

Lifepus Europe Ltd.

Terms & Conditions for the United Kingdom

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1. GENERAL

In consideration of the Associate (“Associate”) being allowed to participate in the programme offered by Lifepus Europe Limited (“Company”), the Associate agrees to be bound by the following Terms and Conditions as well as the Standard the Associate Application and Agreement Form, the Payment (compensation) Plan and any and all other agreements and documents that comprise the Company’s programme (collectively, the “Associate Agreement”). The Associate may purchase and promote the Company’s products in the countries where the Company permits. Each time the Associate participates in the Lifepus programme, places orders, refers others and/or accepts commission/bonus cheques, the Associate agrees to be bound by these Terms and Conditions, and agrees to hold the Company harmless for anything he does which does not comply with the Associate Agreement. The Associate agrees to indemnify the Company for any damages resulting from any activities engaged in by him which breach the Associate Agreement.

2. TERM OF ASSOCIATE AGREEMENT

The Associate Agreement shall commence on completion of the new Associate Application and Agreement Form and acceptance of the same by the Company. It shall continue unless otherwise terminated in accordance with these Terms and Conditions, unless and until the Associate, who may do so at any time, gives the Company fourteen (14) days written notice that he is terminating the Associate Agreement. Notwithstanding any of the above, the Associate Agreement may otherwise be terminated by either party in accordance with these Terms and Conditions.

3. ELIGIBILITY

In order to become an Associate, the applicant must be of legal age in the country where he lives, and otherwise legally capable of entering into a contractual agreement, and must complete and sign the Associate Application and Agreement Form provided by the Company. An Associate position may be held by an individual or in the form of a legitimate legal business entity such as a partnership or limited company. An Associate must, with his application to become an Associate, provide the Company with a copy of his VAT registration certificate (if applicable, see clause 18). When an application is accepted, the new Associate will be assigned a Personal Identification Number (PIN) which will be used with all transactions with the Company. An Associate may earn commissions/bonuses and/or benefits according to the Company’s published Payment Plan. An applicant who has at any time been an independent contractor, consultant, distributor or representative for another direct sales company, and who has been disciplined or terminated by a direct sales company, must provide the Company with a detailed explanation of the grounds for disciplinary proceedings brought, and the outcome of any such proceeding. This information must be submitted to the Company with the Associate Application and Agreement Form.

4. INDEPENDENT BUSINESS RELATIONSHIP

a) Independent Associates: Associates are independent, self-employed contractors who promote sales of the Company’s products by encouraging consumers to buy products from the Company. They are not franchisees, joint venturers, partners, agents or employees of the Company. Associates are prohibited from stating or implying, orally or in writing that they are franchisees, joint venturers, partners, agents or employees of the Company. Associates have no authority to bind the Company to any obligation.

b) Indemnification: Each Associate agrees to indemnify and hold harmless the Company, its officers, agents, and directors against any claim, demand, liability, loss, cost, or expense, including but not limited to legal fees, costs and expenses incurred to investigate and to pursue legal proceedings for alleged misconduct by the Associate or someone acting on his behalf, either directly or indirectly arising or alleged to arise, in connection with the Associate's business.

c) Hours: Each Associate is encouraged to establish his own hours and determine his own methods of sales promotion, so long as the Associate complies with these Terms and Conditions.

d) Volume: Associates are encouraged to keep track of their actual personal volume during any given month and not rely solely on the monthly volume figures which are provided by the Company as a courtesy to all Associates. Associates are encouraged to review their volume records and Compensation (Bonus) Recap Reports to ensure that all new Associates that should be on their first level are included. Any discrepancies in these reports provided by the Company must be reported to the head office within fifteen (15) calendar days or the Associate waives all rights to corrections.

e) Receivables: The Company reserves the right to deduct any accounts receivable balances owed by an Associate to the Company from the Associate's bonus and/or commission cheques, or in the absence of a bonus or commission cheque, to recover any such sums that may be owing to the Company by such means as are available to the Company from time to time. The Associate understands and agrees that bonuses and commissions paid within the preceding one hundred and twenty (120) days on products returned by Associates in his downline may be deducted from his account with the Company or otherwise recovered from him at any time.

f) Pricing: International Points ("IP") as defined in the Payment Plan, product prices, and shipping and handling charges are subject to change by written notice.

