POLICIES & PROCEDURES
RULES AND REGULATIONS

SECTION ONE
DISTRIBUTOR STATUS

1.01 BECOMING A DISTRIBUTOR
An applicant becomes a Distributor ("Distributor") of Company when the applicant's completed Application and Agreement has been received and accepted by Company at its Home Office. Company reserves the right to decline any Agreement for any reason, at its sole discretion.
Distributor uses their best efforts to promote and sell products and services of Company to consumers pursuant to the Agreement contained within these Policies and Procedures and Rules and Regulations. In doing so, Distributor will maintain the high standards of honesty, and integrity and business ethics when dealing with Consumers, Company or other Company Distributors.

1.02 NO PRODUCT PURCHASE REQUIRED
No product purchase is required to become a Distributor.

1.03 DISTRIBUTOR OBLIGATIONS & RIGHTS
Distributors are authorized to sell Company products and services and to participate in the Distributor Compensation Plan. Distributors may sponsor new Distributors. To remain eligible for commissions in the Distributor Compensation Plan, each sponsoring Distributor is required to make at least one retail sale to 10 different non-Distributor customers per month.

1.04 LEGAL AGE
Distributors must be of legal age in the state of their residence.

1.05 DIVORCE
When a couple sharing Distributor entity divorces or separates, Company will continue to pay commission checks in the same manner as before the divorce or separation until it receives written notice signed by both parties or a court decree which specifies how future commission checks should be paid, provided and if applicable, the couple has complied with the requirements of Section 5.03.

1.06 CORPORATIONS, PARTNERSHIPS & TRUSTS
Corporations, partnerships, limited liability companies or other forms of business organizations or trusts may become Distributors of Company when the Agreement is accompanied by a federal ID number. Shareholders, directors, officers, partners, members, beneficiaries and trustees, as applicable, of Distributor entity must agree to be and Company will holdeach personally liable and bound by the Agreement and these Policies and Procedures and Rules and Regulations.

1.07 FICTITIOUS OR ASSUMED NAMES
A person or entity may not apply as Distributor using a fictitious or assumed name.

1.08 INDEPENDENT CONTRACTOR STATUS
Distributors are Independent Contractors. They are not franchisees, joint venturers, partners, employees or agents of Company and are prohibited from stating or implying, whether orally or in writing, otherwise. Distributors have no authority to bind Company to any obligation. Company is not responsible for payment or co-payment of any employee benefits. Distributors are responsible for liability, health disability and workmen's compensation insurance. Distributors set their own hours and determine how to conduct business, subject to Company Agreement and the Policies and Procedures and Rules and Regulations.

1.09 TAXATION
As Independent Contractors, Distributors will not be treated as franchisees, owners, employees or agents of Company for federal or state tax purposes including, with respect to the Internal Revenue Code, Social Security Act, federal unemployment act, state unemployment acts or any other federal, state, or local statute, ordinance, rule or regulation. At the end of each calendar year, Company will issue to each Distributor IRS Form 1099, as required by law, or other applicable documentation for non-employee compensation as a Distributor.

1.10 DISTRIBUTOR IDENTIFICATION NUMBER
Distributors are required by federal law to obtain a Social Security number or Federal ID number. Distributors will be identified by this number, or a company assigned number, for purposes of Company's business. The Distributor Identification Number must be placed on all orders and correspondence with the Company.

1.11 LEGAL COMPLIANCE
Distributors must comply with all federal, state and local statutes, regulations and ordinances concerning the operation of their business. Distributors are responsible for their own managerial decisions and expenditures including all estimated income and self employment taxes.

1.12 NO EXCLUSIVE TERRITORIES
No franchise is granted and there are no exclusive territories for sales or sponsoring purposes. No geographical limitations exist on sponsoring or selling within the United States; provided, however, that Company reserves the right not to sell product or services or contract with Distributors in specified states within the United States.

SECTION TWO
TERM & RENEWAL

2.01 TERM
Subject to the terms of Section 4.01, the Agreement shall have a term which shall begin on the date of acceptance by Company and end one year from the date thereof (the "Anniversary Date").

