

Sisel International

Global Policies and Procedures

1.0 MISSION / VISION / VALUES

1.1 Mission At Sisel International, our name describes our mission. “SISEL” is an acronym standing for Science, Innovation, Success, Energy & Longevity. Drawing upon the latest research and technology, Sisel seeks to explore the true nature of health and wellness and to provide alternative nutritional, personal care and cosmetics products designed to help people live healthier lives. We dedicate our unrelenting research in emerging life sciences to our customers who, through our unique distribution model, bring our innovative products and our message to the world.

1.2 VISION Sisel embraces a future in nutrition and personal care that puts the human body first. Sisel uses Science and Innovation to promote lives infused by Energy and Longevity, combined with temporal and personal Success. Sisel seeks to promote the body’s natural ability to sustain itself through proper nutrition, physical exercise, and the elimination of toxic ingredients. We promote wellness rather than simply responding to sickness. We similarly do this through a business model designed to empower and reward entrepreneurship in a healthy and sustainable system, rather than simply maximizing short-term profits.

1.3 VALUES On behalf of all our stakeholders (company, Independent Distributors, business partners and customers), we seek to develop structures where all interests are aligned. We encourage stakeholders to consider the benefit of others and to appropriately temper the single-minded pursuit of individual interests. Sisel seeks to instill a culture of cooperation and collaboration through promoting the disclosure of worldwide best practices while retaining local sensitivity and respect for native cultures. We acknowledge and appreciate the uniqueness of our individual team members and recognize their contributions. We are committed to understanding and satisfying the expectations of our customers, Independent Distributors, and employees. We support a culture that embraces change and encourages innovation, and strive to inform, enlighten, uplift, elevate, motivate, excite and inspire the human spirit. We strive for sustainable growth in harmony with a global environment and we proudly offer to the world Sisel’s solutions for wellness.

2.0 INTRODUCTION

2.1 POLICIES AND COMPENSATION PROGRAM INCORPORATED INTO DISTRIBUTOR AGREEMENT

These Policies and Procedures, in their present form, and as amended at the sole discretion of Sisel International, LLC, Sisel International AG, and its affiliates, (hereafter “Sisel” or the “Company”), represent business practices that are consistent with the best interests of the Company, partners, and Independent Distributors. Violation of these Policies and Procedures could constitute a breach of the Distributor’s duties under the Distributor Agreement. Throughout these Policies and Procedures, when the term “Agreement” is used, it collectively refers to the Sisel Distributor Application and Agreement, these Policies and Procedures, Sisel’s Distributor Marketing/Compensation Program, and any other documents or agreements between Sisel and Independent Distributors, including any updates that may be made. It is the responsibility of each Distributor to read, understand, adhere to and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. Sisel may have the Agreement or portions thereof translated into different languages, however, the Agreement and the relationship between the parties shall be deemed to be conducted in the English and English shall govern all aspects of the relationship. In the event the Agreement or any portions thereof are translated in another language, the translation is for convenience only and in the case of discrepancies or inconsistencies the English version of the Agreement shall control. If Independent Distributors do not understand English or choose to not have the Agreement translated into a language they understand, they should not enroll as a Distributor or they should terminate their Distributorship. When sponsoring or enrolling a new Independent Distributor, it is the responsibility of the sponsoring Distributor to provide the most current version of these Policies and Procedures along with Sisel’s most current compensation program.

2.2 PURPOSE OF POLICIES Sisel is a direct sales company that markets products through Independent Distributors. To clearly define the relationship that exists between Independent Distributors and Sisel, and to explicitly set a standard for acceptable business conduct, Sisel has established the Agreement

between the parties. Sisel is a global company, and laws governing business relationships vary from country to country. Whenever possible, Sisel attempts to achieve uniformity in how it does business across the globe. However, where local law requires changes or exceptions, those changes or exceptions are outlined in a country-specific addendum or country-specific Policies and Procedures. If you do business in a country requiring local changes, your Agreement with Sisel may be modified as stated in a country addendum. Country addendums are included as part of these Policies and Procedures. Sisel Independent Distributors are required to comply with all the terms of the Agreement as a condition of doing business with the Company. To protect Sisel's good name and reputation, Sisel also requires that Independent Distributors abide by all federal, state, provincial, territorial and local laws, ordinances, regulations governing their Independent Distributor relationship. Sisel Independent Distributors are not employees of Sisel, but rather, independent contractors or independent business enterprises. For purposes of the Agreement Independent Distributors may be referred to simply as "Distributors" but not including the word "Independent" before each reference to "Distributor". Reference to Distributors without using the word "Independent" shall not be viewed or deemed as altering the independent relationship between Sisel and its Independent Distributors. Terms that have specific definitions are capitalized and a definition can be found at the end of these Policies and Procedures. Chapter or section heading are also provided for convenience but shall not limit or otherwise alter the terms of the Agreement. These Policies and Procedures are designed to outline the contractual terms and conditions between Sisel and Independent Distributors, however, they are not intended to and do not govern a Distributor's day to day activities. These Policies and Procedures also outline protection of Sisel intellectual property rights (including use of Trademarks and other marketing intangibles) and establish acceptable business practices. Sisel attempts to create a simple business model for its Distributors thereby empowering them to operate successfully as independent business entrepreneurs without having to stockpile inventory, manage employees, or having to invent safe and innovative products. Still, the success of Independent Distributors will depend upon their own ability to communicate clearly, work effectively, and with integrity in their dealings. Being thoroughly familiar with these Policies and Procedures will not only help Independent Distributors abide by the terms of their Agreement with Sisel but will also help them be more successful.

2.3 CHANGES TO THE AGREEMENT Federal, state, provincial, territorial and local laws, ordinances, rules, regulations and practices are always changing. Sisel reserves the right to amend the Agreement, its practices, and its prices at its sole and absolute discretion. By signing or electronically agreeing to the Distributor Agreement or continuing to operate as a distributor, a Distributor agrees to abide by all amendments or modifications that Sisel elects to make. Amendments shall be effective upon notice to Distributors that the Agreement has been modified. Notification of amendments shall be communicated through official Sisel communications and materials or by updating the Agreement on the Company's official website. The Company shall provide or make available to all Distributors a complete copy of the amended Agreement or any amended provisions by one or more of the following methods: (1) posting on the Company's official website, so distributors should check back often to keep apprised of changes; (2) electronic mail (email), text or other electronic means; (3) facsimile; (4) voice mail system broadcast; (5) inclusion in Company periodicals, brochures or other announcements; (6) inclusion in product orders or Distributor compensation; or (7) special mailings. The continuation of an Independent Distributor's relationship with Sisel, or a Distributor's acceptance of bonuses or commissions after the amendment has been made, constitutes affirmative acceptance of any and all amendments. Changes will be effective thirty (30) days after the changes are first made available by any method to Distributors.

2.4 DELAYS Sisel shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, acts of terrorism, curtailment of a party's source of supply, trade restrictions, import/export restriction, or government decrees or orders.

2.5 POLICIES AND PROVISIONS SEVERABLE If any provision of the Agreement, in its current form or as amended, is found to be invalid or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid or unenforceable provision never comprised a part of the Agreement. The parties further agree to replace such invalid or unenforceable provision of the Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

2.6 WAIVER The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a Distributor or his or her business. No failure of Sisel to

exercise any right or power under the Agreement, or to insist upon strict compliance by a Distributor with any obligation or provision of the Agreement shall constitute a waiver of such right or power. Similarly, no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Sisel's right to demand exact compliance with the Agreement. Waiver by Sisel can be affected only in writing by the President or the Chief Executive Officer of the Company. No other employee, agent, representative or individual, regardless of title or apparent authority, may waive, suspend, alter or modify any term or condition of the Agreement. Sisel's waiver of any particular breach by a Distributor shall not affect or impair Sisel's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Distributor. Any delay or omission by Sisel to exercise any right arising from a breach does not affect or impair Sisel's rights to enforce its rights as to that or any subsequent breach. The existence of any claim or cause of action of an Independent Distributor against Sisel shall not constitute a defense to Sisel's enforcement of any term or provision of the Agreement.

2.7 LIMITATION OF LIABILITY To the fullest extent permitted by law, Sisel and its affiliates, officers, directors, managing members, employees and other representatives shall not be liable for, and Distributor hereby releases 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 the Company's performance, non-performance, act or omission with respect to the business relationship or other matters between any Distributor and the Company, whether sounding in contract, tort, implied obligation or strict liability. Furthermore, it is agreed that any damages to Distributor shall not exceed and is hereby expressly limited to the amount of unsold Company products of the Company owned by Distributor and any commissions owed to Distributor.

3.0 BECOMING AN INDEPENDENT DISTRIBUTOR

3.1 REQUIREMENTS TO BECOME AN INDEPENDENT DISTRIBUTOR To become a Sisel Distributor, each applicant must:

- a) Be of the legal age of majority in his or her country, state, or province or jurisdiction of residence;
- b) Reside in a country in which the Independent Distributor may sell, offer or promote Sisel products, or otherwise legally participate in Sisel's distribution opportunities in compliance with local law;
- c) Have a valid Social Security number, Social Insurance number, Tax ID, or other national ID number;
- d) Submit a properly completed and signed Distributor Application and Agreement to Sisel which is accepted by Sisel. Applicants are not to circumvent these policies by using an alias, a family member or friend's name, a fictitious name or identification number or other deceptive means of identification; and
- e) payment of an enrollment fee, currently \$24.99 USD, which includes a free Sisel System Kit.

The Company reserves the right to reject any applications for a new Distributor or applications for renewal (including automatic renewals described in Section 3.5 below) and the right in its sole discretion to terminate any Distributorship established in violation of these conditions.

3.2 INITIAL PURCHASE REQUIREMENT Where local law allows, new Distributors are required to pay a nominal enrollment fee which includes a free Sisel System Kit containing information about Sisel products, sales aids and other matters related to Sisel Distributorships along with access to Sisel's distributor management software. Because Sisel System Kits are free with enrollment, Sisel will not repurchase unused and unopened Kits from any Distributor who terminates his or her Distributor Agreement pursuant to the terms of Section 8.2. If local law does not allow an initial enrollment fee, no person will be required to purchase Sisel products, services, sales aids, or other materials, or to pay any charge or fee to become a Distributor. **(US Only)** Montana residents may cancel their Distributor Agreement within 15 days from the date of enrollment and may return the Sisel System Kit within that time for a full refund, including shipping. Distributors in the State of Georgia are prohibited from making an initial product purchase in excess of \$500.