g) Ethics: The Associate agrees to conduct his business in a lawful and ethical manner wherever he trades, to do nothing that will reflect adversely on the goodwill or good reputation of the Company or its other Associates, to act honestly and with high integrity when dealing with customers, the Company, other Associates and with prospective Associates. In particular when dealing with customers the Associate will (i) not use misleading, deceptive or unfair sales practices, (ii) respect the rights of the customer to privacy and their right to bring contact to an end, will describe Lifepus products truthfully and accurately, (iii) answer customer's questions honestly and clearly, give clear and accurate information about price and after sales service, (iv) abide by all current guidelines concerning the promoting of the products, (v) refrain from in any way exploiting the customer and (vi) offer maximum co-operation to trading standards officers and other individuals or bodies (such as Citizens Advice Bureau) representing consumers. Any Associate dealing with customers should immediately identify themselves to prospective customers, explain the purpose of their approach and identify Lifepus and the products and ensure that customers who then purchase products from the company are provided with the minimum information required by the Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 which is contained in the Lifepus customer order form including details of their right of cancellation before they place their order. Associates also agree to comply with the Codes issued by the Direct Selling Association from time to time which apply both in the general conduct of an Associate's affairs and in the Associate's dealing with current and prospective customers and Associates. Although all Lifepus Associates are independent contractors or distributors, the Company reserves the right to take remedial action against any Associate regardless of whether the Associate is an individual or entity that does not conduct its business in a professional, ethical manner and whose actions are not in the best interest of the Company or its Associates. By proper implementation of the Associate Agreement, the Company can protect the good businesses and reputations of Lifepus, and other individuals and legal entities that have worked hard to earn and maintain a good professional business and reputation.

h) Disparagement: The Associate understands that disparaging and negative comments made by Associates about the Company, its officers and employees, its products or Payment Plan serve no purpose other than to damage the business of the Company and of all Associates, and therefore agrees that he must not at any time make negative comments, false or misleading statements or statements that disparage or demean the Company, its products, its officers and employees, or the Payment Plan, either directly or indirectly, to any third party.

i) Use of Company Business to Promote Personal Beliefs: The Associate understands and agrees that, although Lifepus does not discriminate against or differentiate between any of its Associates on the basis of their religious or political beliefs, the Associate's Lifepus business is not the appropriate medium through which to share or advance those beliefs. The Associate agrees that he will not at any time use his Lifepus business to promote his religious or political beliefs directly or indirectly to other Associates or to prospective Associates or customers, and in particular will not advance or attempt to advance such beliefs at Company functions or events.

j) Associate's Success: The Associate acknowledges that:

- As with any endeavour, the amount earned by each Associate is dependent upon the amount and quality of work, follow-up and service put into his business by the Associate.
- His success depends solely upon his own individual ability and work as an independent business person.
- No assurance, guarantee, or warranty, expressed or implied, has been given regarding an Associate's potential success or earnings likely to be achieved.

5. CORPORATE AND PARTNERSHIP POSITIONS

a) Business Entities: An Associate who desires to operate his Lifepus business within an accepted business entity must indicate their intent to do so on the Associate Application and Agreement Form provided by the Company. A partnership or limited company may become an Associate subject to review and approval by the Company. However, no individual may participate or have an ownership interest in, or management control of, more than one Associate position in any form, whether direct or indirect.

b) Partnership: For a partnership to become an Associate, the Company must be notified in writing and grant written approval. Written approval is also required when changing an existing individual's Associate status to a partnership. The request for approval must include the name of all parties who either directly or indirectly have a financial interest in or derive a financial benefit from, or have a managerial or leadership role in the partnership, regardless of whether they are a named partner or principal. The partner who submits the request must be authorised to enter into binding contracts on behalf of the partnership. None of the parties who are attempting to change their status from an individual Associate status to a partnership can retain any interest in more than one position. If more than one of the partners, or any other individual who has a beneficial interest in the partnership, is a current Associate with the Company or has any interest in another Company position, he must resign that position prior to the effective date of the partnership becoming the Associate. Each member of a partnership will be jointly and severally responsible for the actions of the other member(s).

c) Limited Company Status: To become an Associate with limited company status, or to change to a limited company status, the Company requires a written request for approval and an Associate Application and Agreement Form to be completed. The written request must provide the names of all officers, directors, shareholders and anyone else who either directly or indirectly has a financial, beneficial, or managerial interest in the proposed company. The officer who submits the written request must be authorised to enter into binding contracts on behalf of the company. If more than one officer, director, shareholder or any other individual who has a beneficial interest in the limited company is a current Associate with the Company, or has any

beneficial interest in another Company position, he must resign that position before the existing Associate position is converted to limited company status. Each member of a limited company will be jointly and severally responsible for the actions of the other member(s).

6. RELATIONSHIPS AND POSITIONS

a) One position: Each individual may have one Associate position only and under one sponsor only. That position may be held as an individual person, or in the form of a bona fide business entity such as a partnership or limited liability company. Having a financial interest in any second position is not permitted, except as herein provided. Maintaining multiple positions constitutes grounds for termination.

b) Multiple positions: Only one Associate position will be accepted per household. Members of the same household who wish to become Associates must do so as one entity such as a partnership or limited company under one sponsor. If two previously existing Associates marry, they must notify the Company so that a new agreement can be signed that will allow both of the Associates to maintain their independent positions but will bring them under one Associate Agreement. Failure of the Associates to promptly notify the Company of their marriage is a breach of these Terms and Conditions and may subject the Associates to enforcement action.

c) Surrogate Positions: Positions maintained for the sole purpose of enhancing compensation for other positions are deemed "surrogate positions" and are prohibited. A surrogate position is considered "stacked" if it is created with no intention of contributing to independent business activity, but serves only to sit above active positions and receive commissions that otherwise would be paid to upline Associates. A surrogate position is considered to be a "fenced" position if it is a surrogate position for which product is purchased by another Associate in order to assist the actual purchaser in achieving leg and volume qualifications. The Company, in the exercise of its sole discretion, may terminate or merge any positions which, in the Company's reasonable opinion, are not independently engaged in active business building, but are simply surrogates for other positions or are fenced or stacked positions. Where, in the reasonable opinion of the Company, positions are fenced or stacked, the Company may terminate any Associate position knowingly receiving benefit from the fenced or stacked position.