2.02 RENEWAL
Distributors must renew annually, on the Anniversary Date and Distributor has the right to decline to accept any renewal at its sole discretion. Company may require that Distributors execute a new Agreement upon renewal. Distributors not renewing by the renewal date shall be deemed to have voluntarily terminated their Distributor relationship with Company, and thereby lose their Distributor entity, all sponsorship rights, their position in the Compensation Plan and all rights to commissions and bonuses. Distributors who fail to renew their Distributor status may not reapply under a new sponsor for three (3) months after nonrenewal.

SECTION THREE
SPONSORSHIP

3.01 SPONSORING
Distributors may sponsor other Distributors into Company's business. Distributors must ensure that each potential new Distributor has reviewed and has had access to the current Policies and Procedures, Terms and Conditions and Compensation Plan prior to or when giving the individual an Agreement.

3.02 MULTIPLE AGREEMENTS
If an applicant submits multiple Distributors which list different sponsors, only the first completed Agreement received by Company will be accepted.

3.03 TRAINING REQUIREMENT
A Sponsor must maintain an ongoing professional leadership association with Distributors in his or her organization and must fulfill the obligation of performing a bona fide supervisory or sales function in the sale or delivery of products and services.

3.04 INCOME CLAIMS
Distributors must truthfully and fairly describe the Compensation Plan. No past, potential or actual income claims may be made to prospective Distributors, nor may Distributors use their own incomes as indications of the success assured to others. Commission checks may not be used as marketing materials. Distributors may not guarantee commissions or estimate expenses to prospects.

3.05 TRANSFER OF SPONSORSHIP
Any transfer of a Sponsor is prohibited, except upon prior written approval of Company to correct ethical violations as determined at the sole discretion of Company. As a general rule Downline Distributors will not be transferred.

3.06 CROSS SPONSORING
Distributor may not sponsor, or attempt to sponsor, another Distributor into any other network marketing company, with the exception of personally sponsored Distributors. In addition, no Distributor may participate in any action that causes another Distributor to be sponsored through someone else into another network marketing company.

SECTION FOUR
RESIGNATION/TERMINATION

4.01 VOLUNTARY RESIGNATION
a) Distributor may voluntarily terminate his or her Distributor status by failing to renew or by sending thirty (30) days written notice of such resignation or termination to Company. Voluntary resignation is effective upon receipt of such notice by Company.
b) Distributor who resigns or terminates their Distributor status may reapply as Distributor, three (3) months after resignation.

4.02 SUSPENSION
Distributor may be suspended for violating the terms of his or her Agreement, which includes these Policies and Procedures, the Compensation Plan and other documents produced by Company. When a decision is made to suspend Distributor, Company will inform the Distributor in writing that the suspension has occurred effective as of the date of the written notification, the reason for the suspension and the steps necessary to remove such suspension (if any). The suspension notice will be sent to the Distributors "address on file" pursuant to the notice provisions contained in the Policies and Procedures and Terms and Conditions. Such suspension may or may not lead to termination of the Distributor as so determined by Company at its sole discretion. If the Distributor wishes to appeal, Company must receive such appeal in writing within fifteen (15) days from the date of the suspension notice.

Company will review and consider the suspension and notify the Distributor in writing of its decision within thirty (30) days from the date of the suspension notice. The decision of Company will be final and subject to no further review. Company may take certain action during the suspension period, including, but not limited to, the following:

a) Prohibiting the Distributor from holding himself or herself as Distributor or using any of Company's proprietary marks and/or materials;
b) Withholding commissions and bonuses due the Distributor during the suspension period;
c) Prohibiting the Distributor from purchasing services and products from Company; and/or;
D) Prohibiting the Distributor from sponsoring new Distributors, contacting current Distributors or attending meetings of Distributors.

If Company, at its sole discretion, determines that the violation which caused the suspension is continuing, and has not satisfactorily been resolved or a new violation involving the suspended Distributor has occurred, the suspended Distributor may be terminated.

4.03 TERMINATION
Distributor may be immediately terminated for violating the terms of his or her Agreement, which includes these Policies and Procedures, Terms and Conditions and the Compensation Plan and other documents produced by Company upon written notice. Company may terminate a violating Distributor without placing the Distributor on suspension, at Company's sole discretion. When the decision is made to terminate Distributor, Company will Inform the Distributor in writing at the address in the Distributor's file that the termination has occurred.

