

# **Terms and Conditions**

**BRAND PROMOTER AGREEMENT** 

I hereby apply to become a Brand Promoter of the RèNao Global (hereinafter "Company") marketing program.

As an Brand Promoter, I understand and agree that:

- 1. I am of legal age in the state in which I enter this agreement.
- 2. I shall become a Company Brand Promoter upon acceptance of this application by the Company. As a Brand Promoter, I shall have the right to sell the services and products offered by the Company in accordance with the Company's marketing program and statement of policy, which may be amended and changed from time to time.
- 3. Upon notification to Brand Promoters, the Company, at its discretion, may amend the marketing plan, statement of policy, etc.
- 4. I have carefully reviewed the Company's marketing plan, rules and regulations, and policies and procedures, and acknowledge that they are incorporated as part of this agreement in their present form and as modified from time to time by the Company.
- 6. Because commissions are calculated daily and paid out weekly, refunds shall only be given if the company is notified within 3 days of issuance.
- 7. Upon acceptance of this application by the Company, I will be an independent contractor responsible for my own business and not an employee of the Company. I will not be treated as an employee in regard to any laws covering employees, including but not limited to the Federal Insurance Contributions Act, the Social Security Act, the Federal Unemployment Tax Act, income tax withholding at source or for any federal or state tax laws. It is my responsibility to pay self-employment, state and federal income taxes as required by law.



- 8. I will not use the Company's trade name and/or trademark except in the advertising provided to me by the Company or in other advertising without prior written approval by the Company.
- 9. Any Brand Promoter, who sponsors other Brand Promoters, must fulfill the obligation of performing a bona fide supervisory, distributing and selling function in the sale or delivery of product to the ultimate consumer and in the training of those sponsored. Brand Promoter must have ongoing contact, communication and management supervision with his or her sales organization. Examples of such supervision may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, accompanying individuals to Company training and sharing genealogy information with those sponsored. Brand Promoters should be able to provide evidence to the Company semiannually of ongoing fulfillment of sponsor responsibilities.
- 10. The company's program is built upon retail sales to the ultimate consumer. The company also recognizes that Brand Promoters may wish to purchase product in reasonable amounts for their own personal or family use. For this reason, a retail sale for bonus purposes shall include sales to non-participants as well as sales to Brand Promoters for personal or family use, which are not made for purposes of qualification or advancement. It is company policy, however, to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for bonuses or advancement in the marketing program. Brand Promoters may not inventory load nor encourage others in the program to load up on inventory. Brand Promoters must fulfill published personal and downline retail sales requirements, as well as supervisory responsibilities, to qualify for bonuses, overrides or advancements.
- 11. The Brand Promoter acknowledges that Brand Promoter is a wholly independent marketing representative who establishes and services retail customers for Company products as an independent contractor. The position of Brand Promoter does not constitute either a sale of a franchise or a Brand Promotership, and absolutely no fees have been or will be required from the Brand Promoter for the right to distribute the Company's products pursuant to this agreement. This agreement is not intended and shall not be construed to create a relationship of employer-employee, agency, partnership, or joint venture between any Brand Promoter, sponsor and/or the Company.

As an independent contractor, the Brand Promoter shall:



- A. Abide by any and all federal, state, county and local laws, rules and regulations pertaining to this agreement and/or the acquisition, receipt, holding, selling, distributing or advertising of Company products.
- B. At the Brand Promoter's own expense, make, execute or file all such reports and obtain such licenses as are required by law or public authority with respect to this agreement and/or the receipt, holding, selling, distributing or advertising of Company products.
- C. Be solely responsible for declaration and payment of all local, state and federal taxes as may accrue because of the Brand Promoter's activities in connection with this agreement.
- 12. No purchase or investment is necessary to become a Company Brand Promoter other than the purchase of a Brand Promoter sales kit, which is sold "at Company cost."
- 13. Prior written approval from the Company is required to advertise Company products and / or services.
- 14. The Company may immediately terminate a Brand Promoter who discredits the Company's name, violates any requirement contained in this Agreement, Company Policy and Procedures, or training manuals or misrepresents the Company's products or business opportunity by making claims contrary to the Company's product literature and labels.
- 15. This agreement constitutes the entire agreement between the Brand Promoter and Company and no other additional promises, representations, guaranties or agreements of any kind shall be valid unless in writing.
- 16. I acknowledge that I have read and understand and agree to the terms set forth in this agreement.
- 17. This agreement is not in force until accepted by the Company.

