior leadership rank in the inCruises opportunity;

WHEREAS, inCruises Independent Partners who wish to advance to National Director rank (and above) must agree to exhibit and exemplify the leadership characteristics desired by inCruises, and therefore must enter into this Addendum; and

WHEREAS, PARTNER wishes to advance to the rank of National Director.

THEREFORE, in consideration of the mutual promises set forth herein, the sufficiency of which is hereby acknowledged, the parties agree as follows:

## 1. DEFINITIONS

- a. **Compensation Plan.** The term **“Compensation Plan”** means the method by which inCruises compensates Independent Partners for sales of the travel-related services offered by inCruises as published by inCruises at its website and as amended from time-to-time by inCruises.
- b. **National Director.** The term **“National Director”**, unless the context clearly indicates otherwise, collectively means the **“National Director”**, **“International Director”**, and Executive Director ranks as defined in the Compensation Plan.
- c. **Independent Partner (“IP”).** The term **“Independent Partner”** means an individual that has entered into an Independent Partner Agreement with inCruises and is an independent contractor distributor of inCruises’ travel-related products and services. Hereafter **“IP”**.
- d. **Policies and Procedures.** The **“Policies and Procedures”** are a supplementary document that are incorporated by reference into the Independent Partner Agreement.

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- e. **PARTNER.** The term “**PARTNER**” means the individual or entity identified above who is entering into this Addendum with inCruises.
- f. **Independent Partner Agreement (“IP Agreement”).** The term “**Independent Partner Agreement**” means the inCruises Independent Partner Agreement that PARTNER and all other IPs have entered into in order to become IPs. (Hereafter “**IP Agreement**”.) The Compensation Plan, the Marketing Materials and Branding Policy, and the Policies and Procedures are incorporated by reference into the IP Agreement and all four of these documents together comprise the agreement between inCruises and each IP, including PARTNER. This Addendum modifies such agreement.

## 2. ADVANCEMENT TO NATIONAL DIRECTOR

- a. Upon complete execution of this Addendum by PARTNER and inCruises, and PARTNER’s satisfaction of all of the requirements to advance to National Director as set forth in the Compensation Plan, PARTNER shall advance to the National Director rank. As such, PARTNER shall be compensated as a National Director in the first month that both of these requirements have been met.
- b. inCruises reserves the right, at its discretion, to refuse to execute this Addendum. In such an event, PARTNER shall not advance to the National Director rank, but PARTNER’s IP Agreement shall nevertheless remain in effect.
- c. PARTNER may advance to higher ranks above the National Director rank provided **i)** he/she meets the requirements for advancement as set forth in the Compensation Plan, **ii)** he/she remains in good standing under the IP Agreement, and **iii)** this Addendum remains in effect.
- d. PARTNER may “**opt-out**” of this Addendum at any time by terminating this Addendum as provided in **Section 5.a.iv** below. In that event, PARTNER shall revert to the Regional Director rank. Such reclassification will take place within thirty (30) days of the Company’s receipt of the notice of termination. Thereafter, PARTNER will be paid at whatever rank he/she qualifies for up to and including the Regional Director rank.
- e. Should PARTNER opt-out of this Addendum, PARTNER may thereafter enter into a new National Director Addendum. See 5.b below regarding such re-application.

## 3. TERM OF ADDENDUM

This Addendum will become effective as provided in **Section 2.a** and, unless earlier terminated as provided herein, shall remain in effect until the termination or cancellation of PARTNER’s IP Agreement as provided in the IP Agreement and/or the Policies and Procedures.