7. CHANGES IN STATUS

a) Change of Business Registration: Associates may request to change the name and/or structure of their business entity from individual to partnership or, from partnership to limited company, or to any other accepted business entity. They must provide the Company with proper documentation on the Change of Business Registration Form provided by the Company. In any event, the original PIN will remain operative for the position.

b) Death: Upon the death or incapacity of the Associate, his rights to bonuses and position, together with Associate responsibilities, shall pass to his legal successor in interest upon written request and proof of entitlement, subject to approval by the Company. Such approval shall not be unreasonably withheld. The successors must complete a new Associate Application and Agreement Form and fulfil all responsibilities of the position in so far as performing the duties of sponsorship in order to receive compensation as provided by the Company's Payment Plan. The successor shall, thereafter, be entitled to all the rights and subject to all the obligations of any other Associate, as long as the successor continues to meet the requirements of the Company's Payment Plan and continues complying with the Terms and Conditions of the Associate Agreement. If the successor of a deceased Associate already has an Associate position with the Company, that person must agree to do his best to maintain the business activities in both positions.

c) Dissolution of Partnerships or Limited Companies: Upon dissolution of a partnership or limited company, the Company must be notified as to which Associate will assume ownership of the Associate position as determined by agreement between the parties, or by an order of a court of competent jurisdiction. A change in the ownership of the Associate position will not

take place until the Company receives a copy of the appropriate documentation. Should the parties not assuming ownership of the Associate position desire to remain as Associates, they may do so by submitting a new Associate Application and Agreement Form at the time the dissolution documentation is submitted to the Company. They shall then be entered as new Associates under the original sponsor. If there is any question as to the disposition of the Associate position or the income from the Associate position, the Company may suspend the Associate position and hold all commissions and/or bonuses until the dispute over the disposition is resolved by agreement between the parties or by an order from a court of competent jurisdiction.

8. SALE OR TRANSFER OF POSITION

Associates may sell, assign, or transfer their position only upon the written approval of the Company and subject to any conditions specified by the Company.

9. SPONSORING

a) Sponsors: "Sponsor" is the term used to define an Associate who refers another individual to the Company, who then becomes an Associate. While there is no restriction on the number of Associates a Sponsor may sponsor, he must be able to adequately perform the all duties of a Sponsor for all Associates for whom he receives payments or benefits based upon their sales (referred to as "Downline Associates"). By sponsoring new Associates, a Sponsor is agreeing to competently and adequately fulfil all the duties required of a Sponsor.

Responsibilities of a Sponsor Include:

Performing a bona fide supervisory role not only for personally sponsored Associates but for all Downline Associates;

Assisting Downline Associates in building their Lifeplus business, sales volume and customer base;

Maintaining on-going communication and ensuring that Downline Associates are properly trained with respect to the Company's product line, the Associate Agreement, Payment Plan, sound business practices, ethical behaviour, dedication to the Company's programmes and sales strategies on an on-going basis; and Serving as a coach, teacher, motivator and mentor.

In order to fulfil these duties, a Sponsor may utilise various means such as maintaining contact through newsletters, written correspondence, personal meetings, telephone contact, voice mail and electronic mail.

c) Notification to Modify Claims: In addition to those responsibilities, Sponsors are to notify any Associate in their downline to modify their advertisements, claims or conduct if they learn that the Associate is making improper or illegal business or product claims or engaging in any unethical or inappropriate conduct. The Sponsor should also notify the Company in writing of the alleged conduct and of the notification given by the Sponsor.

d) Proof of Fulfilment of a Sponsor's Responsibilities: The Company may at any time request that a Sponsor provide written evidence of his sponsoring activities. If a Sponsor fails to adequately perform his responsibilities, or to produce written evidence of his sponsoring activities upon request, the Company may take disciplinary action.

e) Payment/Compensation: Associates are compensated based solely on the purchases of products with international points (IP) by themselves and their downline organisation. No compensation is paid for the act of sponsoring new Associates.

f) Choice of Sponsor: A new Associate has the right to choose his own Sponsor. However, if two Associates should claim to be the Sponsor of the same new Associate, the Company shall regard the first Application and Agreement Form received by the Company as controlling. In case of a dispute between Sponsors, the Company reserves the right to make the final decision as to who the Sponsor should be, based on the information available to the Company at the time.

g) Cross-line Sponsoring: Cross-line sponsoring is the act of offering the products or the business opportunity of another company to a Lifepus Associate. In addition, suggesting that any Company Associate, or group of Associates, change their sponsorship is also defined as cross-line sponsoring. Cross-line sponsoring, or attempting to do so, is absolutely forbidden. In addition, directly or indirectly soliciting an Associate or group of Associates to reduce their level of activity with the Company, or to leave the Company entirely, is forbidden.

h) Random Mailings: The utmost care must be used when using random mailings or other form of mass recruiting. If the random mailer or other type of recruitment material is received by an Associate or Customer who is sponsored by someone else, the Associate who sent the mailer or other recruitment material may be found to be attempting Cross-line Sponsoring.