4.04 APPEAL
If Distributor wishes to appeal the termination, Company must receive the appeal in writing within fifteen (15) days from the date of notice of termination. If no appeal is received within the fifteen (15) day period, the termination will automatically be deemed final. If Distributor files a timely notice of appeal, Company will review the appeal and notify the Distributor of its decision within ten (10) days after receipt of the appeal. The decision of Company will be final and subject to no further review. In the event the termination is not rescinded, the termination will remain effective as of the date stated in the original termination notice.

4.05 EFFECT OF TERMINATION
Immediately upon termination, the terminated Distributor:

a) Must remove and permanently discontinue the use of the trademarks, service marks, trade names and any signs, labels, stationary or advertising referring to or relating to any product, plan or program of company.
b) Must cease representing themselves as Distributor of Company;
c) Loses all rights to his or her Distributor position in the Compensation Plan and to all future commissions and earnings resulting therefrom;
d) Must take all action reasonably required by Company relating to protection of Company's confidential information.
Company has the right to offset any amounts owed by Distributor to Company including, without limitation, any indemnity obligation incurred pursuant to Section 11.01 herein, from commissions or other compensation due to the Distributor.

4.06 RE-APPLICATION
The acceptance of any re-application of a terminated Distributor or the application of any family member of a terminated Distributor shall be at the sole discretion of Company and can be denied.

4.07 STATE LAWS
Where state laws on termination are inconsistent with this policy, the applicable state law shall apply.

SECTION FIVE
TRANSFERABILITY

5.01 ACQUISITION OF BUSINESS
Any Distributor desiring to acquire an interest in another Distributors business must first terminate his or her Distributor status and wait three (3) months before becoming eligible for such a purchase. All such transactions must be fully disclosed and must be approved by Company in advance.

5.02 TRANSFERS OF DISTRIBUTORS
Except as expressly set forth herein, Distributor may not sell, assign or otherwise transfer his or her Distributor entity (or rights thereof) to another Distributor or to an individual which has an interest in Distributor entity. Notwithstanding the foregoing, Distributor may transfer his or her Distributor entity to his or her sponsor, subject to the conditions of Section 5.03. In such an event, the sponsor's entity and the transferring Distributors entity shall be merged into one entity.

5.03 CONDITIONS TO TRANSFERABILITY
Distributors may not sell, assign, merge or transfer his or her Distributor entity (or rights thereto) without the prior written approval of Company and compliance with the following conditions:
a) Company possesses the right of first refusal with respect to any sale, assignment, transfer or merger of any Distributor entity. Distributor wishing to sell, assign, transfer or merge his or her Distributor entity must first provide Company with the right and option to make such a purchase or receive such transfer in writing on the same terms and conditions as any outstanding or intended offer. Company will advise the Distributor within ten (10) business days after receipt of such notice of its decision to accept or reject the offer. If Company fails to respond within the ten (10) day period or declines such offer, the Distributor may make the same offer or accept any outstanding offer which is on the same terms and conditions as the offer to Company to any person or entity who is not Distributor, married to, or a dependent of Distributor or who has any interest in Distributor;
b) The selling Distributor must provide Company with a copy of all documents which detail the transfer, including, without limitation, the name of the purchaser, the purchase price and terms of purchase and payment;
c) An office administration transfer fee of $100.00 must accompany the transfer documents;
d) The documents must contain a covenant made by the selling Distributor for the benefit of the proposed purchaser not to compete with the purchaser or attempt to
divert or sponsor any existing Distributor for a period of one (1) year from the date of the sale or transfer; and;
e) Upon a sale, transfer or assignment being approved in writing by Company, the buying Distributor must assume the position and terms of agreement of the selling Distributor and must execute a current Agreement and all such other documents as required by Company.
f) Company reserves the right, at its sole discretion, to stipulate additional terms and conditions prior to approval of any proposed sale or transfer. Company reserves the right to disapprove any sale or transfer, where allowed by law.