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## 4. PARTNER'S COVENANTS, DUTIES AND OBLIGATIONS

PARTNER understands, agrees and acknowledges that as a National Director rank IP, his/her earnings through the Compensation Plan have the potential to increase significantly. Further, as a National Director rank IP, PARTNER will gain increased access to inCruises' executive team and exposure to information that PARTNER treats as proprietary, confidential and as trade secrets. In consideration of such increase in compensation and PARTNER's exposure to inCruises confidential and trade secret information, during the term of this Addendum PARTNER agrees to the following:

- a. **Exclusivity.** During the term of this Addendum, PARTNER agrees that inCruises shall be the primary direct selling or social selling (to include party plan, multilevel, network marketing and multi-tier affiliate) opportunity/program with which he/she is involved. If PARTNER is engaged in another direct selling or social selling opportunity at the time that this Addendum is entered into, PARTNER may continue to participate in such opportunity, provided that such participation is not in violation of **Section 4.d** below. However, during the term of this Addendum, PARTNER agrees that he/she shall not actively recruit or sell for such opportunity beyond what is necessary to maintain minimally active status with such company and further agrees that he/she will not directly or indirectly join any other direct selling or social selling opportunity.
- b. **Confidentiality.**
  - i. PARTNER acknowledges that during the term of this Addendum, he/she will have access to and shall become aware of confidential, proprietary and trade secret information belonging to inCruises. PARTNER agrees that all knowledge and information that he/she may receive from inCruises or its employees, agents or consultants, or otherwise by virtue of the performance of PARTNER's obligations and duties under and pursuant to this Addendum, relating to PARTNER or customer lists or other identifying information, suppliers, vendors, advisors, inventions, products, processes, machinery, apparatus, prices, discounts, costs, business affairs, future plans, or technical data that belong to inCruises or to those with whom inCruises has contracted regarding such information, shall for all time and for all purposes constitute **"Confidential Information"** and be treated by PARTNER as strictly confidential and held by PARTNER in confidence, and solely for inCruises' benefit and use, and shall not be used by PARTNER or directly or indirectly disclosed by PARTNER to any person whatsoever except to inCruises or with inCruises' prior written permission.
  - ii. Notwithstanding anything to the contrary herein, PARTNER shall have no obligation to preserve the confidentiality of any information which:
    - 1. was previously known to PARTNER free of any obligation to keep it confidential as shown by PARTNER's written records, so long as PARTNER did not receive such information directly or indirectly from inCruises;
    - 2. is or becomes publicly available, by other than unauthorized disclosure;
    - 3. other than for patents, is independently developed by PARTNER without knowledge of inCruises' Confidential Information as shown by the written records of PARTNER;

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4. is disclosed to third parties by INCRUISES without restriction; or
5. is lawfully received from a third party whose disclosure would not violate any confidentiality agreement or other legal obligation.

iii PARTNER shall not, without the written permission of inCruises, use the Confidential Information which he/she is obligated hereunder to maintain in confidence for any reason other than to enable PARTNER to properly and completely perform his/her duties and obligations hereunder or under the IP Agreement. PARTNER shall not reproduce or make copies of any Confidential Information, except as required in the performance of such duties and obligations. Upon inCruises of this Addendum for any reason, PARTNER shall promptly deliver to inCruises all Confidential Information in PARTNER's possession or under PARTNER's control. PARTNER understands that all Confidential Information is and shall remain the property of inCruises. Except as may be required by inCruises, PARTNER shall not, during or at any time after termination of this Addendum, unless inCruises has given prior written consent, disclose or use the Confidential Information or engage in or refrain from any action, where such action or inaction may result:

- 1 in the unauthorized disclosure of any or all such Confidential Information to any person or entity; or
- 2 in the infringement of any or all such rights

iv PARTNER shall immediately notify inCruises of any information which comes to PARTNER's attention which does or might indicate that there has been any loss of confidentiality of such Confidential Information or breach of such rights.