10. CHANGING SPONSORS

Changing Sponsors is rarely permitted and is strongly discouraged. It will only be done at the discretion of the Company and on terms to be set by the Company. Maintaining the integrity of the line of sponsorship is absolutely mandatory for the success of the overall organisation.

11. INTERNATIONAL BUSINESS

The Company's business opportunity is available in many countries. An Associate must be registered in his country of residence and the local country Associate Application and agreements should be obtained from the Company. Associates are only permitted to sponsor new Associates in countries that are approved by the Company. Associates must contact the Company to determine the countries in which they may sponsor new Associates and to determine what products can be sold in that country. National Guidelines for doing business in a particular country, as well as Terms and Conditions for each country are published. It is the responsibility of an Associate to become familiar with the Company's Terms and Conditions and National Guidelines for each of the particular countries in which the Associate is conducting his business, and adhere to and comply with their terms when sponsoring or conducting business in those countries. The Associate is responsible for making tax and business filings, meeting licensing requirements, and payment of all applicable taxes and fees in countries where he does business.

The Company reserves the right to permit international sponsorship in future foreign markets from time to time subject to any conditions that the Company shall deem appropriate to impose.

12. RESTRICTIONS

In consideration of the granting of the Associate position, the Associate agrees that for the duration of the Agreement and after the expiry or termination of the Agreement for a period of ninety (90) days, the Associate will not take or encourage any action, the purpose or effect of which would be to circumvent, breach, interfere with or diminish the value or benefit of the Company's contractual relationships with any Associates including, in particular, cross line sponsoring of Associates into another network marketing business opportunity. Without limiting the generality of the foregoing, for the duration of the Agreement and after the expiry or termination of the Agreement, for a period of ninety (90) days, the Associate agrees not to cross line sponsor, and in particular the Associate agrees, directly or indirectly, not to contact, solicit, persuade, sponsor or accept any Associate into, or in any way promote opportunities in marketing programmes of, any direct sales company other than the Company or to cease being an Associate. Further, for the duration of the Agreement and after the expiry or termination of the Agreement, for a period of ninety (90) days, the Associate agrees not to be employed by or participate in the ownership, management or control of any direct sales company.

13. CONFIDENTIAL INFORMATION

The Company has developed and maintained and/or licensed certain information, including, but not limited to, Associate/customer lists, downline and organisational information (including names, addresses, telephone numbers, email addresses, and website addresses, sponsorships,

and other business information related to the present and past business activities of the Associates and customers, other account information, purchasing history, buying habits, achievement history, service requirements, other particular needs of the Associate and customers, and the charges to them), training programmes, and seminar materials. All such information, and all documents, records, notebooks, drawings, photographs, electronic copies, and similar repositories or representations of such information are trade secrets and are considered to be confidential. All such information is confidential and is a trade secret of the Company and is hereinafter referred to as “the Confidential Information”.

The Confidential Information is highly sensitive and valuable to the Company's business and shall at all times remain the property of the Company. In the event that the Company shall agree to disclose any such Confidential Information to the Associate, the Associate shall (to the extent such details are not publicly available other than by breach of these Terms and Conditions) at all times and without limit in time, treat such Confidential Information in the nature of a trade secret and shall not use or disclose or permit the use or disclosure of such details to any other person (and shall take all reasonable steps to protect and maintain the security of the information) and shall use the details solely for the benefit of the Associate's Lifepius business and of the Company and for the stated purpose for which it is provided.

14. CLAIMS AND ADVERTISING BY ASSOCIATE

All Associates agree to comply with the advertising guidelines issued by the Company from time to time and in particular:

a) General: No claims relating to products or otherwise may be made by Associates, which are or could be considered unlawful in any country or territory in which the Company is active or intends to open as a market. Any claims an Associate makes about a product must be legal, honest, true and accurate as well as acceptable to local and national regulatory agencies in the country in which they are doing business.

b) Income Claims: No false or misleading income projections, including those based solely on mathematical projections without regard to probable sale success, may be made to prospective Associates. Claims regarding income potential must not give the impression that directly or indirectly someone else will perform all the work necessary to obtain compensation. The Associate agrees to comply at all times with all procedural guidelines relating to advertising and claims that may be issued by the Company.