5.04 CIRCUMVENTION OF POLICIES
If it is determined, at Company's sole discretion, that Distributor entity was transferred in an effort to circumvent compliance with the Agreement, the Policies and Procedures, Terms and Conditions or the Compensation Plan, the transfer will be declared null and void. The Distributor entity will revert back to the transferring Distributor, who will be treated as if the transfer had never occurred from the reversion day forward. If necessary and at Company's sole discretion, appropriate action, including, without limitation, termination, may be taken against the transferring Distributor to ensure compliance with the Policies and Procedures and Terms and Conditions.

5.05 SUCCESSION
Notwithstanding any other provision of this Section, upon the death of Distributor, the Distributorship will pass to his or her successors in interest as provided by law. However, Company will not recognize such a transfer until the successor in interest has executed a current Agreement and submitted certified copies of the death certificate, will, trust or other instrument required by Company. The successor will thereafter be entitled to all the rights and be subject to all the obligations of a Company Distributor.

5.06 RE-ENTRY
Any Distributor who transfers his or her Distributorship must wait for three (3) months after the effective date of such transfer before becoming eligible to reapply to become a Distributor

SECTION SIX
PROPRIETARY INFORMATION

6.01 CONFIDENTIALITY AGREEMENT
During the term of the Agreement, Company may supply to Distributors confidential information, including, but not limited to genealogical and downline reports, customer lists, customer information developed by Company or developed for and on behalf of Company by Distributors (including, but not limited to, credit data, customer and Distributor profiles and product purchase information), Distributor lists, manufacturer and supplier information, business reports, commission or sales reports and such other financial and business information which Company may designate as confidential. All such information (whether in written or electronic format) is proprietary and confidential to Company and is transmitted to Distributors in strictest confidence on a "need to know" basis for use solely in Distributors business with Company.
Distributors must use their best efforts to keep such information confidential and must not disclose any such information to any third party, directly or indirectly.
Distributors must not use the information to compete with Company or for any purpose other than promoting Company's program and its products and services. Upon expiration, nonrenewal or termination of the Agreement, Distributors must discontinue the use of such confidential information and promptly return any confidential information in their possession to Company.

Distributors must use their best efforts to keep such information confidential and must not disclose any such information to any third party, directly or indirectly.
Distributors must not use the information to compete with Company or for any purpose other than promoting Company's program and its products and services. Upon expiration, nonrenewal or termination of the Agreement, Distributors must discontinue the use of such confidential information and promptly return any confidential information in their possession to Company.

6.02 COPYRIGHT RESTRICTIONS
With respect to product purchases from Company, Distributors must abide by all manufacturers' use restrictions and copyright protections.

6.03 VENDOR CONFIDENTIALITY
Company's business relationships with its vendors, manufacturers and suppliers are confidential. Distributors must not contact, directly or indirectly, or speak to, or communicate with any supplier or manufacturer of Company except at Company sponsored events at which the supplier or manufacturer is present at the request of Company.

SECTION SEVEN
TRADEMARKS, LITERATURE & ADVERTISING

7.01 TRADEMARKS
Companies name trademarks, service marks and copyrighted materials are owned by the Company. The use of such marks and materials must be in strict compliance with these Policies and Procedures.

7.02 ADVERTISING & PROMOTIONAL MATERIALS
Only the promotional and advertising materials produced by Company or approved in advance in writing by Company may be used to advertise or promote Distributor or Distributor's business or to sell products and services of Company. Company's literature and materials may not be duplicated or reprinted without the prior written permission of Company.

7.03 USE OF COMPANY NAME
Distributors may use the name of Company only in the following format: "Independent Distributor for Nature's Youth®"

7.04 STATIONARY AND BUSINESS CARDS
Distributors are not permitted to "create" their own stationary, business cards or letterhead graphics, if Company's trade name or trademarks are used. Only the approved Company's graphics version and wording are permitted; letterhead, envelopes and business cards must be ordered from Company directly.

7.05 ELECTRONIC ADVERTISING
Distributors may not advertise or promote their Distributor business or Company's business, products or marketing plan or use Company's name in any electronic media or transmission, including on the Internet via web sites or otherwise, without the prior written approval of Company's legal department. Company agrees to provide Distributor with a personal website upon request. Website will be setup according to Company mandated format and hosted on Company's server. The one-time setup fee for website is $75.00 and the recurring monthly hosting fee is $8.95.