## STATEMENT OF POLICIES AND PROCEDURES

1. ReNao Global, hereinafter "Company," is a direct selling Company marketing consumer benefit services and products to the consumer through independent Brand Promoters. The policies and procedures herein are applicable to all independent



## Brand Promoters of the Company.

- 2. An Independent Representative is one who has completed a Company application and agreement and has been accepted by the Company as a Brand Promoter. The Company reserves the right to accept or reject anyone as a Brand Promoter.
- 3. All Brand Promoters must be the age of majority in the state in which they distribute Company products. If one spouse is already a Brand Promoter, the nonparticipating spouse may elect to become a Brand Promoter, but must join the same Brand Promotership as his or her spouse. The Company reserves the right to reject any applications for new Brand Promoterships or applications for renewal. Should a husband/wife Brand Promoter divorce, they should notify the Company as to how the Brand Promotership is to be managed thereafter. Otherwise, the Company will recognize the final judicial or adjudicatory disposition of the Brand Promotership.
- 4. Brand Promoters are independent marketing representatives of the Company and are not to be considered purchasers of a franchise or a Brand Promotership. The agreement between the Company and its Brand Promoters does not create an employer\employee relationship, agency, partnership, or joint venture between the Company and the Brand Promoters. Each Brand Promoter shall hold harmless the Company from any claims, damages or liabilities arising out of Brand Promoter's business practices. Company Brand Promoters have no authority to bind the Company to any obligation. Each Brand Promoter is encouraged to set up his\her own hours and to determine his\her own methods of sale, so long as he\she complies with the policies and procedures of the Company.
- 5. In the conduct of its business, the Brand Promoter shall safeguard and promote the reputation of the products of the Company and shall refrain from all conduct which might be harmful to such reputation of the Company or to the marketing of such products or inconsistent with the public interest, and shall avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.
- 6. The company's program is built upon retail sales to the ultimate consumer. The company also recognizes that Brand Promoters may wish to purchase product in reasonable amounts for their own personal or family use. For this reason, a retail sale for bonus purposes shall include sales to nonparticipants as well as sales to



Brand Promoters for personal or family use which are not made for purposes of qualification or advancement. It is company policy, however, to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for bonuses or advancement in the marketing program. Brand Promoters may not inventory load nor encourage others in the program to load up on inventory. Brand Promoters must fulfill published personal and downline retail sales requirements, including requisite retail sales to nonparticipants, as well as supervisory responsibilities, to qualify for bonuses, overrides or advancements.

- 7. Any Brand Promoter, who sponsors other Brand Promoters, must fulfill the obligation of performing a bona fide supervisory, distributing and selling function in the sale or delivery of product to the ultimate consumer and in the training of those sponsored. Brand Promoters must have ongoing contact, communication and management supervision with his or her sales organization. Examples of such supervision may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, accompanying individuals to Company training, sharing genealogy information with those sponsored. Brand Promoters should be able to provide evidence to the Company semiannually of ongoing fulfillment of sponsor responsibilities.
- 8. Company Retail/70 Percent Policy. The Company sales and marketing program is based upon retail sales to the ultimate consumer. Every aspect of the program is designed to assist our Brand Promoters in the marketing of fine products and services to the general consuming public. As a dual consumer safeguard, of the utmost importance to the company is the policy that Brand Promoters should purchase products in commercially reasonable quantities, and under no circumstances may Brand Promoters cause others to purchase products in amounts that are not reasonably expected to be sold to the consuming public or in unreasonable amounts for personal or family use. In furtherance of these policies, the company has adopted specific rules on retail sales and retailing referenced as the company retail/70 percent rules. In the interest of protecting the consumer and the opportunity of its Brand Promoters, the company enforces this rule through a verification program.