c) Official Company Literature: Associates may use official Company literature in promoting the Company products and the Company's business opportunity in the Payment Plan as long as they are active Associates in good standing. Once an Associate resigns or is terminated, he must immediately cease using all Company material, including deleting any Company information contained on a personal web page.

d) Associate Generated Advertising: Regardless of the form (verbal, electronic, or hard copy), all advertisements by an Associate for Company products or business opportunity must comply with the terms of the Associate Agreement, any other agreements of the Company and all applicable laws, rules and regulations including the British Codes of Advertising Practice and Sales Promotion Practice where relevant. They must be honest and ethical. All advertisements, including advertisements contained on a website, must be updated on a regular basis, and must contain current information regarding the products, the Payment Plan, and the Company. All such advertising must comply with the following:

Income Opportunity Claims. An Associate is prohibited from making any false or misleading statements regarding income potential, including those based solely on mathematical projections, without regard to probable sale success to anyone including prospective Associates.

Employment Claims. Advertisements that either by their wording or placement suggests employment rather than independent contractor status are specifically prohibited.

Independent Representative. On all advertisements, telephone listing, publications, brochures, and pages on the website, the Associate must include his name, PIN, and that he is an "Independent Associate."

Telephone Solicitation. An Associate may not use automatic calling devices, send unsolicited faxes, or engage in mass telemarketing "boiler room" operations either to solicit new Associates or Customers.

E-Mail. Bulk e-mail, also known as "SPAM" which in any way relates to the Company's products or business opportunity, is prohibited.

Prohibited Endorsements. Associates may not represent or imply, directly or indirectly, that the Company programme or products have any specific endorsement by any governmental department or agency.

The Company reserves the right to require an Associate to use only advertisements and recruitment material that has been specifically approved by the Company.

e) Media: When the media contacts Associates about the Company, they should contact the Company immediately. Associates are prohibited from making statements to the media about the Company's officers, products, business opportunities or other matters related to the Company without its prior written consent.

f) Co-operative Advertising: An Associate may wish to join with other Associates and/or the Company in creating and using co-operative advertising. The leads or names obtained from this co-operative advertising cannot be used for promoting products or business opportunities unrelated to an Associate's Lifeplus business.

g) Websites: The Associate agrees to comply at all times with all procedural guidelines relating to websites and advertising and claims on the Internet that may be issued by the Company. No Associate may use the Company's name or its products or other trade names in his domain name. Nothing pertaining to the Company (logo, products, product information, Payment Plan, or any other information) may be displayed on any web page that mentions other companies. No Associate's web site may give the impression to one using the internet that they have reached the Company homepage.

15. MODIFICATIONS

a) Repackaging Prohibition: Associates shall not repackage, rebottle, or re-label the Company's products.

b) Changes, Modifications, and Deletions: The Company reserves the right to vary, at its sole discretion, prices, product specifications, packaging, designs, and literature, as well as any other aspects of the programme. These changes or modifications are effective when published.

16. TRADEMARKS AND TRADE NAMES

a) Use of Trademarks and Trade names: Only the Company and its affiliated companies are authorised to use the Company's trademarks and trade names as internet domain names, or to produce and market products and literature using these trademarks. The Company allows Associates to use the Company's trademarks and trade names insofar as they relate to the products and income opportunities in accordance with these Terms and Conditions. This includes the ability to purchase and promote its products and to promote participation in the Associate income opportunity in the Company programme.

b) Limitations and Prohibitions:

- Registration: The Associate agrees not to apply for registration of any Trademark or internet domain name anywhere in the world, or for any mark that is confusingly similar to any of the Company's products or programme, names, phrases or the Company's or its affiliates' names. Such action is prohibited.

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- **Trademark Use:** The Associate understands and acknowledges that the name “Lifeplus,” the Company logo, the names of all the Company’s products and other names and phrases of the Company or its affiliates are trademarks of the Company. The Associate agrees to use such trademarks in accordance with all applicable laws, the Associate Agreement, and any additional requirements related to distribution, promotion, and marketing of any of the Company products. The Company reserves the right to enforce and protect its trademark rights directly in the event of any failure to comply with the Associate Agreement.
 - **Use of the Company Name:** The Associate agrees that he will not incorporate the Company’s names or any of its product names into the name of their Associate business or association. No permission to use any of the Company’s names or any of its products’ names is granted unless in writing and signed by the appropriate executive of the Company.
 - **Bank Accounts:** The Associate agrees that it cannot establish a bank account or any other type of account using the Company’s name.

17. INCOME AND OTHER TAXES

Since Associates are not employees, franchisees, joint venturers, representatives, agents or partners, they will not be treated as employees, franchisees, joint venturers, representatives, agents or partners, with respect to personal taxation, social security liabilities or any other law or regulation of the Associate’s country of residence. Associates are responsible for paying all taxes and national insurance contributions due on earnings from bonuses or commissions generated from the sale of the Company products. All Associates shall comply with all laws, statutes and regulations relating to the operation of their businesses. All Associates are responsible for their own managerial decisions and expenditures, including all estimated income and self-employment taxes.