7.06 TELEPHONE LISTING
Distributors are not permitted to use Company's trade name in advertising their telephone and telecopy numbers in the white or yellow page sections of the telephone book. Distributors are not permitted to list their telephone numbers under Company's trade name without first obtaining Company's prior written approval. If approval is granted for an "800" listing, it must be stated in the following manner: "Independent Distributor for Nature's Youth®"

7.07 TELEPHONE ANSWERING
Distributors may not answer the telephone by saying "Nature's Youth®," or in any other manner that would lead the caller to believe that he or she has reached the offices of the Company.

7.08 IMPRINTED CHECKS
Distributors are not permitted to use Company trade name or any of its trademarks or service marks on their business or personal checking accounts.

7.09 MEDIA INTERVIEWS
Distributors are prohibited from granting radio, television, newspaper tabloid or magazine interviews or using public appearances, public speaking engagements, or making any type of statement to the public media to publicize Company, its products or Company businesses, without the express prior written approval of Company. All media inquires should be in writing and referred to Company's corporate office, legal department.

7.10 ENDORSEMENTS
No endorsements by a Company officer or administrator or third party may be asserted, except as expressly communicated in Company literature and communications. Federal and state regulatory agencies do not approve or

endorse direct selling programs. Therefore, Distributors may not represent or imply, directly or indirectly, that Company's programs, products or services have been approved or endorsed by any governmental agency.

7.11 RECORDINGS
Distributors may not produce or reproduce for sale or personal use products sold by Company or any Company-produced literature, audio or video material, presentations, events or speeches, including conference calls. Video and/or audio taping of Company meetings and conferences is strictly prohibited.

7.12 REPACKAGING PROHIBITED
Distributors may not repackage products or materials of Company.

7.13 INDEPENDENT COMMUNICATIONS
Distributors, as Independent Contractors, are encouraged to distribute information and direction to their respective downlines. However Distributors must identify and distinguish between personal communications and the official communications of Company.

SECTION EIGHT
PAYMENT OF COMMISSIONS

8.01 BASIS FOR COMMISSIONS
Commissions and other compensation cannot be paid until a completed Agreement has been received and accepted by Company. Commissions are paid ONLY on the sale of Company services and products. No commissions are paid on the purchase of Sales materials or for Sponsoring Distributors. In order to receive commissions on products and services sold, Company must have received and accepted an Agreement prior to the end of the commission period in which the sale is made.

8.02 COMMISSION PERIOD
A business period refers to the time period opening on the first (1st) day of the commission period and extending up until order entry closes on the last business day of the period (5:00pm). Company offices are open Monday through Friday 8am-6pm, with the exception of certain holidays as posted by Company.

8.03 COMMISSION PAYMENTS
Commissions are paid to "qualified" Distributors as defined within the Compensation Plan. Distributors must consult the Compensation Plan for a detailed explanation of the benefits, commission structure and requirements of the Compensation Plan.

8.04 OFFSET OF COMMISSIONS
Any commissions or bonuses earned and paid on products returned is the obligation of and must be repaid to Company by Distributors earning such commissions. Company has the right to offset such amounts against future commissions and other compensation paid or owed to such Distributors who received commissions.

SECTION NINE
PURCHASE & SALE OF PRODUCTS

9.01 STOCKPILING PROHIBITED
The success of Company depends on retail sales to the ultimate consumer, therefore all forms of stockpiling are prohibited. Company recognizes that Distributors may wish to purchase certain products for their own use. However, Company strictly prohibits the purchase of products in unreasonable amounts and prohibits the purchase of products only or primarily to qualify for compe sation.

9.02 RETAIL SALES RULES
In order to qualify for commissions Distributor must make retail sales in the commissionable period. Distributors must save a copy of the Retail Sales Slip given to retail customers; receipt shall be fully completed and include the name, address and phone number of each retail customer and, upon request by Company, provide copies of such receipts to Company. If Company determines that retail sales were not actually made, the Distributor must repay Company all commissions earned during the calendar period in which the retail sales were to have been made.

9.03 OVER 70% RULE
In order to receive commissions and overrides, Distributors must certify on each product order form that Distributors have sold or distributed over seventy percent (70%) of all products or commissionable services previously purchased to non Distributor consumers. And maintains retail sales records available to company on request.