3.3 NEW DISTRIBUTOR ENROLLMENT Where local law allows, Sisel provides four convenient methods for new Distributors to enroll. An applicant may: a) mail the Application and Agreement and Distributor Kit payment (if applicable) to Sisel's corporate offices as provided on the form; b) enroll online at Sisel's official website or at the official Sisel website login of his or her Sponsor; c) submit the Application and Agreement by facsimile; or d) call the Sisel corporate home office during regular business hours.

3.4 DISTRIBUTOR BENEFITS Once a Distributor Application and Agreement has been accepted by Sisel, which it may reject in its sole discretion, the full benefits of the Distributor Agreement are then available to the new Distributor.

These benefits include the right to:

- a) Retail Sisel products and profit from these sales;
- b) Participate in Sisel's Marketing/Compensation Program;
- c) Sponsor other individuals as Preferred Customers or Independent Distributors into the Sisel business;
- d) Receive periodic Sisel literature and other Sisel communications;
- e) Participate in Sisel-sponsored support, service, training, motivational and recognition functions (additional charges may apply); and
- f) Participate in promotional and incentive contests and programs sponsored by Sisel for Distributors.

3.5 RENEWAL OF YOUR SISEL DISTRIBUTORSHIP The term of the Distributor Agreement is one year from the date of its acceptance by Sisel. Distributors must renew their Distributor Agreement each year by paying an annual administrative renewal fee of \$15 USD on or before the anniversary date of their Distributor Agreement. If the renewal fee is not paid within 10 days after the expiration of the then current term of the Distributor Agreement, the Distributor Agreement will be canceled. Distributors may elect to utilize the Automatic Renewal Program, under which the renewal fee may be: a) deducted from the Distributor's bonus check or eWallet for the anniversary month of the Distributor Agreement; or b) charged to the Distributor's credit card or checking account. To enroll in the Automatic Renewal Program, simply check the "YES" box under Automatic Renewal Program on the Distributor Application. Payment of your renewal fee or enrollment in the Automatic Renewal Program does not inhibit Sisel's right to terminate any Distributor Agreement in its discretion.

4.0 OPERATING A SISEL DISTRIBUTORSHIP

4.1 ADHERENCE TO SISEL'S MARKETING AND COMPENSATION PROGRAM Distributors must adhere to the terms of Sisel's marketing and compensation program as set forth in official Sisel literature. For the Company to protect its intellectual property rights, Distributors are prohibited from offering the Sisel opportunity through or in combination with any other system, program, or method of marketing that is inconsistent with or in violation of those programs set forth in official Sisel literature. Distributors shall not require or encourage other current or prospective Preferred Customers or other current or prospective Distributors to participate with Sisel in any manner that varies from the program as set forth in official Sisel literature. Distributors shall not require or encourage other current or prospective Preferred Customers or Distributors to execute any agreement or contract, or enter into any oral, verbal or unwritten agreement or understanding other than official Sisel agreements and contracts. Similarly, other than those purchases or payments identified in official Sisel literature, Distributors shall not require or encourage other current or prospective Preferred Customers or Distributors to make any purchase from or payment to any individual or other entity to participate in Sisel's Marketing/Compensation Program.

4.2 ADVERTISING

4.2.1 GENERAL Sisel Distributors are allowed to use Sisel trademarks, brands, business models, Distributor information and other intellectual property only according to a limited license described in the Agreement. See generally Section 4. All Distributors are required to safeguard and promote the good reputation of Sisel and its products as a condition of being an Independent Distributor. Furthermore, the marketing and promotion of Sisel, the Sisel opportunity, Sisel's Marketing/Compensation Program and Sisel products should be consistent with the public interest of Sisel, its partners, vendors, Distributors and customers. Distributors must avoid all discourteous, deceptive, misleading, unethical, unauthorized or dishonest conduct or practices. Any activity or material that promotes Sisel products or its distribution opportunity must utilize only the sales aids and support materials produced or approved by Sisel (and approval of activities or materials can be withheld or withdrawn for any reason). In addition to the legal issues involved with protecting Sisel's intellectual property rights, strict adherence to these rules helps protect Sisel's Distributors. Sisel has carefully designed products, product labels, its Marketing/Compensation Plan, business models, and promotional materials to ensure that each aspect of the Sisel distribution plan is fair, truthful, and substantiated. Distributors who attempt to develop their own sales aids and promotional materials (including Internet advertising), notwithstanding their good intentions, may unintentionally violate any number of laws, statutes or regulations affecting the Company and Distributors. As Sisel does not provide Distributors legal or tax advice, the fact that Sisel provides

feedback on promotional materials does not mean that such materials comply with applicable laws and regulations. Sisel reviews content regarding compliance with its policies and procedures, use of Sisel's copyrighted materials and trademarks, and for other Company issues. However, Sisel does not approve or authorize Independent Distributor's marketing and promotional materials. Similarly, by not disapproving promotional material, Distributors should not view this as approval or endorsement of the content, claims, or usage. Distributors remain wholly responsible for all marketing and advertising materials and claims they make and should seek independent legal and regulatory advice, review and approval.

The Sisel name is trademarked and can only be used with the express written consent of Sisel. Distributors who violate any Company intellectual property rights, produce unapproved sales and marketing aids (including Internet advertising), make improper claims regarding Sisel products, or otherwise engage in any unlawful, misleading or improper activity may subject themselves to Company sanctions or discipline (described more fully in Section 9.1 below). Additionally, any unauthorized conduct may expose Distributors themselves to civil charges from the Company or third parties, to civil or criminal charges from government authorities, fines, penalties or other forms of professional or personal liability. Distributors may upload Company produced videos or electronic recordings on file or video sharing sites such as YouTube or other file sharing sites currently in existence or which may be developed in the future, though Sisel reserves the right to monitor such usage and require Distributors to modify, edit or remove content in Sisel's sole discretion. Distributors should not add Sisel's logo to YouTube videos, audio files or other media to suggest that the content is from Sisel when it has been created by others, including items created by Distributors.

4.2.2 DISTRIBUTOR WEBSITES If a Distributor desires to utilize an Internet web page to promote Sisel or its products, he or she may do so through the Company's replicated website program (where available). This program permits Distributors to advertise on the Internet and to choose from among a variety of corporate sponsored websites that can be personalized with the Distributor's message and contact information. These websites can seamlessly link directly to the official Sisel website giving the Distributor a professional and Company-approved presence on the Internet. Distributors should be thoughtful when independently designing a website that uses the names, logos or product descriptions of Sisel or otherwise promotes (directly or indirectly) Sisel products or the Sisel opportunity. A Distributor may not use ads on the Internet that make product claims, income claims, or other unapproved claims whether direct or implied, which are associated with Sisel products, the Sisel opportunity, or Sisel's Marketing/Compensation Program. The use of any other Internet website, web portal or web page (including without limitation auction sites such as eBay, Amazon, Craigslist, Overstock, etc.) to in any way promote the sale of Sisel products, the Sisel opportunity, or the Marketing/Compensation Plan is a breach of the Agreement and may result in any of the disciplinary actions or sanctions set forth in Section 9.1.

Sisel allows Distributors to advertise on the Internet on their own personal websites provided they comply with all related policies and procedures. All use, including Internet use, of Sisel trademarks, logos, or other intellectual property must comply with Sisel policies and procedures. All use is limited and may be revoked at any time. Any allowed use of Sisel's content, copyrighted materials, trademarks or other intellectual property is automatically revoked upon termination of a Distributor's account. Additionally, the use of any material, content, images or data that, in Sisel's sole discretion, is deemed to be pornographic, discriminatory, or otherwise offensive is strictly prohibited and may subject the Distributor to disciplinary action up to and including immediate termination of their distributorship. Links from a web page containing information concerning Sisel or its products to a page containing any such inappropriate information will also subject the Distributor to disciplinary action. As stated in 4.2.1, since Sisel does not provide legal advice to Independent Distributors, the fact that a website or webpage is reviewed or comments provided on does not mean that it complies with applicable laws and regulations, nor an endorsement of the content, the claims or approach, and Distributors remain responsible for their marketing and advertising claims and compliance.

4.2.2.1 Sisel's website policies include the following:

- A. The distinction between Independent Distributor website and Sisel Corporate website must be obvious.
- B. The website must have a header and footer on each page with the words "Independent Distributor" prominently displayed.
- C. Distributor's personal website may not be an exact copy of Sisel's International Company website nor imply it is an official Sisel site and must be visually distinguishable.

4.2.2.2. Sisel Trademarks and Business Documents

- A. The website must have a disclosure close in proximity to any registered products the sentence “Sisel®, FuCoyDon®, FuCoyDon UFG®, Diminish®, Eternity®, Influence®, Innerchi®, SpectraMaxx®, Suprashine®, Terminator®, Timeless Minerals®, Triangle of Life®, SupraNaturals® and Sisel Safe® is a registered trademark of Sisel International, LLC and/or its affiliates and used with permission.” (Distributors need to reference only those trademarks that appear on the site). The site only needs to reference the first time that a trademarked term is used on each page. Applicable ® and ™ designations should always accompany Sisel products.
- B. All use of trademarks, in any form, whether in an Internet website URL, on a website, or otherwise, is prohibited without the prior written consent from Sisel, which consent may be granted in its sole discretion and withdrawn at any time. This includes but is not limited to all the Sisel trademarked products, either individually or in combination with other words. Distributors may not use Sisel trademarks, trade names, logos, or copyrighted material without the prior written consent of Sisel. See also Section 4.2.3.
- C. All use of trademarks, in any form, in buried codes and metatags, is prohibited without the prior written consent of Sisel, as with all other trademark usage.
- D. The website may not contain PDF forms of Sisel business documents. Distributors may view and print Sisel business documents from the Company’s official website only.

4.2.2.3. Verbiage and Claims

- A. The website may not claim to be an “official” or “approved” site, or by its content give the impression it is a Company sponsored site.
- B. Buried codes and metatags may not make any explicit or implicit product claims, health claims, medical claims or use words that refer to illness or diseases.
- C. The website must comply with Sisel’s non-disparagement provisions (see Section 5.3). This includes, but is not limited to, claims that may directly or indirectly disparage other Distributors, such as “only legitimate” or “only certified” Distributor.