Company Retail/70 Percent Rule.



### a. Retail Rule.

Although the primary function of the company is to sell products to the general consuming public, the company realizes that its Brand Promoters may wish to purchase product for personal or family use in reasonable amounts. For this reason, the company defines a retail sale to include sales to nonparticipants, as well as purchases for personal or family use in reasonable amounts, which are not made solely for purposes of qualification or advancement. This is a standard followed by leading direct selling companies.

### b. 70 Percent Rule.

As with other leading direct selling companies, the company has adopted a 70 percent rule. Under this rule, company Brand Promoters may not order additional product unless they have sold or used for personal or family use at least 70 percent of previously purchased inventory-type product. This verification form is also intended to support the 70 percent rule policy.

Retail Sales/70 Percent Rule Audit Verification Program.

In its effort to support and enforce the retail sales/70 percent rule, the company on a quarterly basis will conduct random audit verification follow-ups. Representatives of the company will contact Brand Promoters to further verify compliance with the retail sale/70 percent rule. Brand Promoters should maintain records and be prepared to assist company representatives in their task.

- 9.All Brand Promoters are responsible for paying local, state and federal taxes due on earnings from commissions or any other earnings generated as a seller of Company products.
- 10. Company Brand Promoters shall not advertise Company products and/or marketing plans except as specifically approved by the Company. Company Brand Promoters agree to make no false or fraudulent representations about the Company, the products, the Company compensation plan, or income potentials.
- 11. All Brand Promoters are required to purchase a sales kit at the time of submission of their Brand Promoter application to the Company. The sales kit is sold "at Company cost." This sum is not a service or franchise fee, but rather is strictly to offset costs incurred by the Company for educational and business materials required



for an Brand Promoter of the Company. No product purchase by the Brand Promoter is required. Data processing fees, if any, will be deducted from commissions and bonuses.

- 12. Trademark, Trade Names, Advertising.
- a. The name of the Company and other names as may be adopted by the Company are proprietary trade names and trademarks of the Company. As such, these marks are of great value to the Company and are supplied to Brand Promoter for Brand Promoter's use only in an expressly authorized manner. Brand Promoter agrees not to advertise the Company product in any way other than the advertising or promotional materials made available to Brand Promoter by the Company. Brand Promoter agrees not to use any written, printed, recorded or any other material in advertising, promoting or describing the product or the Company marketing program, or in any other manner, any material which has not been copyrighted and supplied by the Company, unless such material has been submitted to the Company and approved in writing by the Company before being disseminated, published or displayed.
- b. The Brand Promoter, as an independent contractor, is fully responsible for all of his\her verbal and written statements made regarding the product and marketing program which are not expressly contained in writing in the current Brand Promoter agreement, and advertising or promotional materials supplied directly by the Company. Brand Promoter agrees to indemnify the Company and hold it harmless from any and all liability including judgments, civil penalties, refund, attorney fees, court costs or lost business incurred by the Company as a result of Brand Promoter's unauthorized representations.
- c. The Company will not permit the use of its copyrights, designs, logos, trade names, trademarks, etc. without its prior written permission.
- d. All Company materials, whether printed, on film, produced by sound recording, or on the internet, are copyrighted and may not be reproduced in whole or in part by Brand Promoters or any other person except as authorized by the Company. Permission to reproduce any materials will be considered only in extreme circumstances. Therefore, a Brand Promoter should not anticipate that approval will be granted.