9.04 ORDERING METHODS
All orders submitted to Company shall have the Distributor Identification Number placed thereon to assist Company in crediting the appropriate Distributor.

9.05 PAYMENT OPTIONS
Purchases may be paid by cashier's check, money order, or major credit card. The Distributor and retail customers are responsible for paying the costs of any returned checks plus an administrative fee charged by Company, which fee may change at any time based on past payment history of the customer. If an underpayment is made, the order will not be

processed until the full amount is received by Company. If an overpayment is made, Company will process the order and issue a credit to Distributors account, which will automatically refund on the next commission check paid to Distributor. Orders will not be processed if cancellation of a credit card is made. Orders for products are not effective until accepted by Company. To expedite shipping, Distributors may authorize Company to keep a valid credit card on file as security for payment. Overdue amounts will accrue interest at the annual rate of 18% or at a higher if permitted by law.

9.06 SHIPPING AND HANDLING POLICY
Subject to availability all products will be shipped by UPS or other similar service within approximately three (3) business days of receipt of payment. Payment for products shall be made at time of order. At Distributors option, the product may be shipped to a customer's designated "Ship-To address", or to the Distributor.

9.07 PRODUCT DELIVERY
Upon clearance of payment, the products and materials ordered will be shipped.

9.08 BACK ORDER POLICY
Company will expeditiously ship all products currently in stock. Any out-of-stock items (unless discontinued) will be placed on back order and distributed upon Company receiving additional inventory. Distributor will be charged and granted commissions on back ordered items once they are shipped unless notified of the discontinuance of such product. Back orders may be cancelled upon Distributors request and will create a credit on the Distributors account. Distributor may deduct the amount of this credit from the payment of his or her next order.

9.09 DAMAGED GOODS
The shipping company is responsible for any damage that occurs after it takes physical custody of the products. Distributor or a consumer who receives damaged goods should follow this procedure:

a) Accept delivery;
b) Before the driver leaves, document on the delivery receipt the number of boxes which seem to be damaged and have the driver acknowledge the damage in writing;
c) Save the damaged products or boxes for inspection by the shipping agent;
d) Make an appointment with the shipping company to have the damaged goods inspected, and call the Company, Customer Service Department.

9.10 SHIPPING LOSS
In the event Distributor or a consumer does not receive a product order from Company in a timely fashion, the individual should contact the Sales Department at Company.

9.11 REFUSED SHIPMENTS
Should Distributor refuse delivery on any order he or she has placed with Company and such product is subsequently returned to Company, Company shall have the right to place that Distributor suspension pending resolution of the refusal of delivery. Neither Distributor nor a consumer shall refuse any shipment from Company unless prior approval of Company has been obtained.

9.12 PRICING POLICY
Company will furnish Distributors with a discount from its published retail prices in its then current consumer catalog or order form in accordance with its policies. This discount does not apply to literature, business aids, gifts or special promotional items. Prices for Company's products, services and literature are subject to change without prior notice.

9.13 RECEIPTS
Distributors must provide all retail purchasers of Company's products with written receipts.

9.14 RETAIL PRICING
Company provides a suggested retail price range as a guideline.

9.15 PROMOTIONAL ITEMS
All promotional items which bear Company name or logo must be purchased solely from Company unless prior written permission is obtained from Company.

9.16 SALES TAX
Company collects sales tax on taxable items only for Distributors that are residents of the home state of the Company. Outside, Distributors are responsible to collect and remit sales tax on personal retail sales to the appropriate tax agencies.

9.17 PLACE OF SALE
The integrity of Company's marketing plan is built upon personto-person, one-on-one and in-home presentation methods of sale. Company's products may not be sold to or displayed by any retail outlet, including, but not limited to supermarkets or food stores, flea markets or swap meets, permanent restaurant displays, bars or night clubs or any such similar establishment, convenience stores or gas stations.

9.18 PRODUCT & SERVICES CLAIMS
Distributors may make no claim, representation or warranty concerning any product or service of Company, except those expressly approved in writing by Company or contained in official Company materials.