4.2.2.4 Operations of an Independent Distributor Website

- A. Distributors may not sell Sisel products on Internet sites such as online malls, online auctions, online stores, or virtual shopping sites. Such sites are considered to be retail or service establishments by Sisel, based on the Commercial Outlets provisions (see Section 4.7). Personal Distributor websites are not considered retail or service establishments when the sites are privately owned by Sisel Distributors and where the products sold on the sites include the personal products of the website owner. Distributors may not advertise, promote or market product at prices lower than established Distributor/Preferred Customer prices.

4.2.2.5 Links

- A. Distributor websites may link a page about Sisel products to a home page which contains multiple Sisel products for sale or advertisement. Both the Sisel product page and the home page must comply with Sisel’s advertising policies and procedures. The Sisel product page itself must advertise only Sisel products and not link to any of the other products and services. Sisel reserves the right to inform Distributors that their site needs to be modified if it portrays Sisel products in a comparatively unfavorable way, violates another’s intellectual property right, or is otherwise out of compliance. Sisel also reserves the right to deny the placing Sisel products on a home page with products or services of a questionable or offensive nature, in its sole discretion.
- B. Distributor websites may not be linked to any website that Sisel deems to be of questionable or offensive nature. Also, the Distributor website may not link to sites that contain curative or income claims in connection with Sisel’s products.
- C. Distributor websites can link to the Company’s website at www.sisel.net (or other domain(s) as may be officially adopted) and may link to other sites that have been approved by the Sisel Compliance Department.
- D. Distributor websites may link to other sites that contain legitimate scientific research. When linking to such sites, Distributor should seek permission to link to the website, and include a disclaimer that should state something to the effect:

“By clicking on this link you are leaving this website. The website you are linking to is not endorsed nor operated by Sisel or its affiliates. The information and views expressed therein are solely those of the author or owner of that site and do not constitute ‘advertising’ of Sisel products.”

Once the link is clicked, the user is to be directed to the third-party website. The third-party website must be on a separate website domain, and not have a reciprocal link back to the Distributor’s website. These Policies apply to Distributor websites, Internet ads, Distributor posts to blogs, guest books, and forums and mediums of electronic communication.

4.2.3 DOMAIN NAMES AND EMAIL ADDRESSES Distributors may not use or attempt to register any of Sisel’s trade names, trademarks, service names, service marks, product names, the Company’s name, or any derivative thereof, for any Internet domain name. Similarly, Distributors may not incorporate or attempt to incorporate any of the Company’s trade names, trademarks, service names, service marks, product names, the Company’s name, or any derivative thereof, into any electronic mail address, Facebook, Instagram, YouTube, Twitter, Snapchat usernames, ID’s addresses or profiles, or in similar social media communication now in existence or later developed. Distributor agrees to immediately transfer and assign to the Company any registration of Company’s names, trademarks or service marks, including domain names reserved or registered at no charge in violation of this policy. This obligation shall survive the termination of this Agreement.

Any Distributor, Preferred Customer, or agent thereof, who registers or acquires a domain utilizing Sisel’s name or derivation thereof (misspellings, country identifiers, etc.), or registers any domain utilizing a Sisel product name or intended product name, shall be deemed to have registered such domain in bad faith, with no legitimate right or interest other than for the purpose of creating an identical or confusingly similar domain to a name or mark used by Sisel. Distributors or Preferred Customers who register or acquire any such domain agree to transfer and assign all rights and interest in the domain(s) to Sisel at cost, and Sisel shall have the right but not the obligation to acquire and/or use such domains. In the event a Distributor or Preferred Customer does not transfer a domain to Sisel upon request, then such Distributor or Preferred Customer agrees to pay Sisel a liquidated damage in the amount of the filing fee under the Uniform Dispute Resolution Procedure of the WIPO. Refusal to transfer such domain(s) to Sisel upon request shall be deemed further proof that the purpose and intent in acquiring such domains, is to create an identical or confusingly similar domain, in bad faith, and with no legitimate right or interest.

4.2.4 TRADEMARKS AND COPYRIGHTS Sisel does not allow the use of its trade names, trademarks, designs or symbols by any person, including a Sisel Distributors, without its prior, written permission in each instance. Similarly, any allowed use of Sisel’s copyrighted materials, trademarks or other intellectual property is automatically revoked upon termination of a Distributor’s account. Distributors may not produce for sale or distribution any recorded Company events, speeches, seminars, telephone calls, or similar content without written permission from Sisel. Distributors may not reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations or other marketing materials. The name of Sisel and other names as may be adopted by Sisel such as product names are proprietary trade names, trademarks and service marks of Sisel. As such, these marks are of great value to Sisel and are supplied to Distributors for their use only in an expressly authorized manner. Use of Sisel’s name on any item not produced by the Company is prohibited except it specifically includes:

Distributor’s Name
Independent Sisel Distributor

All Distributors may list themselves as an “Independent Sisel Distributor” in the white or yellow pages of the telephone directory under their own name. No Distributor may place telephone directory display ads using Sisel’s name, logo, trademark or service mark. Other graphical ads must be approved by Sisel. Distributors may not answer the telephone by saying “Sisel”, “Sisel International” or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Sisel. Distributors may not place exterior signs or window displays advertising Sisel or its products at any non-corporate location.

4.2.5 MEDIA AND MEDIA INQUIRIES Distributors are not authorized and must not attempt to respond to media inquiries regarding Sisel or its products. All inquiries by any type of media must be immediately referred to Sisel’s Legal Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

4.2.6 SPAMMING AND UNSOLICITED FAXES Except as provided in this section, Distributors may not use or transmit unsolicited faxes, mass email distribution, unsolicited email, or “spamming” relative to the operation of their Sisel distributorship. The terms “unsolicited faxes” and “unsolicited email” mean the

transmission via telephone facsimile, electronic mail, text or SMS, or similar electronic means, of any material or information advertising or promoting Sisel, its products, its compensation plan or any other aspect of the Company which is transmitted to any person without permission. Spamming may include, but is not necessarily limited to: (1) sending unsolicited email messages that contain any email or web addresses from a distributor's account to online users; (2) creating false "from sources" in an email message, or newsgroup posting thereby giving the impression that the message originated from the Company or its network; (3) sending unsolicited emails or faxes to lists of people that are not within the Distributor's downline organization or with whom the Distributor does not have a prior established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between a Distributor and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Distributor which has not been withdrawn or terminated; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party. Sending or posting electronic messages may have additional requirements and obligations depending on the country, state or location of the Distributor, and Distributors are responsible to comply with all applicable laws, rules and regulations regarding electronic communications in the areas in which they are.

4.3 BONUS BUYING PROHIBITED Bonus buying is strictly prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Distributor Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Distributor or Preferred Customer (including enrolling of minors or those without the capacity to enter into legally binding contracts); (c) the enrollment or attempted enrollment of non-existent individuals or entities as Distributors or Preferred Customers ("phantoms"); (d) the use of a credit card by or on behalf of a Distributor or Preferred Customer when the Distributor or Preferred Customer is not the account holder of such credit card, unless prior arrangements and permission has been made for the Distributor or Preferred Customer receiving the Product or service to reimburse the credit card holder on a timely basis, and where the purchase assistance is provided as an accommodation to the purchaser who may not have a credit card and but not simply to accelerate a purchase into any given commission or bonus period or cycle; (e) Purchasing Sisel merchandise on behalf of another Distributor or Preferred Customer, or under another Distributor's or Preferred Customer's I.D. number, to qualify for commissions or bonuses.

4.4 BUSINESS ENTITIES A corporation, limited liability company (LLC), partnership, trust or other legal entity recognized in your region or area (collectively referred to in this section as a "Business Entity") may apply to be a Sisel Distributor by submitting its Certificate of Incorporation, Certificate of Organization, Partnership Agreement or similar documents (these documents are collectively referred to as the "Entity Documents") to Sisel, along with a properly completed Statement of Beneficial Interest Form. If a Distributor enrolls online, the Entity Documents and Statement of Beneficial Interest Form must be submitted to Sisel within 30 days of the online enrollment. If the documents are not received within the 30-day period, the Distributor Agreement will be terminated. A Sisel business may change its status under the same sponsor from an individual to a partnership, LLC, corporation or other entity, or from one type of entity to another. There is a \$25.00 USD fee for each change requested, which must be included with the written request and the completed Distributor Application and Agreement. Distributors are obligated to keep their business entity current and legally active and must notify Sisel if the business entity becomes suspended, disqualified, cancelled or terminated.

The Statement of Beneficial Interest Form must be signed by all of the shareholders, members, partners or trustees. Members or owners of the entity act as personal guarantors of the Business Entity in relation to Sisel and are thus jointly and severally liable for any indebtedness or other obligation or liability to Sisel.

4.5 CHANGES TO A SISEL DISTRIBUTORSHIP

4.5.1 GENERAL Each Distributor must immediately notify Sisel of all changes to the information contained on his or her Distributor Application and Agreement, including changes in their business entity status. Distributors may modify their existing Distributor Agreement (i.e., change Social Security number to Federal I.D. number, or change the form of ownership from an individual proprietorship to a business entity owned by the Distributor) by submitting a written request, a properly executed Distributor Application and Agreement and appropriate supporting documentation. Changes shall be processed only once per year. All changes must be submitted by November 30 to become effective on January 1 of the following year.

4.5.2 ADDITION OF CO-APPLICANTS When adding a co-applicant (either an individual or a business entity) to an existing Sisel business, the Company requires both a written request as well as a properly

completed Distributor Application and Agreement containing the applicant and co-applicant's Social Security Numbers (or national or tax identification numbers) and signatures. To prevent the circumvention of Section 4.27 (regarding transfers and assignments of Sisel business), the original applicant must remain as a party to the original Distributor Application and Agreement. If the original Distributor wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with Section 4.27. If this process is not followed, the business will be canceled upon the withdrawal of the original Distributor. All bonus and commission checks will be sent to the address of record of the original Distributor. Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5.3, below. There is a \$25.00 USD fee for each change requested, which must be included with the written request and the completed Distributor Application and Agreement. Sisel may, at its discretion, require notarized documents before implementing any changes to a Sisel business. Please allow thirty (30) days after the receipt of the request by Sisel for processing. Additions may also only happen once per year.

4.5.3 CHANGE OF SPONSOR To protect the integrity of all marketing organizations and safeguard the hard work of all Distributors, Sisel strongly discourages changes in sponsorship. Maintaining the integrity of sponsorship is critical for the success of every Distributor and marketing organization. Accordingly, the transfer of a Sisel distributorship from one sponsor to another is rarely permitted.