18. VAT

The Company’s products are subject to Value Added Tax (VAT) in most European countries. The amount of VAT varies from country to country. In order to ensure that the relevant VAT requirements are met, it is the policy of the Company to collect and remit all applicable VAT. The amount of VAT is based upon the product’s price calculated at the local tax rate of the person to whom the products are being shipped. Associates who are VAT registered must furnish the Company with a true and correct copy of their current approved VAT certificate showing their VAT number along with any additional information required by the Company from time to time.

If an Associate, having been registered, then de-registers for VAT, the Associate shall notify the Company of the deregistration forthwith. If the Associate fails to notify the Company of a change in registration status the Associate shall indemnify the Company in full for any loss or damage or liability for VAT incurred as a result, direct or indirect, of such failure to notify of the de-registration, including legal costs, and agrees that the Company shall be entitled to recover the amount of such monies by deduction from the Associate’s account with the Company or by any other means available to the Company from time to time.

19. INVENTORY REQUIREMENTS

The Company Payment Plan is based upon product sales to individuals. Associates can refer customers directly to the Company to place their orders. There is no requirement for Associates to keep and maintain an inventory. All forms of excessive stockpiling or inventory loading are prohibited. The Company recognises that Associates may wish to purchase products in reasonable amounts for their own personal use. However, the Company prohibits the purchase of products in unreasonable amounts for the purpose of qualification or advancement in the Payment Plan.

20. RETAIL SALES PROMOTION

a) General: The Company’s products and promotional items may not be sold, inventoried, or

displayed for public view in retail outlets such as chain stores, discount stores and department stores. Associates may only promote the sale of the Company's products in service establishments, also known as "appointment only" businesses. Some examples of acceptable service establishments are doctors' and other healthcare professionals' offices, tanning salons, nutritionists' offices, beauty shops, dance studios, barbershops, salons, motor service centres and car washes, gymnasiums, health spas, and weight loss clinics.

Products may be displayed on the counter or shelves in any area of a service establishment as long as the display contains truthful and accurate information regarding the product and its use, and the Associate name, address, and telephone number, so that the Associate can answer customer's questions, provide product information, and honour the product return policy.

The Company cannot sell its products to retail establishments for resale. The Company's products cannot be sold to a jobber, independent representative or third party to sell in any retail establishment. Company approved literature only may be placed in retail establishments.

b) Limitations on Change of Outlet: The Associate agrees that if he promotes the sale of the products in a service establishment, that the character of the premises or the type of products or services sold in the premises cannot be changed without first notifying and receiving approval from the Company if he wants to continue promoting the sale of the Company's products in the establishment.

c) Annual Certification Requirement: The Associate hereby agrees that if he wishes to promote the sale of the Company products in a service establishment, he must certify to the Company on an annual basis that he is meeting all the criteria for sale of the Company products in a service establishment. The Associate acknowledges that failure to do so is a serious breach of the Associate Agreement.

21. CHANGES IN POLICY

The Company expressly reserves the right to alter or amend product prices, International Points, the Associate Agreement, and the Payment Plan. Upon notification to the Associate, any amendments are automatically incorporated as part of the agreement between the Company and its Associates.

22. VIOLATION AND DISCIPLINARY ACTIONS

Violation of any provision of the Associate Agreement or other agreement entered into between the Associate and the Company, regardless of whether it is directly or indirectly, or any illegal, fraudulent, deceptive or unethical business conduct by the Associate, either directly or indirectly, is a serious breach of the agreements and contracts in force between the Associate and the Company. Therefore, the Company in the exercise of its sole discretion may use a full range of remedial and disciplinary action depending upon the facts and circumstances of each individual breach. The range of remedial and disciplinary action which may be taken includes, but is not limited to, working with the Associate to correct the violation, to the other end of the scale, which is termination of the violator as an Associate in the Company, and from participation in all company programmes. No changes in the Associate's position, i.e., change of name, transfer of position, etc. can be made while an Associate is being investigated, is suspended or has been terminated.

23. TERMINATION

a) Voluntary Termination: Associates may voluntarily terminate their Associate Agreement without penalty at any time by providing fourteen (14) days written notice to the Company. The notice must be an original document and telefaxes cannot be accepted. Voluntary termination is effective upon expiry of the fourteen (14) day notice period. Associates who have terminated voluntarily may not reapply to be an Associate for a period of six (6) months.

b) Involuntary Termination: The Company reserves the right to terminate the Agreement of any Associate who violates any of the terms of the Associate Agreement, or for any other just cause deemed not in the best interest of the Company or its other Associates by fourteen (14) days written notice. Involuntary termination is effective fourteen (14) days from the date on which the formal written notice is posted by registered post to the Associate's current address as shown on the Company records, or when the Associate receives actual notice, whichever occurs first. A new Associate Agreement submitted to the Company by an involuntarily terminated Associate will not be considered for a minimum period of six (6) months, and thereafter will be accepted at the Company's sole discretion.