9.19 FAX BLASTS, SPAMMING
Fax blasting and unsolicited e-mailing (spamming) is prohibited.

SECTION TEN
RETAIL GUARANTEE & REFUND POLICY

10.01 RETAIL CUSTOMER GUARANTEE
Distributor offers a sixty (60) day, 100% money-back, satisfaction guarantee to all retail customers. If a retail customer is dissatisfied with any product for any reason, then the retail customer may return that product in its original package and shipping container to the Distributor who sold the product within sixty (60) days of purchase, for either replacement or a full refund of the purchase price. All other warranties and guarantees are disclaimed. This guarantee does not apply to food products.

10.02 WARRANTIES
Except as expressly stated herein, Company makes no warranty or representation as to the merchantability, fitness for a particular purpose, workmanship or any other warranty concerning any product or service purchased from or through Company.

10.03 REFUND PROCEDURE
In order to properly process a refund or exchange, Distributors must follow the steps and conditions set forth below:

All returns to Company must be accompanied by:
a) a signed statement from the retail customer identifying the reason for the return;
b) a copy of the original retail sales receipt; and
c) the name, address and telephone number of the retail customer
d) Company will prepay the cost of shipping the replacement product(s).

10.04 TERMINATION RETURNS
a) A Distributor who terminates his or her business relationship with the Company has the right to return for repurchase on commercially reasonable terms currently marketable inventory including Company-produced promotional materials, sales aids and kits in possession of the Distributor and purchased by the Distributor for resale prior to the date of termination. For purposes hereof, "reasonable commercial terms" shall mean the repurchase of marketable inventory within one (1) month from the Distributors date of purchase at not less than 90% of the Distributors original net cost less appropriate setoff and legal claims, if any. In addition, for purposes of this section, products shall not be considered "currently marketable" if returned for repurchase after the product's commercially reasonable usable or shelf life period has passed; nor shall products be considered "currently marketable" if Company clearly discloses to the Distributor prior to purchase that the products are seasonal, perishable, discontinued, or special promotional products and are not subject to the repurchase obligation.
b) A written request must be submitted, stating the reason for the return of inventory and/or sales materials, and accompanied by proof of payment and a copy of the purchase order form or packing slip.
c) Company will instruct the Distributor where to ship the product for inventory and verification. Upon receipt and inspection of the return, Company will process the appropriate refund.
d) The Distributor must pay the cost of return freight.
All commissions, overrides and/or bonuses paid to a terminated Distributor and his or her up line as a result of any product returned, upon termination must be repaid to Company from Distributors receiving such commissions, overrides and/or bonuses. Company reserves the right to deduct such amounts from any commissions or other amounts owed to such Distributors.

10.05 BUYER'S RIGHT TO CANCEL
Federal law grants a buyer the right to cancel certain sales without penalty prior to midnight of the third business day after the transaction. This rule covers retail consumer sales of $25.00 or more that occur away from the seller's main office. Distributors must orally inform the buyer of the three-day right to cancel at the time the buyer purchases the goods.

SECTION ELEVEN
GENERAL PROVISIONS

11.01 INDEMNITY AGREEMENT
Each and every Distributor agrees to indemnify and hold harmless Company, its shareholders, officers, directors, employees, agents and successors in interest from and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys' fees, asserted against or suffered or incurred by any of them,

directly or indirectly arising out of or in any way related to or connected with allegedly or otherwise, that the Distributors (a) activities as Distributor; (b) breach of the terms of the Agreement; and/or (c) violation of or failure to comply with any applicable federal, state or local law or regulation.

11.02 PROCESSING CHARGES
Company reserves the right to institute a processing charge for commission checks and/or genealogy requests.

11.03 OTHER SERVICES & PRODUCTS
Distributors may not promote or sell another companies products or services at functions organized to feature Company's products. Distributors are not restricted from selling other companies' services and products which are not similar to or competitive with the products and services of Company. However promotion of competitive services, products and/or business programs with anyone, including Distributors, is strictly prohibited.

11.04 LIABILITY
To the extent permitted by law, Company shall not be liable for, and each Distributor releases Company from, and waives all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by Distributor as a result of (a) the breach by Distributor of the Agreement and/or the terms and conditions of the Policies and Procedures; (b) the operation of Distributors business; (c) any incorrect or wrong data or information provided by Distributor; or (d) the failure to provide any information or data necessary for Company to operate its business, including, without limitation, the enrollment and acceptance of Distributor into the Compensation Plan or the payment of commissions and bonuses.