Requests for change of sponsorship must be submitted in writing for review by the Sisel Compliance Department and must include the reason for the transfer. Transfers will only be considered in the following two (2) circumstances:

- 1) In cases involving fraudulent inducement or unethical sponsoring a Distributor may request that he or she be transferred to another organization with his or her entire marketing organization intact. All requests for transfer alleging fraudulent enrollment practices shall be evaluated on a case-by-case basis.
- 2) The Distributor seeking to transfer submits a properly completed and fully executed Sponsorship Transfer Form which includes the written approval of all parties whose income will be affected by the transfer. Photocopied or facsimile signatures may require verification. All Distributor signatures must be authenticated. The Distributor who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. If the transferring Distributor also wants to move any of the Distributors in his or her marketing organization, each downline Distributor must also obtain a properly completed Sponsorship Transfer Form and return it with the \$50.00 USD change fee (i.e., the transferring Distributor and each Distributor in his or her marketing organization multiplied by \$50.00 is the cost to move a Sisel business.) Downline Distributors will not be moved with the transferring Distributor unless all the requirements of this paragraph are met. Transferring Distributors must allow thirty (30) days after the receipt of the Sponsorship Transfer Forms by Sisel for processing and verifying change requests.

4.5.4 CANCELLATION AND RE-APPLICATION A Distributor may legitimately change organizations (sponsor) by voluntarily canceling his or her Sisel distributorship and remaining inactive (i.e., no purchases of Sisel products for resale, no sales of Sisel products, no sponsoring, no attendance at any Sisel functions, participation in any other form of Distributor activity, or operation of any other Sisel business) for six (6) full calendar months. Following the six-month period of inactivity, the former Distributor may reapply under a new sponsor. In cases where Distributors allow their account to expire for inactivity or non-renewal, they must similarly wait a six-month period before re-applying.

4.6 UNAUTHORIZED CLAIMS AND ACTIONS

4.6.1 Indemnification A Distributor is fully responsible for all his or her verbal and written statements made expressly or implicitly regarding Sisel products and the Marketing/Compensation Plan that are not contained in official Sisel materials. Official Sisel materials do not include oral statements made on the telephone or at meetings in which Company personnel participate. If a Distributor makes a claim or statement that is not reflected in official Company materials, including repeating something heard from someone else (even Sisel management), the Distributor accepts full responsibility for those statements or claims. These are all unauthorized statements or claims. Distributors agree to indemnify Sisel and Sisel's directors, officers, employees and agents, and hold them harmless from any and all liability including judgments, civil penalties, claims, refunds, attorney fees, court costs or lost business incurred by Sisel as a result of the Distributor's unauthorized representations or actions. Limitations on making claims apply to both advertising and Distributor-sponsored meetings. These provision of 4.6 shall survive the cancellation or termination of the Distributor Agreement.

4.6.2 Product Claims No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Sisel may be made except those contained in official Sisel materials. In particular, Distributors may not make any claim that Sisel products are useful in the cure, treatment, diagnosis, mitigation or prevention of any illness or disease. Such statements can be perceived as medical or drug claims. Not only do such claims violate Sisel policies, but they potentially violate national, state, or provincial laws and regulations, including the laws and regulations of the ministry of health in the country where the claims are made.

4.6.3 Income Claims In their enthusiasm to enroll prospective Distributors, some Distributors occasionally are tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Distributors may become disappointed quickly if their results are not as extensive or as rapid as the results others have achieved. Sisel income potential should be sufficiently attractive to prospective Distributors based upon official Sisel literature without reporting the earnings of others.

Most countries and states/provinces have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Distributors may believe it is beneficial to provide copies of checks or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact Sisel as well as the Distributor making the claim. Income guarantees of any kind are prohibited. Sisel Distributors do not have the data necessary to comply with the legal requirements for making income claims. A Distributor, when presenting or discussing the Sisel opportunity or Marketing/Compensation Plan to a prospective Distributor or others, may not make income projections, income claims, or disclose his or her Sisel income (including the showing of checks, copies of checks, bank statements, or tax records). Hypothetical income examples that are used to explain the operation of the Marketing/Compensation Plan and which are based solely on mathematical projections are discouraged, but to the extent such are used, the Distributor who uses such hypothetical examples must clearly communicate to the prospective Distributor(s) that such earnings are hypothetical. Distributors are solely responsible for any such "hypothetical" examples and income representations and specifically agree to indemnify and hold Sisel harmless from such claims as stated above in Section 4.6.1.

4.7 COMMERCIAL OUTLETS Sisel strongly encourages the retailing and selling of its products through person-to-person contact. To reinforce this method of marketing and to help provide a standard of fairness for its Independent Distributor base, Distributors may not display or sell Sisel products or literature in any retail or service establishment (with the exception of Sisel Commercial Program based upon previous authorization). Sisel will permit Distributors to solicit and make commercial sales only upon prior written approval from the Company. For the purposes of these Policies and Procedures, the term "commercial sale" means the sale of: a) Sisel products that equal or exceed \$150 or more in a single order; and b) to a third party who intends to resell the products to a Retail Customer.

4.8 TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS Distributors may display and/or sell Sisel products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Distributors must contact the Customer Service Department for approval, as Sisel's policy is to authorize only one Sisel business per event. Final approval will be granted to the first Distributor who submits an official advertisement of the event, and a satisfactory request to display at the event. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Customer Service Department. Sisel further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products or the Sisel opportunity. Approval will not be given for swap meets, garage sales, flea markets, bazaars, vending cards, farmer's markets or similar outlets as these events are not conducive to the professional image of Sisel.

4.9 CONFLICTS OF INTEREST

4.9.1 Non-solicitation As Independent Distributors, Sisel Distributors may participate in other direct selling or network marketing ventures, and Distributors may engage in selling activities related to non-Sisel products and services. However, if a Distributor elects to participate in another network marketing opportunity, to avoid conflicts of interest and loyalties, Distributors are prohibited from any unauthorized recruiting or solicitation, which includes the following:

a) During the term of this Agreement, any actual or attempted recruitment or enrollment of Sisel Preferred Customers, Distributors or Sisel employees for other network marketing business ventures, either directly or through a third party, except for those individuals the Distributor has personally sponsored

and who are positioned immediately below the Distributor's in the Distributor's downline. This includes, but is not limited to, presenting or assisting in the presentation of other network marketing business ventures to any Sisel Preferred Customer, Distributor or employee, or implicitly or explicitly encouraging any Sisel Preferred Customer, Distributor or employee to join other business ventures, including doing so through Sisel branded social networking such as a Sisel Facebook page, Instagram, text messaging or other social media or electronic methodology. Because there is an extreme likelihood that conflicts will arise if a Distributor operates two network marketing programs, it is the Distributor's responsibility to first determine whether a prospect is a Sisel Preferred Customer or Distributor before recruiting or enrolling the prospect for another network business venture;

b) For a period of twelve months following the cancellation or termination of a Distributor's Agreement for whatever reason, the former Distributor may not solicit or recruit any Sisel Distributor or Preferred Customer for another network marketing program;

c) Producing or offering any literature, tapes or promotional material of any nature for another network marketing business which is used by the Distributor or any third person to recruit Sisel Preferred Customers or Distributors for that business venture;

d) Selling, offering to sell, or promoting any competing non-Sisel products to Sisel Preferred Customers or Distributors. Any product in the same generic category as a Sisel product is deemed to be competing; e.g.; Any dietary supplement is in the same generic category as Sisel's dietary supplements, and is therefore a competing product, regardless of differences in cost, quality, ingredients or nutrient content;

e) Offering Sisel products or promoting Sisel's Marketing/Compensation Program in conjunction with any non-Sisel products, services, business plan, opportunity or incentive; or

f) Offering any non-Sisel products, services, business plan, opportunity or incentive at any Sisel meeting, seminar, launch, convention or other Sisel function, or immediately following such event.

4.9.2 Downline Activity (genealogy) Reports Downline Activity Reports (defined as any report or documentation generated by Sisel that provides data relating to the identities of Distributors, sales information and enrollment activity of each Distributor's marketing organization) are available for Distributor access and viewing at Sisel's official website or virtual office. Distributor's access to their Downline Activity Reports is password protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Sisel. Downline Activity Reports are provided to Distributors in strictest confidence and are made available to Distributors for the sole purpose of assisting Distributors in working with their respective downline organizations in the development of their Sisel business. Distributors should use their Downline Activity Reports to assist, motivate and train their downline Distributors. The Distributor and Sisel agree that, but for this agreement of confidentiality and nondisclosure, Sisel would not provide Downline Activity Reports to the Distributor. A Distributor shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

a) Directly or indirectly disclose any information contained in any Downline Activity Report to any individual, partnership, association, corporation or other entity;

b) Directly or indirectly disclose, to any individual, partnership, association, corporation or other entity, the password or other access code to his or her Downline Activity Report;

c) Use the information contained in any Downline Activity Report to compete with Sisel or for any purpose other than promoting or supporting his or her legitimate Sisel business; or

d) Recruit or solicit any Distributor or Preferred Customer listed on any Downline Activity Report, or in any manner attempt to influence, solicit or induce any Sisel Distributor or Preferred Customer to alter their relationship with Sisel.

Upon demand by the Company, any current or former Distributor will return the original and all copies of Downline Activity Reports to the Company and upon request will certify in writing that all such information has been returned or destroyed.

4.10 TARGETING OTHER DIRECT SELLERS Sisel does not condone Distributors specifically targeting the sales force of another direct sales company to sell Sisel products or to become Distributors for Sisel. Distributors must not offer, either directly or indirectly, any special incentives, deals or other forms of enticement to encourage others to join Sisel. Should Distributors engage in such activities, they bear the risk of being sued by the other direct sales company and are liable to Sisel for any claims or damages it may incur. Sisel will not pay any of a Distributor's defense costs, legal fees, judgment or award if any

lawsuit or legal action is brought against a Distributor alleging inappropriate recruiting activity. Violation of this provision may result in discipline of the Distributor, up to and including termination.

4.11 CROSS-SPONSORING Actual or attempted cross sponsoring is strictly prohibited. “Cross Sponsoring” is defined as the enrollment of an individual or entity that already has a current Preferred Customer or Distributor Agreement with Sisel, or who has had an Agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse’s or relative’s name, trade names, DBA’s, assumed names, corporations, partnerships, trusts, federal ID numbers or fictitious ID numbers to circumvent this policy is prohibited. Distributors shall not demean or discredit another Sisel Distributor either directly or indirectly, in an attempt to entice another Distributor to become part of the first Distributor’s marketing organization. This policy shall not prohibit the transfer of a Sisel business in accordance with Section 4.27.