- e. A Company Brand Promoter may not produce, use or distribute any information relative to the contents, characteristics or properties of Company product which has not been provided directly by the Company. This prohibition includes but is not limited to print, audio or video media.
- f. A Company Brand Promoter may not produce, sell or distribute literature, films or sound recordings which are deceptively similar in nature to those produced, published and provided by the Company for its Brand Promoters. Nor may a Brand Promoter purchase, sell or distribute non-company materials which imply or suggest that said materials originate from the Company.
- g. Any display ads or institutional or trademark advertising copy, other than covered in the foregoing rules, must be submitted to the Company and approved in writing by the Company prior to publication.
- h. All advertising copy, direct mailing, radio, TV, newspaper and display copy must be approved in writing before being disseminated, published or displayed with the exception of blind ads where no reference is made to the Company name or product name.
- 15. The Company maintains an official corporate website. Brand Promoters are allowed to advertise on the Internet through an approved Company program which allows Brand Promoters to choose from among Company home page designs that can be personalized with the Brand Promoter's message and the Brand Promoter's contact information. These websites link directly to the Company website giving the Brand Promoter a professional and company-approved presence on the internet. Only these approved websites may be used by Brand Promoters. No Brand Promoter may independently design a website that uses the names, logos, or product descriptions of the Company, nor may a Brand Promoter use "blind" ads on the internet making product or income claims which are ultimately associated with Company products or the Company's compensation plan. Any person using Company names, logos, trademarks, etc. on the internet or any other advertising medium, except as permitted by Company Rules and Regulations, shall be subject to immediate discipline, including termination of Brand Promoter status.



- 16. No Spam Policy. It is specific Company policy to prohibit unsolicited email (spamming) or information by facsimile relating to the Company's opportunity and products. The Company has a zero tolerance policy of spamming practices. Brand Promoters who violate the Company's "no spam policy" are subject to termination, suspension or disciplinary action.
- 17. Retail Establishments. Company products may only be displayed and sold in retail establishments where the nature of the business is to make appointments with customers. The sale of such products within such retail facilities must be conducted by a Brand Promoter and must be preceded by a discussion where the Brand Promoter introduces the prospect to the products and opportunity just as they would if they had met outside of the retail facility. Company produced literature, banners, or signage only may be displayed on a shelf, counter, or wall and must be displayed by itself. Product may not be sold from a shelf or taken from a display for purchase by a customer. Company products may not be sold in any retail establishment, even by appointment, if competitive products are sold in the establishment.
- 18. Trade Shows. With written authorization from the Company, Company products and opportunity may be displayed at trade shows by Brand Promoters. Request for participation in trade shows must be received in writing by the Company at least two weeks prior to the show. Written authorization from the Company must be received before participating in the trade show. Company products and opportunity are the only products and/or opportunity that may be offered in the trade show booth. Only Company produced marketing materials may be displayed or distributed. No Brand Promoter may sell or promote the Company's products or business opportunity at flea markets, swap meets, or garage sales.
- 19. The Company reserves the right to approve or disapprove Brand Promoter's change of business names, formation of partnerships, corporations, and trusts for tax, estate planning, and limited liability purposes. If the Company approves such a change by Brand Promoter, the organization's name and the names of the principals of the organization must appear on the Brand Promoter application agreement along with a social security number or federal identification number.
- 20. The Brand Promoter agreement may be canceled at any time and



for any reason by a Brand Promoter notifying the Company in writing of the election to cancel.