c **Non-Solicitation Covenants.** PARTNER agrees that during the term of this Addendum, and for a period of one (1) year after the date the termination of this Addendum, for any reason whatsoever, he/she shall not, directly or indirectly, solicit, induce, encourage or influence, or attempt to induce, encourage or influence, any IP, consultant or employee of inCruises to terminate or alter their relationship with inCruises. In addition, PARTNER agrees that he/she shall not, during the term of this Addendum and for a period of one (1) year after its termination for any reason, recruit or attempt to recruit any other IP to participate in any other direct selling or social selling (including without limitation, party plan, multilevel, network marketing or multi-tier affiliate) opportunity or program, regardless of whether such opportunity or program sells products or services that are not deemed to be competitive with inCruises' products.

d **Covenants Not to Compete.**

iii PARTNER agrees that during the term of this Addendum he/she shall not participate as an independent contractor distributor, consultant, stylist, or independent business owner for any direct selling, multi-tier affiliate, or social selling opportunity or program that distributes products or services that are competitive with inCruises' travel-related products and services.

iv For a period of one (1) year following the termination of this Addendum for any reason whatsoever, PARTNER shall not sell, or attempt to sell, any products or services that are competitive with inCruises' products or services to any IP or customer of inCruises.

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iii During the term of this Addendum, PARTNER agrees that he/she shall not directly or indirectly compete with inCruises or take steps to compete with inCruises without the express written consent of inCruises. As used in this Addendum, the phrase “**directly or indirectly compete**” means owning, managing, operating, controlling, or participating in the ownership, management, operation, or control of, or being connected with or having any interest in, as a stockholder, National Director, officer, employee, agent, consultant, assistant, advisor, contractor, sole proprietor, partner or otherwise, any business that sells travel-related products or services via the direct selling or social selling (e.g., party plan, multilevel, network marketing or multi-tier affiliate) channel. Note that the foregoing restriction shall not be construed to prohibit PARTNER from owning less than five percent (5%) of the voting stock of such a company provided such company’s stock is traded on a national securities exchange or in an over-the-counter market.

e **Geographic Scope.** PARTNER agrees that the geographic scope of the restrictions set forth in **Sections 4.c and 4.d** shall apply to: **a)** any country in which inCruises is operating or conducting business during the term of this Addendum; **b)** any country in which inCruises is operating or conducting business within the one (1) year period following the termination of this Addendum; and **c)** any country that inCruises has announced that it intends to operate or conduct business in during the term of this Addendum or within a one (1) year period following the termination of this Addendum.

f **Covenants are Necessary and are Reasonable.** PARTNER acknowledges that because of the position in which inCruises is placing him/her, the substantial credibility, visibility and exposure to other IPs that his/her status as a National Director will provide PARTNER, the access to confidential and trade secret information belonging to inCruises, and other opportunities made available to PARTNER as a National Director or higher rank, PARTNER will acquire extensive information and ability specifically suited to immediate application by a party plan, multi-tier affiliate or direct selling business in competition with inCruises. Accordingly, PARTNER considers the foregoing restrictions in this **Section 4** in all respects reasonable, fair, and appropriate. Due to the national and international nature of the inCruises business, PARTNER specifically agrees that the geographical limitation set forth in **Section 4.e** is reasonable, fair and appropriate in these circumstances. For the reasons set forth herein and others, PARTNER specifically agrees that a one (1) year restriction against competition after the termination of this Addendum is a fair, equitable and reasonable period of time. PARTNER acknowledges that he/she has been provided with ample opportunity to have this Addendum reviewed by counsel of his/her choice.

g **Acknowledgment of Effect.** PARTNER recognizes and is prepared for the possibility that his/her standard of living may be reduced during the non-competition period, and PARTNER fully accepts any risk associated therewith.

## 5. TERMINATION OF ADDENDUM

Unless earlier terminated as provided below, this Addendum shall automatically terminate upon the termination or cancellation of PARTNER’s IP Agreement.