If Cross Sponsoring is discovered, Sisel may take disciplinary action against the Distributor that changed organizations and/or those Distributors who encouraged or participated in the Cross Sponsoring. Sisel may, but is not obligated to, move all or part of the offending Distributor’s downline to his or her original downline organization if the Company deems it equitable and feasible to do so. Ultimate disposition of the organization remains within the sole discretion of Sisel. Distributors waive all claims and causes of action against Sisel arising from or relating to the disposition and resolution of the Cross Sponsored Distributor’s downline organization.

4.12 ERRORS OR QUESTIONS If a Distributor has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports or charges, the Distributor must notify Sisel in writing within 60 days of the date of the purported error or incident in question. Sisel will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

4.13 EXCESS INVENTORY PURCHASES PROHIBITED Distributors are not required to carry inventory of products or sales aids. Distributors who do so may find making retail sales and building a marketing organization somewhat easier, but such is not required by Sisel. Each Distributor must make his or her own decision regarding these matters. To ensure that Distributors are not encumbered with excess inventory that they are unable to sell, such resalable inventory may be returned to Sisel upon the Distributor’s cancellation pursuant to the terms of Section 8.2.

Sisel strictly prohibits the purchase of products in unreasonable amounts for the purpose of qualifying for commissions, bonuses or advancement in the Marketing/Compensation Plan. Sisel’s distributor opportunity is built on retail sales to ultimate consumers. Sisel encourages all Distributors to only purchase the quantity of inventory that he or she will consume, use as a sales tool, or that will be resold to others for their consumption within a reasonable period of time. Distributors are not allowed to purchase inventory in an amount which exceeds that which can reasonably be expected to be resold, used as a sales tool, or consumed within a reasonable period of time. Distributors may not purchase more inventory than they can reasonably resell or consume in a month nor may they encourage others to do so. To curtail such activity, Distributors must certify on each order they place that they have sold, consumed or used at least 70% of all Sisel products from previous orders. This is known as the 70% Rule. Similarly, Distributors are prohibited from purchasing more than \$500 in products per month unless they verify that they have pending retail orders in excess of that amount or provide Sisel with other reasons why such a purchase is proper. In addition to other disciplinary actions, Sisel reserves the right to recover bonuses paid if it is discovered that the bonuses have been generated on what Sisel deems to be sales in violation of this provision or the Agreement.

4.14 GOVERNMENTAL AND THIRD-PARTY APPROVAL OR ENDORSEMENT Federal, state, local, regional or other governmental offices and regulatory agencies usually do not approve or endorse any direct selling or network marketing companies or programs. Therefore, Distributors shall not represent or imply that Sisel or its Marketing/Compensation Plan have been “approved,” “endorsed,” “reviewed” or otherwise authorized by any government agency. Similarly, third-party endorsements, approvals or certificates are not to be used or referenced unless approved in writing by Sisel. In the event approvals or endorsements are authorized by Sisel, Distributors are obligated to ensure that approvals or certificates are current and have not expired or are no longer valid.

4.15 HOLDING APPLICATIONS OR ORDERS Distributors must not manipulate the enrollment of new applicants or the purchases of products. All Distributor Applications and Agreements, and product orders must be sent to Sisel within 72 hours from the time they are signed by a Distributor or placed by a customer, respectively.

4.16 IDENTIFICATION All Distributors are required to provide their Social Security Number, Social Insurance Number, Federal Employer Identification Number, or national tax or other identification number to Sisel on the Distributor Application and Agreement. Upon enrollment, the Company will provide a unique Distributor Identification Number to the Distributor by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses. Distributors may also be asked to verify part of their Social Security Number, Social Insurance Number, etc. as a security measure to access the Distributor's eWallet or for other security purposes.

4.17 INCOME TAXES Each Distributor is responsible for paying local, state/provincial, and federal taxes on any income generated as an Independent Distributor. If a Sisel business is tax exempt, the applicable tax identification number must be provided to Sisel. Sisel will provide earning statements to the applicable tax authorities for residents of countries where required. **(US Only)** Sisel will provide U.S. non-corporate Distributors with an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) had earnings of over \$600 in the previous calendar year; or 2) made purchases during the previous calendar year in excess of \$5,000. If you are a U.S. based Independent Distributor, by your signature on the Distributor Application you certify the following (pursuant to the requirements of Form W-9): (1) Your Taxpayer Identification Number provided thereon is correct; (2) You are not subject to "backup withholding" due to failure to report interest and dividend income; and (3) You are a U.S. person for Federal Tax purposes.

4.18 INDEPENDENT CONTRACTOR STATUS Distributors are independent contractors and are not purchasers of a franchise or a business opportunity. The Agreement between Sisel and its Distributors does not create an employer/employee relationship, agency, partnership or joint venture between the Company and the Distributor, and Distributors should not state or imply anything to the contrary either orally or in writing. A Distributor shall not be treated as an employee for his or her services or for taxation purposes. All Distributors are responsible for paying local, state and federal taxes due from all compensation earned as an Independent Distributor of the Company. The Distributor has no authority (expressed or implied), to bind the Company to any obligation. The Distributor Agreement and these Policies and Procedures are designed to enforce the Company's rights and business interests and are not designed to govern the activities of Independent Distributors except as necessary to protect the Company.

4.19 INSURANCE

4.19.1 Business Pursuits Coverage You may wish to arrange insurance coverage for your distributorship business. Your homeowner's insurance policy does not cover business-related injuries, theft or damage to inventory or business equipment. Contact your insurance agent to make certain that your interests are protected.

4.19.2 Product Liability Coverage Sisel maintains insurance to protect the Company against product liability claims. Sisel's insurance policy also contains a "Vendor's Endorsement" which may extend coverage to Independent Distributors so long as they are marketing Sisel products in accordance with Company official statements, Company Policies and applicable laws and regulations. Sisel's product liability policy does not extend coverage to claims or actions that arise as a result of a Distributor's misconduct in the marketing, promotion or sale of the products.

4.20 INTERNATIONAL MARKETING Because of critical legal and tax considerations, Sisel must limit the resale of Sisel products and the presentation of the Sisel opportunity to prospective customers and Distributors located within jurisdictions where such activities may be lawfully undertaken. Some jurisdictions allow residents of their regions to import products for personal use on a "not-for-resale" basis but prohibit any domestic marketing of those products. Accordingly, Distributors are authorized to sell Sisel products and enroll Preferred Customers or Distributors only in the countries in which they may do so in compliance with local laws. Sisel products or sales aids cannot be shipped into, sold, distributed or provided samples of, in any "unopened" country unless specifically authorized in writing to do so or unless approval of such activities are published in official Sisel literature. In addition, no Distributor may, in any unauthorized country: (a) conduct sales, generate leads, enrollment, or training meetings; (b) enroll or attempt to enroll potential customers or Distributors; or (c) conduct any other activity for the purpose of promoting and/or selling Sisel products, establishing a marketing organization or promoting the Sisel opportunity.

4.21 ADHERENCE TO LAWS AND ORDINANCES

4.21.1 Local Ordinances Related to Home Based Businesses Many cities, counties and regions have laws regulating certain home-based businesses. In some instances, these ordinances are not applicable to Distributors because of the nature of their business. However, Distributors must obey those laws that do

apply to them, including all laws and regulations relating to anti-bribery and anti-corruption. Distributors who become aware of any local law or ordinance that restricts their ability to conduct a Distributorship effectively may send a copy of that ordinance to the Sisel Compliance Department for review and possible assistance in identifying options or exceptions to the ordinance.

4.21.2 Compliance with National, Federal, State, Provincial and Local Laws Distributors agree to comply with all applicable laws, ordinances, rules and regulations in the conduct of their businesses. Sisel may provide input or suggestions on compliance issues, but Independent Distributors are themselves responsible for compliance with all laws, ordinances and regulations applicable to them. Furthermore, Distributors shall not make, offer, promise or authorize any payment, loan, gift, donation or other giving of money or things of value, directly or indirectly, and whether or not pursuant to written contract, to or for the use of any government official, any political party or official thereof, for the purpose of influencing or inducing any official act or not act in convention of any law or regulation prohibiting illicit payments to government officials or their agents.

4.22 MINORS AND INCAPACITY A person who is recognized as a minor in his/her country, state or province of residence, or as a person lacking the mental or physical capacity to become legally responsible for their actions may not be a Sisel Distributor. Distributors shall not enroll or recruit minors or those lacking capacity into the Sisel program.

4.23 ONE SISEL BUSINESS PER DISTRIBUTOR AND PER HOUSEHOLD A Distributor may operate or have an ownership interest (legal or equitable) as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Sisel business. The distributor account should be in the country in which the Distributor principally operates, and Distributors cannot have different accounts in different countries. The named owner of the Distributorship must be the same individual operating the Distributorship and making the business decisions regarding that Distributorship. No individual may have, operate, have a Beneficial Interest in or receive compensation from more than one Sisel account. Upon providing credible proof, individuals (other than spouse by marriage or common law) who are the age of majority to contract and are living at the same address may enter into or have an interest in a Sisel business. However, all the Distributors living at the same address must be in the same Distributor organization with a common upline.

An exception to the one business per Distributor and one Distributor per household rule is if two single individuals are both active Distributors and subsequently are legally married, in which case each may continue to maintain their separate account. This exception is subject to review and may be denied if Sisel determines that one spouse established their account in anticipation of getting married or other evidence of manipulation. An additional exception will be considered on a case by case basis in cases of a Distributor receiving an interest in another account through inheritance. Requests for exceptions to this policy must be submitted in writing to the Compliance Department and approved in writing by the Chief Executive Officer of Sisel. In those rare instances where two single Distributors marry and are allowed to keep their individual accounts, all awards, recognitions, incentives, promotions, car allowances etc., earned by either one is only awarded to one account regardless of the success of the other account.

4.23.1 Actions of household Members or Affiliated Individuals If any member of a Distributor's immediate household who is not otherwise enrolled as a Sisel Distributor engages in any activity which, if performed by the Distributor, would violate any provision of the Agreement, such activity will be deemed a violation by the Distributor, and Sisel may take disciplinary action pursuant to these Policies and Procedures against the Distributor. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and Sisel may take disciplinary action against the entity and Distributor of the entity.