- a. All applications must register with their legal sur name and given name at the time of enrollment. Any name changes will be considered transfer of ownership and fees plus necessary documents are required. This will be based upon approval and is not guaranteed to happen.
- 21. If a Brand Promoter elects not to renew his\her Brand Promoter agreement, all rights to bonuses, marketing position and wholesale purchases cease. The terminated Brand Promoter's sales organization shall be transferred to his\her sponsor.
- 22. The Company shall be entitled to change product prices at any time and without notice, and to make changes in the statement of policy and procedures.
- 23. Each Brand Promoter shall comply with all state and local taxes and regulations governing the sale of Company products.
- 24. All retail sales must comply with the FTC Three-Day Cooling Off Rule which requires statutory language and notice of cancellation on the retail sales receipt.
- 25. Brand Promoter shall not sell to other Company Brand Promoters, other than personally sponsored Brand Promoters, non-company products or in any way promote to such Company Brand Promoters opportunities in marketing programs of other companies. Such admissible promotion to designated personally sponsored Brand Promoters may not take place on the occasion or at the place designated for or associated with a company business opportunity meeting or company-related activity.
- 26. On a periodic basis, the Company will supply data processing information and reports to the Brand Promoter which will provide information to the Brand Promoter concerning the Brand Promoter's downline sales organization, product purchases and product mix. Brand Promoter agrees that such information is proprietary and confidential to the Company and is transmitted to the Brand Promoter in confidence. The Brand Promoter agrees that he or she will not disclose such information to any third party directly or indirectly, nor use the information to compete with the Company directly or indirectly. The Brand Promoter and the Company agree that, but for this agreement of confidentiality and nondisclosure, the Company would not



provide the above confidential information to the Brand Promoter.

- 27. Vendor Confidentiality. The Company's business relationship with its vendors, manufacturers and suppliers is confidential. A Brand Promoter shall not contact, directly or indirectly, or speak to or communicate with any representative of any supplier or manufacturer of the Company except at a Company sponsored event at which the representative is present at the request of the Company. Violation of this regulation may result in termination and possible claims for damages if the vendor/manufacturer's association is compromised by the Brand Promoter contact.
- 28. Upon the death or incapacity of the Brand Promoter, his or her rights to bonuses and marketing position, together with Brand Promoter responsibilities, shall pass to his or her successors in interest upon written application and approval by the Company. The successor Brand Promoter must fulfill all responsibilities of the Brand Promoter.
- 29. A Brand Promoter may not sell, assign or otherwise transfer his or her Brand Promotership, marketing position or other Brand Promoter rights without written application and approval by the Company. The potential buyer must be at the equivalent or higher rank as the selling Brand Promoter or have been a Company Brand Promoter for at least a one-year period prior to the sale. The Brand Promotership must be offered in writing first to the Brand Promoter's sponsor. If the sponsor declines the offer, the Brand Promoter may offer the Brand Promotership for sale to other qualified Company Brand Promoters, but only on the same terms and conditions as offered to the sponsor. A Brand Promoter who sells his or her Brand Promotership shall not be eligible to re-qualify as a Brand Promoter for a period of at least six months after the sale. The Company reserves the right to review the sale agreement and to verify waiver from the upline sponsor in the event the upline sponsor declines to purchase the Brand Promotership.
- 30. This statement of policies and procedures is incorporated into the Brand Promotership agreement and constitutes the entire agreement of the parties regarding their business relationship.
- 31. The Company expressly reserves the right to alter or amend prices, Rules and Regulations, Policies and Procedures, product availability and compensation plan. Upon notification such amendments are automatically incorporated as part



of the agreement between the Company and the Brand Promoter.

- 32. A partnership or corporation may be a Brand Promoter. However, no individual may participate in more than one (1) Brand Promotership in any form without express written permission from the Company. Only in the most extreme and extraordinary circumstances will this be considered.
- a. A Brand Promotership may change status under the same sponsor from individual to partnership or corporation or from partnership to corporation with proper and complete documentation.
- b. To form a new Brand Promotership as a partnership or corporation or to change status to one of these forms of business, you must request a partnership/corporation form from the corporate home office. This form must be submitted detailing all partners, stockholders, officers or directors in the partnership or corporation. The partner or officer who submits the form must be authorized to enter into binding contracts on behalf of the partnership or corporation. In addition, by submitting the partnership/corporation form, you certify that no person with an interest in the business has had an interest in a Brand Promotership within three (3) months of the submission of the form (unless it is the continuation of an existing Brand Promotership that is changing its form of doing business
- 33. Corporate and Partnership Guarantee for Owners.