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- a. **Conditions of Termination.** This Addendum may be terminated pursuant to the following:
  - i. By inCruises, at any time, in the event PARTNER breaches any of the provisions of this Addendum;
  - ii. By inCruises, at any time, in the event of negligence by PARTNER, or in the event that PARTNER commits any acts or makes any statements, comments or remarks that directly or indirectly have a negative impact on the reputation, ability, integrity, competence, proficiency character or operation of inCruises, including, but not limited to statements which defame, degrade, embarrass or disparage inCruises or its owners, officers, directors, management, or employees, or its products, services, management, facilities, customers, IPs, or any other aspect of its business.
  - iii. By inCruises, at any time, if PARTNER attempts to assign this Addendum or his/her IP Agreement, or any right or obligation under either this Addendum or his/her IP Agreement, without inCruises' prior written consent.
  - iv. By PARTNER, at any time, upon giving written notice to the Company. The Addendum shall terminate upon inCruises' receipt of such notice.
- b. **Effect of Termination.** In the event this Addendum is terminated pursuant to **Section 5.a.iv**, PARTNER shall revert to the Regional Director rank. Thereafter, PARTNER may re-apply to become a National Director provided he/she meets the requirements for advancement to National Director as set forth in the Compensation Plan. In the event this Addendum is terminated pursuant to **Sections 5.a.i, 5.a.ii, or 5.a.iii**, PARTNER's IP Agreement shall, at the discretion of the Company, also be automatically terminated. If PARTNER's IP Agreement is not terminated upon inCruises' termination of this Addendum, PARTNER shall revert to the Regional Director rank.
- c. **Survival.** The obligations of PARTNER under the **sub-sections 4.b, 4.c, and 4.d** shall survive any expiration or termination of this Addendum and PARTNER'S IP Agreement.

## 6. SEVERABILITY

PARTNER agrees that the non-compete and non-solicitation covenants set forth above constitute separate agreements independently supported by good and adequate consideration, the actual receipt and sufficiency of which are hereby acknowledged by PARTNER, and each shall be severable from the other provisions of, and shall survive, this Addendum. The existence of any claim or cause of action of PARTNER against inCruises, whether predicated on this Addendum or otherwise, shall not constitute a defense to the enforcement by inCruises of the covenants and agreements of PARTNER contained in the non-compete or non-solicitation covenants. If any provision of this Addendum is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable, and this Addendum shall be construed and enforced as if such illegal, invalid, or unenforceable provision never comprised a part of this Addendum; and the remaining provisions of this Addendum shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance here from. Furthermore, in lieu of such illegal, invalid, or unenforceable provision, there shall be added automatically as part of this

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Addendum a provision as similar in its terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable in fulfilling the intent of the parties.

## 7. CONFLICTING PROVISIONS

This Addendum modifies PARTNER's IP Agreement and the Policies and Procedures. To the extent that any term of this Addendum conflicts with any term or condition of any other agreement existing between the parties (including the Policies and Procedures or the IP Agreement), the terms of this Addendum shall prevail. Otherwise, the relationship between inCruises and PARTNER is governed by the Policies and Procedures and the IP Agreement.

## 8. GENERAL

- a. **Modification.** Any modification of this Addendum or additional obligation assumed by either party in connection with this Addendum shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
- b. **Time of the Essence.** Time is of the essence of this Addendum.
- c. **Notices.** Any notice or communication permitted or required by this Addendum shall be deemed effective when personally delivered or deposited, postage prepaid, by first class mail with proof of delivery, addressed to the other party at the address first listed above, or by e-mail at the e-mail address provided by PARTNER to inCruises and on file in the inCruises database.
- d. **Assignment or Transfer.** The obligations and rights of PARTNER under this Addendum are personal to PARTNER and may not be assigned or transferred to any other person, firm, or corporation without the prior, express, and written consent of inCruises. PARTNER's interests under this Addendum may not be transferred by will, codicil, bequest, the laws of intestate succession, or any other after-death transfer.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

<b>PARTNER</b>
_____
Signature
_____
Print Name

<b>INCRUISES INTERNATIONAL LLC</b>
<i>Michael Hutch</i>
_____
Signature
Michael "Hutch" Hutchison Co-Founder & Co-CEO