4.24 RE-PACKAGING AND RE-LABELING PROHIBITED Distributors may not re-package, re-label, refill or alter the labels on any Sisel products, information, materials or programs in any way. Sisel products must be sold in their original containers only. Such re-labeling or repackaging would likely violate national, federal, state or provincial laws, and could result in severe criminal penalties. Distributors should also be aware that they will be fully responsible for any civil or even criminal liability can arise when, because of the repackaging or re-labeling of products, a person using the products suffer any type of injury or their property is damaged. Distributors who purchase products labeled not-for-resale may not resell, re-label or re-package the product.

4.25 REQUESTS FOR RECORDS Any request from a Distributor for copies of duplicate invoices, applications, downline activity reports, or other records will require a fee of \$1.00 USD per page per copy.

This fee covers the expense of mailing and time required to research files and make copies of the records. Distributors may also need to verify why they are requesting a printed record of their downline activity report(s).

4.26 ROLL-UP OF MARKETING ORGANIZATION When a vacancy occurs in a Marketing Organization (defined below) due to the termination of a Sisel Distributor, each Distributor in the first level immediately below the terminated Distributor on the date of the cancellation may, in Sisel's discretion, be moved to the first level ("front line") of the terminated Distributor's sponsor. For example, if A sponsors B, and B sponsors C1, C2, and C3, if B terminates his/her distributorship, C1, C2, and C3 may "roll-up" to A and become part of A's first level in level B status. In instances where a Distributor has caused damage to the Company, Sisel retains the right to hold the position of the terminated Distributor to recover the damages by collecting commissions that accrue to that position. Further, Sisel retains the right to sell or transfer that position to another Distributor in its sole discretion.

4.27 SALE, TRANSFER OR ASSIGNMENT OF SISEL DOWNLINE

4.27.1 In general, although a Sisel distributorship is a privately owned and independently operated structure, the sale, transfer or assignment of a Sisel distributorship is subject to certain limitations. If a Distributor wishes to sell his or her Sisel downline, the following criteria must be met:

- a) Protection of the existing line of sponsorship must always be maintained so that the Sisel distribution system continues to be operated in that line of sponsorship. A transfer or assignment will not be allowed if Sisel believes in its sole discretion that the existing downline will not be adequately supported. Consistent with existing policy, Sisel may also terminate a distributorship after a transfer or assignment if the downline isn't adequately being supported. Similarly, consent will not be given to any proposed transfer that is being done to avoid any requirement of these Policies and Procedures;
- b) If it is a sale, the business must first be offered to the Company and then to the Distributor's upline Distributors as provided in Section 4.27.2 below;
- c) The buyer or transferee must be (or must become) a qualified Sisel Distributor. If the buyer is an active Sisel Distributor, he or she must first terminate his or her Sisel business simultaneously with the purchase, transfer, assignment or acquisition of any interest in the new Sisel business. The new distributorship will take the organizational position of the previous distributorship with the same downline, and no change in the sponsor may occur;
- d) Before the sale, transfer or assignment can be finalized and approved by Sisel, any debt obligations the selling Distributor has with Sisel must be satisfied;
- f) Pre-payment of a \$100 USD administrative fee to process the sale, assignment or transfer;
- g) The selling Distributor must be in good standing and not in violation of any of the terms of the Agreement to be eligible to sell, transfer or assign a Sisel business. Permission to sell, transfer or assign a downline is within Sisel's sole discretion;
- h) The Compliance Department will approve or deny the sale, transfer or assignment within thirty (30) days after its receipt of all necessary documents from the parties. Parties should not transfer any funds or deem the sale complete until after the Compliance Department has approved the sale; and
- i) For a period of twelve months following the sale, transfer or assignment of a distributorship, the former distributor may not solicit or recruit any Sisel Distributor or Preferred Customer for another network marketing program, and breach of this provision will result in termination of the sold, transferred or assigned distributorship. Both the distributor and new distributor hereby acknowledge this requirement and agree it is a fair and reasonable condition of conveyance. A distributor who sells, transfers or assigns or otherwise conveys his or her downline shall not be eligible to re-apply as a Sisel Distributor for a period of at least six full calendar months after the sale.

4.27.2 Right of First Refusal If a Distributor desires to sell his or her Sisel downline, the Distributor must initially offer to sell the Distributorship to the Company on the same terms that will be offered to any other potential purchaser. If Company does not purchase the Distributorship, the Distributor's Sponsor must be given the first right and option in writing sent via certified mail/return receipt requested, to purchase the downline. If the Sponsor desires to purchase the downline, the purchased downline will merge with the Sponsor's downline(s) to create a single distributorship. If the Sponsor fails to notify the selling Distributor of his or her intention to purchase the business within ten (10) business days after his or her receipt of selling Distributor's notice of intent to sell, the selling Distributor must offer (in succession beginning with the Distributor immediately above the seller's Sponsor) the business to the first three immediate upline distributors of the seller's Sponsor upon the same terms provided in the option to

the seller's Sponsor. If an upline Distributor desires to purchase the selling Distributor's downline, the purchasing Distributor must first sell his or her own downline or cancel his or her Distributor Agreement before purchasing another.

If each of the three upline Distributors fails to notify the selling Distributor of his or her intention to purchase the business within ten (10) business days respectively after his or her receipt of selling Distributor's notice of intent to sell, the selling Distributor may proceed with the sale to a third party willing to purchase the existing downline upon the same terms provided in the offer to the seller's Sponsor. The buyer, transferee or assignee must complete a Distributor Agreement (or Transfer Agreement if he or she is a current Sisel Distributor) and possess reasonable ability to satisfactorily perform the obligations of a Sisel Distributor who is of the same rank or status as the selling Distributor. Sisel reserves the right at its sole discretion to reject any transferee, assignee or buyer in the same manner in which it could reject any newly submitted Distributor Agreement.

Upon complete execution of the purchase and sale agreement, and the new Distributor Agreement, the parties must submit copies of the same to Sisel's Compliance Department for review and approval. Sisel reserves the right to request additional documentation that may be necessary to analyze the transaction between the buyer and seller. The Compliance Department will approve or deny the sale, transfer or assignment within thirty (30) days after its receipt of all necessary documents from the parties. Parties should not transfer any funds or deem the sale complete until after the Compliance Department has approved the sale. To ensure the sales process is managed properly and openly, Sisel may require the purchaser to pay the sale proceeds into Sisel in the name of the seller, or through a third-party escrow service.

If the seller sells, transfers or assigns or attempts to sell, transfer or assign his or her downline upon terms different than those set forth in the offer to the seller's Sponsor, such transfer shall be voidable at Sisel's option. Further, if the parties fail to obtain Sisel's approval for the transaction, the transfer shall be voidable at Sisel's option. The purchaser of the existing business will assume the obligations and position of the selling Distributor. A Distributor who sells his or her downline shall not be eligible to re-apply as a Sisel Distributor for a period of at least six full calendar months after the sale.

4.28 SEPARATION OF SISEL PARTNERS Sisel Distributors sometimes operate their Sisel businesses as husband-wife partnerships, regular partnerships, corporations or trusts. At such time as a marriage may end or a corporation, partnership or trust (the latter three entities are collectively referred to herein as "Entities") may dissolve, arrangements must be made to assure that any separation or division of the distributorship is accomplished so as not to adversely affect the interests and income of other distributorship's up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Distributors and the Company, Sisel may involuntarily terminate the Distributor Agreement and roll-up their entire organization pursuant to Section 4.26. During the pendency of a divorce or Entity dissolution, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the Sisel distributorship pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Sisel to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee;
- b) The parties may continue to operate the Sisel distributorship jointly on a "business-as-usual" basis, whereupon all compensation paid by Sisel will be paid in the joint names of the Distributors or in the name of the Entity to be divided as the parties may independently agree between themselves; or
- c) If the parties cannot mutually agree on how the distributorship shall be allocated during the pendency of a divorce or dissolution, the Company may treat the distributorship according to the status quo as existed prior to the filing of the divorce or dissolution.

4.29 SPONSORING All active Distributors in good standing have the right to sponsor others as new Sisel Distributors. Each prospective Preferred Customer or Distributor has the ultimate right to choose his or her own Sponsor. If two Distributors claim to be the Sponsor of the same new Distributor or Preferred Customer, the Company shall regard the first application received by the Company as controlling, unless the new Distributor certifies in writing within 30 days that the first application was submitted in error or contained material errors. Sisel allows Sponsors some flexibility when placing new distributors in their downlines. Placement of a new Distributor by the enrolling sponsor may be changed one time during the first 30 days from the date of enrollment. This policy is for placement only and does not apply to sponsor changes. Requests for placement changes made after 30 days as well as all sponsor changes must comply with Sisel's policy as stated in Section 4.5.3.

4.30 STACKING “Stacking” is strictly prohibited. The term “stacking” includes: (a) the failure to transmit to Sisel or the holding of an Independent Distributor Application and Agreement in excess of three business days after its execution; (b) the placement or manipulation of Independent Distributor Applications and Agreements for the purpose of maximizing compensation pursuant to Sisel’s Marketing/Compensation Plan; (c) providing financial assistance to new Distributors for the purpose of maximizing compensation pursuant to Sisel’s Marketing/Compensation Plan, including buying product through another’s account for increased payout; (d) violating the one business per Distributor rule; and/or (e) enrolling fictitious individuals or entities into the Sisel Marketing/Compensation plan. Stacking is contrary to these Policies and Procedures and may be a violation of federal and state law. Evidence of stacking may result discipline including termination according to Section 9.

4.31 SUCCESSION Upon the death or adjudicated mental incapacitation of a Distributor, the Distributorship will terminate unless prior arrangements have been made to pass the interest to an heir or successor, and the heir or successor is willing to assume all the responsibilities and obligations of a Distributor as described herein. Whenever a Sisel distributorship is transferred by a will or other testamentary process, after proper verification by the appropriate local governing authority, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Distributor’s marketing organization provided the following qualifications are met. The successor(s) must: a) not be a current Sisel Distributor; b) execute a Distributor Agreement; c) comply with terms and provisions of the Agreement; and d) meet all the qualifications for the deceased Distributor’s status. Bonus and commission checks of a Sisel business transferred pursuant to this Section will be paid in a single check jointly to the devisees. The devisees must provide Sisel with an “address of record” where all bonus and commission checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification number. Sisel reserves the right to freeze any Distributor account until the succession issues are resolved. Sisel also reserves the right in its sole discretion to reject any transferee, assignee or successor under Section 4.31 and its subsections, in the same way it could reject any newly submitted Distributor Agreement.