Although the Company has offered Brand Promoters the opportunity to conduct their Brand Promotership as corporate or partnership entities, it is agreed that since the Brand Promotership entity is under the control of its owners or principals, the actions of individual owners as they may affect the Company and the Brand Promotership are also critical to the Company's business. Therefore, it is agreed that actions of corporate shareholders, officers, directors, agents or employees and the actions of partnership partners, agents or employees, which are in contravention to the Company's policies shall be attributable to the corporate or partnership entity.

34. Disciplinary Actions. A Brand Promoter's violation of any policies and procedures, the agreement, terms and conditions or any illegal, fraudulent, deceptive, or unethical business conduct may result, at the Company's discretion, in one or



more of the following disciplinary actions:

- a. Issuance of a written warning or admonition.
- b. Imposition of a fine, which may be imposed immediately or withheld from future commission checks.
- c. Reassignment of all or part of a Brand Promoter's organization.
- d. Suspension, which may result in termination or reinstatement with conditions or restrictions.
- e. Termination of the Brand Promoter.
- 35. The Company reserves the right to terminate any Brand Promotership at any time for cause when it is determined that the Brand Promoter has violated the provisions of the Brand Promoter agreement, including the provisions of these policies and procedures as they may be amended or the provisions of applicable laws and standards of fair dealing. Such involuntary termination shall be made by the Company at its discretion. In the event of a termination, the terminated Brand Promoter agrees to immediately cease representing him/herself as a Brand Promoter.
- 36. Termination.
- a. When a decision is made to terminate a Brand Promotership, the Company will inform the Brand Promoter in writing that the Brand Promotership is terminated immediately, effective as of the date of the written notification. The termination notice will be sent by certified mail to the Brand Promoter's address on file with the Company.
- b. The Brand Promoter will have 15 days from the date of mailing of the certified letter in which to appeal the termination in writing. The Brand Promoter's appeal correspondence must be received by the Company within 20 days of the Company's termination letter. If the appeal is not received within the 20-day period, the termination will be automatically deemed final.
- c. If a Brand Promoter files a timely appeal of termination, the Company will review



and reconsider the termination, consider any other appropriate action, and notify the Brand Promoter of its decision. The decision of the Company will be final and subject to no further review. In the event the termination is not rescinded, the termination will be effective as of the date of the Company's original termination notice.

- 37. All Brand Promoters have the right to sponsor others. In addition, every person has the ultimate right to choose his/her own sponsor. If two Brand Promoters should claim to be the sponsors of the same new Brand Promoter, the Company shall regard the first application received by the corporate home office as controlling.
- a. As a general rule, it is good practice to regard the first Brand Promoter to meaningfully work with a prospective Brand Promoter as having first claim to sponsorship, but this is not necessarily controlling. Basic tenets of common sense and consideration should govern.
- b. As a convenience to its Brand Promoters, the company may provide various methods of registering or informing the company of newly sponsored Brand Promoters, including telephone registration and facsimile registration. Until such time as the company receives an application, either as hard copy or by facsimile, containing all appropriate information, as well as the signature of the proposed new Brand Promoter, the company will only consider the incomplete telephone or facsimile registration in the category of "intended" registration. Thus, although the company is attempting to create some convenience for its sponsoring Brand Promoters, it is the responsibility of the sponsoring Brand Promoter to cause delivery to the company of a completed and signed Brand Promoter agreement if the sponsor is to expect recognition as the official sponsoring Brand Promoter.
- c. There is no "magic" involved in the Company or in any business. Those who sponsor widely but who do not help new Brand Promoters develop their business meet with limited success. Therefore, a responsibility of sponsorship is to work with new Brand Promoters, helping them learn the business and encouraging them during the critical early months.
- d. Sponsors are not required to carry inventory of products or sales aids for new Brand Promoters. Brand Promoters who do so, however, find building a major sales organization much easier because of the decreased response time in meeting a new Brand Promoter's needs.