c) Suspension: The Company shall be entitled to place an Associate on suspension for a period of up to ninety (90) days on receipt of allegations of breach of the terms of the Associate Agreement, or for any other just cause deemed not in the best interest of the Company or its other Associates, during which period the Company will investigate the allegations and will give the Associate the opportunity to respond to or refute the allegations. The Company reserves the right in its sole discretion to determine the period of suspension. The right of a suspended Associate to receive compensation from the Company ceases immediately from the date of suspension through to the end of the suspension period. A suspended Associate must cease promoting the Company's products, sponsoring other Associates, using the Company's promotional materials, trademarks, trade names, service marks, logos and colour schemes, representing himself as an Associate or to act in any way which may be adverse to the business of the Company or its Associates. At the expiry of the suspension period, the Associate may be reinstated to good standing with the Company. Any compensation that would have been due to the Associate had he not been suspended for alleged breach of the Associate Agreement will be paid to the Associate if the allegations are not proven or are adequately refuted, and he is reinstated to good standing with the Company. Where the suspension is for a violation of the Associate Agreement which is proven, or where the Associate has failed to adequately refute or respond to the allegations of breach, the Associate may be terminated, and if terminated, all compensation otherwise due from the date of the suspension will be forfeited.

d) Appeal: A terminated Associate may appeal his termination by submitting a letter of appeal that states the grounds for the appeal. This letter must be received by the Company within fifteen (15) days of the date of the posting of the original termination notice from the Company. If the Company has not received a letter of appeal within fifteen (15) days, the termination will automatically become final. If the Associate files a timely appeal, it will be reviewed, and the termination reconsidered by an impartial appeals panel established by the Company, comprised of two (2) corporate representatives, two (2) Associate representatives, and one additional member appointed by the Company to serve as Chairman. The Chairman will vote only when necessary to break a tie vote. The Associate will be notified of the decision. The decision of the panel shall be final and subject to no further review. If the appeal is denied, the termination shall remain in effect as of the date of the original termination notice from the Company.

e) Effect of Termination: Voluntary or involuntary termination will result in the Associate's loss of the rights to his sponsored downline organisation and his status with the Company. On termination of the Agreement, whether voluntary or involuntary, the Company reserves the right to hold the position open, to sell it or rollup any downline, in the best interests of the downline organisation. The terminated Associate agrees to immediately cease representing himself as an Associate. Should a terminated Associate continue to represent himself as an Associate, he will be subject to legal action.

Upon termination of the Associate Agreement for any reason whatsoever, the Associate, at the request of the Company, shall promptly return to the Company all genealogies, other Confidential Information, or any other information in his possession or control relating to the Associate's activities in relation to the products or business of the Company.

f) Product Return: If the Associate gives notice not more than fourteen (14) days after entering into the Associate Agreement, the Associate may require the Company to repay to the Associate within fourteen (14) days any money which the Associate has paid for the benefit of the Company in connection with the Lifepus business, and the Associate may return to the Company at the address shown on the Associate Application, any products that remain unused, provided that such products are in the condition in which they were in at the time of purchase (whether or not external wrappings have been broken), and to require the Company to refund an amount equal to one hundred per cent (100 %) of the monies paid in respect of such products (including VAT). Further, the Associate shall be entitled to cancel any services ordered within the fourteen (14) day period after entering into the Agreement from the Company and recover any money paid in respect of such services not yet supplied.

If the Associate gives notice to terminate the Associate Agreement more than fourteen (14) days after the Associate has first agreed to participate in the Lifepus business, the Associate may require the Company to buy back any products which the Associate has purchased under the scheme in the preceding ninety (90) days. The Company will refund the amount (including VAT) that the Associate paid for the products, less, where any such products have deteriorated as a result of any act or default on the Associate's part, an amount equal to the reduction in their value resulting from such deterioration, and less a reasonable handling charge, usually equal to ten per cent (10%) of the amount to be refunded.

If the Company terminates the Agreement, the Associate may require the Company to buy back any products which the Associate has purchased under the scheme for a full refund of the amount (including VAT) that the Associate paid, together with any costs incurred by the Associate in returning the products to the Company. Any such refund shall be on terms whereby the purchase price to be refunded is payable upon delivery of the products to the Company, or if the products are already held by the Company, forthwith. Products not held by the Company shall be delivered to the Company within twenty-one (21) days of the date of termination.

In addition, on termination (voluntary or involuntary) an Associate shall have the right to return to the Company any products (including training and promotional materials, business manuals and kits) purchased by the Associate more than ninety (90) days but within twelve (12) months of the date of termination, and the Company shall pay to the Associate the price paid for the products (including VAT) less where any such products have deteriorated due to any act or default on the Associate's part, an amount equal to the reduction in their value resulting from such deterioration and less a reasonable handling charge, usually equal to ten per cent (10%) of the amount to be refunded unless (i) the Company clearly informed the Associate prior to purchase that the products were seasonal, discontinued or special promotion products, which were not to be subject to the buy-back provisions under this Agreement or (ii) in the Company's reasonable opinion the products were purchased in breach of the Company's seventy per cent rule.

g) Refunds: Payment of refunds will be made in the same form as the original payment.

h) Bonuses and Commissions: The Associate understands and agrees that bonuses and commissions paid within the preceding one hundred and twenty (120) days on products returned by Associates in his downline may be deducted from his account with the Company at any time where the Associate Agreement of an Associate in his downline terminates or is terminated by the Company.

