TEAM BEACHBODY CANADA | FAQ



1. I have prospective Coaches who reside in Canada. How can they enroll as a Coach with Team Beachbody?

- Currently, individuals residing in Canada may enroll as a Coach, however, they
 will be operating a United States independent business with Beachbody in the
 United States.
- You can enroll new Coaches on your Team the same way you would in the United States—via your Coach Web site, Coach Application Form, or directly through TeamBeachbody.com (they just need to enter your name).
- Application forms are found in the online office under "My Business > My Forms and Documents". Once the Coach completes the application, have them send to Coach Relations via fax (213-201-7225) or via email (coachrelations@teambeachbody.com).

2. Will the Coach Opportunity be available to individuals throughout Canada?

 Yes! Individuals who reside in any province in Canada are able to enroll as an Independent Team Beachbody Coach. As in the United States, a Coach in Canada must be at least 18 years old.

3. How can my new Coach (who lives in Canada) enroll new Personally Sponsored Coaches in their organization?

• U.S. Coaches residing in Canada may enroll new Coaches into their organization the same way as we do here in the USA—by sending them to their Coach Web site, at **TeamBeachbody**.com/Coach, or by having the new Coach complete a paper application and send to the Coach Relations team for processing. Paper applications will be processed within 72 hours of receipt.

4. Can Coaches in Canada enroll non-profit organizations into their organizations?

 Yes! Non-profit organizations (a registered charity) may enroll as an Independent Team Beachbody Coach (just like they would in the USA)—by completing the non-profit Coach application and submitting it to our Coach Relations team along with all supporting documents. This includes a copy of their organizational charter, as well as a copy of their Canada Revenue Agency Ruling or determination letter.

5. Can a Coach in Canada manage their account via their business?

 Yes! Canadian residents who enroll as individual Coaches can use their SIN (Social Insurance Number). However, Canadian residents who enroll under a



business name (entity) will need to provide other documentation—such as their FBN (Federal Business Number).

6. Will Coaches who reside in Canada see pricing in US dollars?

- Yes! Since they will currently be operating directly with a United States business, all product prices will remain in US dollars.
- In addition, Coaches will see their commission reports reflected in US dollars and will be paid any commissions due in US dollars (either by check or EFT depending on their personal choice).

7. Will Coaches be sent an annual statement verifying their earnings?

• Yes! Just as our US Coaches, Coaches residing in Canada will be sent a statement of their earnings (for tax purposes). They will be provided a 1042 to file their taxes, and can expect to receive that in February.

8. Why is my Personally Sponsored Coach who resides in Canada required to agree to the "personal use agreement" each time they purchase products?

 Each order being placed by a Coach or customer residing in Canada will be imported directly from Beachbody by that Coach or customer for his or her own personal consumption.

9. Will Coaches who reside in Canada be able to use independent Web sites or blogs to drive business?

- Yes! Coaches in Canada may manage an independent Web site or blog, or other social media tool, to promote their business.
- However, sales to Canadian customers may NOT be made from independent sites, as all purchases from Canadian residents must be made directly from Team Beachbody (including through your Beachbody Coach replicated Web site)—and not sold or resold directly.
- Prior to launching any independent Web site, Coaches in Canada should submit the site or page to our Compliance team at <u>compliance@teambeachbody.com</u>. This will help ensure any website a new Coach develops complies with our Team Beachbody Coach Policies & Procedures.

10. Will any new Coaches I enroll (who live in Canada) be a part of my current genealogy?

Yes! Every new Coach who joins Team Beachbody (regardless of whether they
reside in the USA or Canada) will be incorporated into the current genealogy and
be assigned the next sequential Coach ID number.



11. Are Coaches residing in Canada required to have product orders shipped to their home?

• No, product orders can be shipped either to a residential address or another address of the Coach's choice. Product can be fulfilled to a physical address or PO Box.

12. Will Coaches who live in Canada be eligible to receive leads from Beachbody?

- Yes! All Coaches participating in the U.S. plan will be eligible to receive customer and Coach leads—as long as the Coach has met all requirements for the lead program (as identified in the Team Beachbody Coach Policies & Procedures).
- View the P&P http://tbbcoa.ch/TBB_CompPlan

13. Can Coaches who live in Canada take advantage of the military waiver?

• Unfortunately, no. Our military waiver is only available to Coaches who reside in the United States.