- 38. Transfer of Sponsorship. Transfer is rarely permitted and is actively discouraged. Maintaining the integrity of sponsorship is absolutely mandatory for the success of the overall organization.
- a. Transfers will generally be approved in three (3) circumstances only:
- (1) In the case of unethical sponsoring by the original sponsor. In such cases, the Company will be the final authority.
- (2) With the written approval of the immediate five (5) upline sponsors.
- (3) Resigning from the Company entirely and waiting three (3) months to reapply under the new sponsor.
- b. In cases of unethical sponsoring, the individual may be transferred with any downlines intact; in all other events, the individual alone is transferred without any downline Brand Promoters being removed from the original line of sponsorship.
- 39. The Company encourages each Brand Promoter to keep accurate sales records. The program is based upon retail sales to the ultimate consumers; therefore, all forms of stockpiling or pyramiding are prohibited. Products are offered to Brand Promoters only for personal consumption and for resale to consumers.
- 40. Cumulative purchases during the first six months are limited to less than \$500 in Georgia, Louisiana, Maine, North Dakota, Michigan, Indiana, Iowa and West Virginia.
- 41. Income Claims. No income claims, income projections nor income representations may be made to prospective Brand Promoters. Obviously, any false, deceptive or misleading claims regarding the opportunity or product\service are prohibited. In their enthusiasm, Brand Promoters are occasionally tempted to represent hypothetical income figures based upon the inherent power of network marketing as actual income projections. This is counter-productive, since new Brand Promoters may be quickly disappointed if their results are not as extensive or as rapid as a hypothetical model would suggest. The Company believes firmly that



the income potential is great enough to be highly attractive in reality without resorting to artificial and unrealistic projections.

- 42. Representation of Status. In all cases, any reference the Brand Promoter makes to him/herself must clearly set forth the Brand Promoter's independent status. For example, if the Brand Promoter has a business telephone, the telephone may not be listed under the Company's name or in any other manner which does not disclose the independent contractor status of the Brand Promoter.
- 43. Newspaper Advertisements. Some Independent Representatives use classified advertising in the newspapers to find prospects. The following rules apply:
- o No advertisement may imply that a "job" or "position" is available.
- o No specific income can be promised.
- o Advertisements must contain no misleading facts or distortions of the Company opportunity or product line.
- 44. Business Cards and Stationery. Any printed materials, including business cards and stationery, must be approved by the Company in advance. Criteria for approving these materials will include a judgment regarding the quality of the materials as well as properly setting forth the independent status of the Brand Promoter.
- 45. Telephone Solicitation. The use of the Company's name or copyrighted materials may not be made with automatic calling devices or "boiler room" operations either to solicit Brand Promoters or retail customers. The use of these methods in ways that are legal and are the equivalent of the "blind ads" alluded to above cannot be regulated by the Company.
- 46. Press Inquiries. Any inquiries by the media are to be referred immediately to the Company. This policy is to assure accuracy and consistent public image.
- 47. Federal and state regulatory agencies rarely approve or endorse direct selling programs. Therefore, Brand Promoters may not represent that the Company's



program has been approved or endorsed by any governmental agency.

48. Waiver. The Company never gives up its right to insist on compliance with these rules or with the applicable laws governing the conduct of a business. This is true in all cases, both specifically expressed and implied, unless an officer of the Company who is authorized to bind the Company in contracts or agreements specifies in writing that the Company waives any of these provisions. In addition, any time the Company gives permission for a breach of the rules, that permission does not extend to future breaches. This provision deals with the concept of "waiver," and the parties agree that the Company does not waive any of its rights under any circumstances short of the written confirmation alluded to above.

49. Partial Validity. Should any portion of these Rules and Regulations, of the Brand Promoter's application and agreement, or of any other instruments referred to herein or issued by the Company be declared invalid by a court of competent jurisdiction, the balance of such rules, applications, or instruments shall remain in full force and effect.