11.05 RECORD KEEPING
Company encourages all Distributors to keep complete and accurate records of all their business dealings.

11.06 FORCE MAJEURE
Company shall not be responsible for delays or failure in performance caused by circumstances beyond a party's control, such as strikes, labor difficulties, fire, war, government decrees or orders or curtailment of a party's usual source of supply.

11.07 VIOLATIONS
It is the obligation of every Distributor to abide by and maintain the integrity of the Policies and Procedures. If Distributor observes another Distributor committing a violation, he or she should discuss the violation directly with the violating Distributor. If the Distributor wishes to report such violation to Company, he or she must detail violations in writing only and mark the correspondence "attention: Legal Department".

11.08 AMENDMENTS
Company reserves the right to amend the Agreement, Policies and Procedures, its retail prices, product and service availability and the Compensation Plan type at any time without prior notice as it deems appropriate. Amendments will be communicated to Distributors through official Company publications or the company web site. Amendments are effective and binding upon submission to the Company web site. In the event any conflict exists between the original documents or policies and any such amendment, the amendment will control.

11.09 NON-WAIVER PROVISION
No failure of Company to exercise any power under these Policies and Procedures or to insist upon strict compliance by Distributor with any obligation or provision herein, and no custom or practice of the parties at variance with these Policies and Procedures, shall constitute a waiver of Company's right to demand exact compliance with these Policies and Procedures. Company's waiver of any particular default by Distributor shall not affect or impair Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other Distributor. No delay or omissions by Company to exercise any right arising from a default effect or impair Company's rights as to that or any subsequent or future default. Waiver by Company can be effected only in writing by an authorized officer of Company.

11.10 GOVERNING LAW
The Agreement and these Policies and Procedures shall be governed by the laws of the State of Florida without regard to any conflicts of laws provisions.

11.11 VENUE
Any legal action arising in connection with the Agreement or these Policies and Procedures shall be brought in the federal and state courts and shall be governed by the laws of Florida.

11.12 ENTIRE AGREEMENT
The Policies and Procedures are incorporated into the Agreement and, along with the Compensation Plan, constitute the entire agreement of the parties regarding their business relationship.

11.13 SEVERABILITY
If under any applicable and binding law or rule of any applicable jurisdiction, any provision of the Agreement, including these Policies and Procedures, or any specification, standard or operating procedure which

Company has prescribed is held to be invalid or unenforceable, Company shall have the right to modify the invalid or unenforceable provision, specification, standard or operating procedure or any portion thereof to the extent required to be valid and enforceable, and the Distributor shall be bound by any such modification. The modification will be effective only in the jurisdiction in which it is required.

11.14 LIMITATION OF DAMAGES

TO THE EXTENT PERMITTED BY LAW COMPANY AND ITS DISTRIBUTORS, OFFICERS, DIRECTORS, EMPLOYEES AND OTHER REPRESENTATIVES, SHALL NOT BE LIABLE FOR, AND DISTRIBUTOR HEREBY RELEASE THE FOREGOING FROM, AND WAIVE ANY CLAIM FOR LOSS OF PROFIT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES WHICH MAY ARISE OUT OF ANY CLAIM WHATSOEVER RELATING TO COMPANY PERFORMANCE, NONPERFORMANCE, ACT OR OMISSION WITH RESPECT TO THE BUSINESS RELATIONSHIP OR OTHER MATTERS BETWEEN ANY DISTRIBUTOR AND COMPANY, WHETHER SOUNDING IN CONTRACT TORT OR STRICT LIABILITY. Furthermore, it is agreed that any damages Distributor shall not exceed and is hereby expressly limited to, the amount of unsold Company services and/or products of Company owned by the Distributor and any commissions owed to the Distributor.

11.15 NOTICE

Any communication, notice or demand of any kind whatsoever which either the Distributor or Company may be required or may desire to give or to serve upon the other shall be in writing and delivered by electronic communication whether by telex, telegram, e-mail or telecopy (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested).

Any such communication, notice or demand shall be deemed to have been given or served on the date of confirmed dispatch, if by electronic communication, or on the date shown on the return receipt or by other evidence if delivery is by mail.

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