14. Can a Coach who resides in Canada acquire a Coach position through transfer?

- Yes! A Coach in Canada may acquire an existing Coach account through transfer by following the steps outlined in the <u>Team Beachbody Policies & Procedures</u>—and by submitting the necessary forms and applications to Coach Relations for further processing.
- View the P&P http://tbbcoa.ch/TBB_CompPlan

15. Can a Coach who resides in Canada operate a Fit Club?

- Yes! Just like our U.S. Coaches, Coaches who reside in Canada are welcome to establish Fit Clubs in their community.
- To find more information about how to operate a Fit Club, please refer to Section 3.33 of the Team Beachbody Coach Policies & Procedures OR stop by the "Events" page in the Coach Online Office.

16. How quickly can Canadians expect to receive their orders from Beachbody?

- Orders are currently shipped from our U.S. warehouse. A shipping consolidator transports orders from our warehouse to the Canadian border, where Canada Post takes it over and delivers it to your door.
- This delivery time can be a little longer. If you ordered Standard shipping in Canada, your order will be shipped by Canada Post and delivered between 1 to 2 weeks. If you ordered Expedited shipping in Canada, your order will be shipped by FedEx International and deliver in 2 to 4 business days.

17. Am I required to pay Provincial Sales Tax or Goods and Services Tax?



 All Team Beachbody purchases of products and services are subject to sales tax, based upon the shipping address applied to the order. Team Beachbody will calculate and add sales tax according to the current rates that are in effect at the time the transaction takes place.

18. Do I have access to customer service?

Yes! You can call our Coach Relations Department any time at 1 (800) 240-0913.

19. Will the Compensation Plan change when the company officially opens in Canada?

• There will be small policy and procedure changes to accommodate Canadian law, but the Compensation Plan will be very much the same.

20. Will Beachbody continue to sell its products in retail stores in Canada?

- The Coach Network is our long-term priority, but we currently have contracts in place that allow some retailers in Canada to sell a few of our more popular fitness programs at a premium price (higher than what Coaches pay or sell for).
- Our goal is to use these sales to build brand awareness and to generate leads for our Coaches, but we will phase out retail sales if we believe it is not helping us to grow the Coach Network in Canada.
- Each fitness program sold in Canada comes packed with a flier that explains what Coaches can do and how they can help you achieve the greatest results with your new program.

21. Why can't Canadian residents officially become Canadian Coaches and operate Canadian Coach businesses yet?

 We are in the process of completing registration and regulatory approvals with the Canadian government. This is the last step before we can allow Canadians to operate Canadian Coach businesses.

22. Will all of Beachbody's products be available in Canada?

- Unfortunately, not yet. Not all of our products are allowed for resale in Canada, so we are not able to say that "all of Beachbody's products" will be available.
- Our intent is to carry all our top-selling products and we will start with the vast majority.

23. If a Canadian opens a U.S. Team Beachbody business, will he or she be able to transfer that business to Canada when the company officially opens in Canada?

• Yes! We will automatically transfer a Canadian resident's U.S. businesses to Canadian Coach business when we officially open. This transfer will NOT affect the placement of that business in the genealogy, nor will it impact volume, bonuses, etc.



Please note that this does NOT apply to other countries. Coaches who open a
business from outside the United States are not typically allowed to transfer their
business, but will be required to close their business and re-enroll when the company
officially opens for business in their country of residence.

24. Can Coaches who live in Canada have retail customers?

- Yes! Canadian residents may direct customers to their Coach Web site to make purchase for personal consumption.
- Coach living in Canada may NOT purchase inventory for re-sale at this time. All transactions must occur through your Coach Web sites provided to you at the time of your enrollment.

25. How should the customers of Coaches living in Canada order Beachbody products?

• Customers can purchase products via the Coach Web site, on Team Beachbody.com, or via the Product Order Form.

26. Can Canadian customers purchase Challenge Packs?

- Yes! Anyone will be able to purchase Challenge Packs via the methods mentioned above.
- If the customer uses the Coach's Web site, they should simply follow the designated Challenge Pack banner.

27. Can Canadian customers participate in Home Direct?

 Yes! Canadian customers may order product on Home Direct, our monthly autoship program.

28. Will U.S. Coaches in Canada benefit from sales made to and by Canadians?

• Yes! All retail sales (made through the methods mentioned above) will result in regular retail commissions—which are paid on a weekly basis.