24. SEVENTY PERCENT RULE

The Company does not encourage front-loading or excessive purchasing of inventory. Associates agree that by placing their order, they certify that they have used at least seventy per cent (70%) of the products contained in their prior orders.

25. NOTICE

Any notice given under the Associate Agreement which is given by first class post to the address of the party as set forth in the Associate Agreement, or to such other address as shall have been notified from time to time in writing by one to the other, shall result in the period of notice commencing to run from the day when such notice is posted.

26. CHANGE OF ADDRESS, NAME, STATUS

Associates should report all changes of address, personal name, marital status, or other pertinent information to the Company as soon as possible after the change. Changes must be provided to the Company in writing to avoid mistakes and so that proper verification can be established. Whenever possible, Associates should use the Company Change of Address Form.

27. MISCELLANEOUS

a) Government Endorsement: The Company abides by all applicable rules and regulations with regard to the operation of network marketing companies. However, Associates may not represent or imply, directly or indirectly, that the Company programme has any specific endorsement by any governmental department or agency.

b) Non-Waiver Provision: Failure of the Company to exercise any rights stated in the Associate Agreement or terms of sale, or to insist upon strict compliance by an Associate with any obligation or provision herein, shall not constitute a waiver of the Company's right to demand exact compliance herewith. Waiver by the Company can be effected only in writing by an authorised officer of the Company. Any waiver by the Company of any particular default by an Associate shall not affect or impair the Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other Associate, nor shall any delay or omission by the Company to exercise any right arising from default affect or impair the Company's rights as to that or any subsequent default.

c) Entire Agreement: The Associate Agreement constitutes the entire agreement of the parties regarding their business relationship.

d) Severability: If at any time any term or provision in the Associate Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any rule of law or enactment, such term or provision or part shall to the extent of such term or provision, be deemed not to form part of the Associate Agreement, but the enforceability of the remainder of the Associate Agreement shall not be affected.

e) Binding effect: This Associate Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns in interest and the Associate and his personal representatives.

f) Use of Associate and Sponsor: Since all Sponsors must first be Associates, any reference to Sponsor includes Associate.

g) Requests for Exceptions: Requests for exceptions to any of the Terms and Conditions may be submitted in writing for consideration to the Company. The Company will review these request on a case-by-case basis. The Company is not required to act uniformly with respect any of these Terms and Conditions. Each situation will be treated on a case-by-case basis. All decisions by the Company are FINAL.

h) Reservation of Rights: In no way does the Company condone circumventing any provision of the Associate Agreement or any other applicable documents or agreements. The Company reserves the right to reject or rescind approval of any transaction(s) that it discovers are designed to circumvent or have the effect of circumventing the sponsorship lines.

i) Reservation of Right of Refusal: The Company reserves the right to refuse to accept any new or renewal applications, to promote products, train, or otherwise provide services to anyone.

j) Headings: The headings have been inserted for convenience only and are not to be considered when construing the provisions of the Associate Agreement.

k) Words Importing Gender and Number: When any subject matter, party, or person is described or referred to by words importing the masculine gender, males as well as females shall be deemed to be included. When any subject matter, party or person is described or referred to as a singular person or entity, it is also deemed to include more than one if applicable in that particular instance.

28. DATA PROTECTION

This policy describes the Company's duty of care, in relation to the collection and use of data, in relation to Associates with regard to the data (whether personal or otherwise) that is held by it. In this regard, the Company is committed to:

- a)** Obtaining and processing personal data or the information constituting personal data fairly;
- b)** Ensuring personal data is accurate and, where necessary, kept up-to-date;
- c)** Keeping personal data only for specified lawful purpose;
- d)** Not using or disclosing personal data in any manner incompatible with such lawful purpose;
- e)** Ensuring that personal data is adequate, relevant and not excessive in relation to such purposes;
- f)** Not keeping personal data for longer than is necessary for such purposes;
- g)** Taking appropriate security measures against unauthorised access or alteration, disclosure or destruction of personal data and against their accidental loss or destruction.

The Associate acknowledges that he has been informed by the Company that the information which he gives to the Company (including information relating to the Associate, his address and other details) will be retained by the Company as data controller on a computer database and will be used by the Company for marketing, commissions payable and the performance of the Lifeplus business. The Associate also acknowledges that the Company may disclose this information in connection with such purposes to other members of the Company group of companies, which may be situated inside or outside the EU, and to other persons, and, in particular, may disclose it to other Associates as part of the Company's genealogies. The Associate consents to the Company retaining, processing and disclosing the information referred to as set out above.

29. GOVERNING LAW

The Associate Agreement shall be governed by English law and the parties hereby submit to the jurisdiction of the English courts.