4.31.1 Transfer Upon Death of a Distributor To effect a testamentary transfer of a Sisel distributorship, the successor must provide the following to Sisel: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor’s right to the Sisel distributorship; (3) a court order authorizing transfer or proof of adjudication of the will by the appropriate governmental office or agency, and (4) a completed and executed Distributor Agreement.

4.31.2 Transfer Upon Incapacitation of a Distributor To effect a transfer of a Sisel distributorship because of incapacity, the successor must provide the following to Sisel: (1) legal documentation or court order establishing incapacitation; (2) a notarized copy of an appointment as trustee or a guardian by a court (or similar legal authority outside the United States); (3) a notarized copy of the document establishing the trustee’s or guardian’s right to administer the Sisel distributorship; and (4) a completed Distributor Agreement executed by the trustee.

4.32 TELEMARKETING Many countries and jurisdictions have laws and regulations that restrict telemarketing practices. Telemarketing means using the telephone to sell, advertise or promote product, including the use of automatic telephone dialing systems or random phone lists dialing. Distributors must abide by the laws and regulations governing telemarketing of each country and state or province in which they are doing business. Sisel Independent Distributors are individually responsible for their marketing activities. Though the Company provides general business training, the Company does not dictate the means or methods by which Distributors conduct their day-to-day business activities, except as necessary to protect the Company’s business and intellectual property rights. As such, Distributors are responsible to ensure their own compliance with applicable telemarketing laws and regulations in the areas they do business.

4.33 GENERAL RELEASE: PHOTO, AUDIO, VIDEO, ETC. As part of their Agreement with Sisel, each Distributor does voluntarily consent and grant Sisel the unconditional permission to use a Distributor’s name, likeness, image, on film, slides, photographs, video, audio or other media now known or later developed, for promoting and marketing purposes. This permission includes the perpetual worldwide right to advertise, promote, use, broadcast, and rebroadcast in whole or in part such images, video, audio and likeness, and Distributor will receive no compensation or payment for granting this right. By submitting photographs, video or audio, or the acquisition of such individually or in conjunction with any Company event, such content becomes the property of Sisel and will not be returned and Sisel can edit, use and publish any such content without Distributor’s inspection or approval prior to use. This provision survives the termination of this Agreement. If a Distributor has a moral, religious or other objection to

having their picture taken or appearing in video, such Distributors need to notify Sisel's staff at any event where photographs or videos are being taken.

5.0 RESPONSIBILITIES OF DISTRIBUTORS

5.1 CHANGE OF ADDRESS, TELEPHONE OR EMAIL To ensure timely delivery of products, support materials and commission checks, it is critical that Sisel's files are current and accurate. Street addresses are required for shipping since package delivery service companies cannot deliver to Post Office Boxes. Distributors planning to move should send their new address and telephone numbers to Sisel's corporate offices to the attention of the Customer Services Department prior to the move. To ensure proper delivery, two weeks advance notice must be provided to Sisel on all changes. If more than one change of address notice has been submitted to Sisel, the most recent one will supersede previous notices. Please allow thirty (30) days after the receipt of the notice by Sisel for processing. Sisel is not responsible for mislabeled or undeliverable mail if Distributor has not provided sufficient advanced notice. Similarly, it is critical for Distributors to keep their telephone number and email address current with Customer Service. Distributors that fail to keep their records current are responsible for any miscommunications resulting thereby and may be charged an administrative fee associated with correcting errors.

5.2 CONTINUING DEVELOPMENT OBLIGATIONS FOR DISTRIBUTORS AND SPONSORS

5.2.1 Ongoing Training Any Distributor who sponsors another Distributor into Sisel must perform bona fide assistance and training of such Distributors to ensure that the Distributors in his or her downline are properly operating their Sisel distributorship. Distributors must have ongoing contact and communication with the Distributors. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail and the accompaniment of downline Distributors to Sisel meetings, training sessions and other functions. Upline Distributors are also responsible to motivate and train new Distributors regarding Sisel's products, effective sales techniques, Sisel's Marketing/Compensation Program, compliance with Company Policies and Procedures and general distribution processes. Communication with and the training of downline Distributors must not, however, violate Section 4.2 regarding the development of Distributor-produced sales aids and promotional materials. Distributors must monitor the Distributors in their downline(s) to ensure that the downline Distributors do not create unauthorized product, curative or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Distributor should be able to provide documented evidence to Sisel of his or her ongoing fulfillment of the training and development responsibilities of a Sponsor.

5.2.2 Increased Training Responsibilities As Distributors progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge and understanding of the Sisel program. They may be called upon from time to time to share this knowledge with less-experienced Distributors within their organization and possibly with the Company.

5.2.3 Ongoing Sales Responsibilities Regardless of their level of achievement, Distributors have an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers on a monthly basis. Failure to properly service existing customers and downline Distributors may result in suspension or termination of distributorship, to be determined by Sisel in its sole discretion.

5.3 NON-DISPARAGEMENT While Sisel welcomes constructive input, negative comments and remarks made in the field by Distributors about the Company, its products or its compensation plan serve no purpose other than to sour the enthusiasm of other Sisel Distributors. For this reason, and to set the proper example for their downline, Distributors are not to disparage, demean or make negative remarks about Sisel, other Sisel Distributors, Sisel's products, the Marketing/Compensation plan, or Sisel's officers, or employees. If Distributors have legitimate concerns or comments, such input should be directed to Sisel's corporate office and not to other Distributors.

5.4 PROVIDING DOCUMENTATION TO APPLICANTS Distributors must provide the most current version of the Policies and Procedures and the Marketing/Compensation Plan to individuals whom they are sponsoring before the applicant signs a Distributor Agreement. Copies of Policies and Procedures can be acquired from Sisel or Sisel's website. In addition, Distributors may use only the forms provided by Sisel to sponsor new Distributors or to order products. Forms are available on the Sisel International website or may be obtained from the Sisel Customer Service Department.

5.5 REPORTING POLICY VIOLATIONS Distributors observing a Policy violation by another Distributor should submit a written report of the violation directly to the attention of the Sisel Compliance

Department. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report. All complaints are to be submitted in writing. False reports of policy violations can be construed as unethical conduct and may result in disciplinary action against the Distributor filing the false report.

5.6 CONFIDENTIAL INFORMATION Distributors may gain access to confidential information of Sisel, including information contained in any genealogical or downline report provided or accessible to a distributor, customer lists, manufacturer information, commission or sales reports, product formulas, and other financial and business information. All such information (whether in electronic, oral or written form) is proprietary to and owned by Sisel. Each distributor agrees to not disclose any such confidential or proprietary information to any third party, directly or indirectly, or use the information to compete with Sisel or for any other purpose except as expressly authorized. Such confidential information is to be used only for the promotion of the Sisel products and its programs in accordance with the Agreement. Upon cancellation, expiration, or termination of the Agreement by either party for any reason, Distributors must discontinue the use of such confidential information and destroy or promptly return to Sisel any confidential information in their possession. This provision shall survive the termination or expiration of the Distributor Agreement. Disclosure or misuse of any proprietary or confidential information may result in disciplinary action including termination, and Distributors may be personally liable for any misuse or disclosure of any such information.

6.0 SALES REQUIREMENTS AND LIMITS

6.1 NO EXCLUSIVE TERRITORIES; PRODUCT PRICE RESTRICTIONS Exclusive territories are not granted to anyone and no franchise fees are required. Distributors are not required to sell products at the Distributor price, but Distributors may not advertise, promote or market products below the Distributor prices or Preferred Customer prices set by Sisel.

6.2 SALES RECEIPTS Except for cases where orders are placed over the Internet, all Distributors must provide their retail customers with two copies of a sales receipt at the time of the sale. These receipts are to set forth the Customer Satisfaction guarantee for Sisel products (if any), as well as any consumer protection rights afforded by applicable law. Distributors must maintain all retail sales receipts for a period of three years and furnish them to Sisel upon request. Records documenting the purchases of Distributors' Preferred Customers will be maintained by Sisel. Distributors must ensure that the following information is contained on each sales receipt:

- a) the date of the transaction;
- b) the date by which the buyer may give notice of cancellation under applicable laws or regulations;
- c) the product purchased, the quantity, the price and total amount of the sale and method of payment;
- d) the name, address and telephone or email of the customer; and
- e) name and address of the selling Distributor.

Remember that customers must receive TWO copies of the sales receipt so they can keep one and use the other with a return. In addition, Distributors are to orally inform the buyer of his or her cancellation rights. For sales placed over the Internet an electronic copy of a sales receipt should be provided to customers along with any applicable guarantee, return rights and consumer protection rights.

6.3 LEADERSHIP RANKS Sisel's Marketing/Compensation plan ranks and recognitions are not guaranteed. Upon achieving a particular rank or recognition, it is not guaranteed that the Distributor will maintain the rank or recognition. Similarly, requirements for the rank advancements or recognitions may change over time in Sisel's sole discretion. Sisel doesn't grant unearned rank advancements, and Sisel does not grandfather rank advancements once achieved. Distributors shall not state or imply that they have a unique relationship with or access to Sisel executives that other Distributors of equal rank do not have.

7.0 BONUSES AND COMMISSIONS

7.1 BONUS AND COMMISSION QUALIFICATIONS A Distributor must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as a Distributor complies with the terms of the Agreement, Sisel will pay commissions and bonuses to such Distributor in accordance with the Marketing/Compensation plan.

7.2 ADJUSTMENT TO BONUSES AND COMMISSIONS

7.2.1 ADJUSTMENTS FOR RETURNED PRODUCTS Distributors receive bonuses and commissions based on the actual sales of products to Retail Customers. When a product is returned to Sisel for a refund or is repurchased by the Company, any bonuses and commissions attributable to the returned or repurchased product(s) that has been paid to Distributors will be deducted from subsequent bonus and commission payments until the commissions paid are recovered. If a Distributor is terminating his or her Agreement, the Distributor remains responsible to repay the Company for any bonuses or commissions on products returned or refunded. Additionally, Distributor specifically authorizes the Company to deduct fees, charges or offsets from commissions payable Distributor, for any amounts owing Company which have not been paid within thirty (30) days of creation.

7.2.2 HANDLING CHARGES Depending upon the method selected for receiving Bonus and Commission payments, minimums, handling charges or other requirements may apply to certain transactions as outlined in the current Marketing/Compensation Plan.

7.3 UNCLAIMED CREDITS Preferred Customers or Distributors who have a credit on account must use their credit within six months from the date on which the credit was issued. If credits have not been used within six months, Sisel may attempt (but is not required) to notify the Distributor or Preferred Customer by sending written notice to the last known address advising the Distributor or Preferred Customer of the credit. There shall be a \$10.00 USD charge for each attempted notice. This charge shall be deducted from the Distributor's or Preferred Customer's credit on account. In the event that a Preferred Customer chooses to become a Distributor, their Preferred Customer account will be automatically terminated.

7.4 REPORTS All information provided by Sisel in online downline activity reports, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity, is believed to be accurate and reliable. Nevertheless, due to various factors including the inherent possibility of human and mechanical error; the accuracy, completeness and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by Sisel or any persons creating or transmitting the information.

All personal and group sales volume information is provided "As Is" without warranties, express or implied, or representations of any kind whatsoever. In particular, but without limitation, there shall be no warranties of merchantability, fitness for a particular use, or non-infringement.

To the fullest extent permissible under applicable law, Sisel and/or other persons creating or transmitting the information will in no event be liable to any distributor or anyone else for any direct, indirect, consequential, incidental, special or punitive damages that arise out of the use of or access to personal and group sales volume information (including but not limited to lost profits, bonuses, or commissions, loss of opportunity and damages that may result from inaccuracy, incompleteness, inconvenience, delay or loss of the use of the information), even if Sisel or other persons creating or transmitting the information shall have been advised of the possibility of such damages. To the fullest extent permitted by law, Sisel or other persons creating or transmitting the information shall have no responsibility or liability to Distributors, or anyone else, under any tort, contract, negligence, strict liability, products liability or other theory with respect to any subject matter of the Agreement or any terms and conditions related thereto. Access to and use of Sisel's online reporting services and your reliance upon such information is at your own risk. All such information is provided to you "As Is." If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to Sisel's online and telephone reporting services and your reliance upon the information.

8.0 PRODUCT GUARANTEES, RETURNS, ETC.

8.1 PRODUCT GUARANTEE Sisel offers a 30-day, money-back guarantee (less shipping and 10% restocking fee) to all Preferred Customers, Retail Customers and Distributors, for all products that are unexpired and in resalable condition, with the exception of any Sisel water purification system which cannot be returned. Commissions and bonuses paid out on the returned product will be deducted from the Distributor's compensation and from the Uplines' commissions, bonuses, rebates, refunds or other incentives. Certain limitations may apply to the 30-day money-back guarantee as outlined below.

8.1.1 RETURNS BY DISTRIBUTORS (PRODUCTS PURCHASED FOR PERSONAL CONSUMPTION) If a Sisel Distributor purchases product for personal use, the Company offers a 30-day, money-back guarantee (less shipping and 10% restocking fee) on resalable product, with the exception of any Sisel water purification system. Because of the administrative costs of adjusting commissions and to avoid potential exploitation or manipulation of the Marketing/Compensation Plan, if a Distributor wishes to return merchandise exceeding a total of \$350 in any 12-month period, the return will be deemed an inventory repurchase and

the Company will repurchase the resalable inventory pursuant to the terms of Section 8.2, and the Distributor's Agreement be canceled. Alternatively, if a Distributor has had limited prior return history and legitimate reason(s) for returns in excess of the \$350, rather than terminating the Distributor Agreement, the Company may in its discretion allow the Distributor Agreement to continue but impose a 25% restocking fee on the returned product.

8.1.2 RETURNS BY DISTRIBUTORS (PRODUCTS RETURNED BY PERSONAL RETAIL CUSTOMERS) If a Retail Customer returns a product to the Distributor from whom it was purchased, the Distributor may return it to the Company for an exchange or refund less shipping and 10% restocking fee, provided it is in resalable condition. All products returned by Retail Customers must be returned to the Company within 30 days from the date of the order along with the sales receipt that the Distributor gave to the Retail Customer at the time of purchase signed by the Retail Customer requesting the return.

8.2 RETURN OF INVENTORY AND SALES AIDS BY CANCELLING DISTRIBUTORS Upon cancellation or termination of a Distributor's Agreement, for thirty (30) days thereafter, a Distributor may return inventory and sales aids for a refund according to the 70% Rule (stated below) if he or she is unable to sell or use the merchandise. A Distributor may only return products and sales aids purchased by him or her that are in resalable condition, that is currently offered, and for product that is more than six months from its expiration date. Upon receipt of the qualifying products and sales aids, the Distributor will be reimbursed 100% of the net cost of the original purchase price(s), less shipping, a 10% restocking fee and less any commissions/bonuses paid. If the purchases were made through a credit card, the refund will be credited back to the same account. The Company shall deduct from the reimbursement paid to the Distributor any commissions, bonuses, rebates or other incentives received by the Distributor that were associated with the merchandise that is returned or any other outstanding balance owed the Company. The 70% Rule referenced above, and as referenced in Section 4.13, requires Distributors to certify that they have sold, used or consumed at least 70% of all Sisel products before ordering more product. Correspondingly, as a result of the 70% Rule, Distributors who cancel their Distributor Agreement can return resalable inventory for a 100% refund of the last order placed by the Distributor on his or her account, less shipping, the restock fee, and commissions/bonuses, plus up to 30% of the immediately preceding order on Distributor's account. As Distributors are required to certify that at least 70% of the previously ordered products have been sold, used or consumed, no returns other than the last order and 30% of the immediately preceding order will be authorized for return and a refund based upon Distributor's affirmative representation that such product had already been sold, use or consumed. **(US Only)** Georgia, Idaho, Louisiana, Maryland, Massachusetts, Montana, Oklahoma, Tennessee, Texas and Wyoming Residents. Notwithstanding the language of Section 8.2, for a period of twelve (12) months from the date a Distributor terminates his or her Distributor account, Sisel will repurchase all current, unencumbered products, sales aids, literature, and promotional items which are in a resalable condition and not less than six months from its expiration date, at a price not less than 90 percent of the original net purchase price of the item(s) returned. Distributors will be responsible for the shipping costs of all returned items.

8.3 PROCEDURES FOR ALL PRODUCT RETURNS The following procedures apply to all returns for refund, repurchase or exchange: a) All merchandise must be returned by the Distributor, Preferred Customer or Retail Customer who purchased it directly from Sisel; b) all products to be returned must have a Return Merchandize Authorization number which is obtained by calling the Customer Service Department and the Return Merchandize Authorization number must be written on each carton returned in a way so as to allow the product to still be resalable; c) the return is accompanied by: i) a completed and signed Return Form; ii) a copy of the original dated retail sales receipt; and iii) the product in its original container; d) product is properly packaged and shipping is paid for by the Distributor. Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement. Distributors are responsible for all product lost or damaged during shipping. All returns must be shipped to Sisel shipping pre-paid and Sisel does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be on the Distributor. If returned product is not received by the Company, it is the responsibility of the Distributor to trace the shipment. If a Distributor is returning merchandise to Sisel that was returned to him or her by a Retail Customer, the product must be received by Sisel in resalable condition within ten (10) days from the date on which the Retail Customer returned the merchandise to the Distributor. The customer-returned items must also be accompanied by the sales receipt the Distributor gave to the Retail Customer at the time of the sale.

8.4 DAMAGED PRODUCT RETURN POLICY Product should not be used if tamper-evident seal is broken or tampered with in any way, or if upon inspection or use it appears compromised. Product that is

damaged in shipment should be refused at the time of delivery. If a Distributor is unable to return damaged product to the shipping Company, the Distributor should notify Sisel International Customer Service immediately (within 10 days) and request a Return Merchandize Authorization number. For product that is shipped incorrectly due to Company error, please notify Sisel Customer Service immediately (within 10 days) and ask for a Return Merchandize Authorization number and Sisel International, whenever possible, will replace or exchange damaged or mis-shipped product with new product. When an exchange is not feasible, Sisel will refund the amount of the returned product less shipping and 10% restocking fee unless the return is due to incorrect shipping or other error by Sisel. No refund or replacement of product will be made if each of these conditions are not met.

9.0 DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1 DISCIPLINARY SANCTIONS Violation of the Agreement, these Policies and Procedures, or any form of illegal, fraudulent, deceptive or unethical conduct by a Distributor may result, at Sisel's discretion, in one or more of the following corrective measures:

- a) issuance of a written warning or admonition;
- b) requiring the Distributor to take immediate corrective measures;
- c) imposition of a fine, which may be withheld from bonus and commission checks;
- d) loss of rights to one or more bonus and commission checks (unless prohibited by law);
- e) withholding from a Distributor all or part of the Distributor's bonuses and commissions during the period that Sisel is investigating any conduct alleging violations of the Agreement. If a Distributor's business is canceled for disciplinary reasons, the Distributor will not be entitled to recover any commissions withheld during the investigation period (unless prohibited by law);
- f) temporary hold or suspension of the individual's Distributor Agreement for one or more commission periods;
- g) involuntary termination of the Distributor's Agreement;
- h) Any other measure expressly allowed within any provision of the Agreement or which Sisel deems practicable to implement and appropriate to equitably resolve injuries caused by the Distributor's policy violation or contractual breach. In situations deemed appropriate by Sisel, the Company may institute legal proceedings for monetary and/or equitable relief, regulatory compliance or for remedial purposes. This Agreement is intended to protect Distributors and the Company. Distributors who intentionally circumvent this Agreement to accomplish indirectly that which they could not do directly, will be subject to the same discipline as if the policy had been directly violated. These policies and procedures are not intended to give, and do not give, Distributors the right to enforce the policies against another Distributor directly.

9.2 GRIEVANCES AND COMPLAINTS When a Distributor has a grievance or complaint with another Distributor regarding any practice or conduct in relationship to their respective Sisel distributorship, the complaining Distributor should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's Upline sponsor. If the matter cannot be resolved, it is to be reported in writing to the Compliance Department of the Company. The Compliance Department will review the facts and attempt to resolve the grievance or complaint. If it is not resolved, it will be referred to the Dispute Resolution Board (defined below) for final review and determination.

9.3 DISPUTE RESOLUTION BOARD The purpose of the Dispute Resolution Board ("DRB") is to: (1) review appeals of disciplinary sanctions; and (2) review unresolved complaints, grievances and other matters between Sisel Distributors. After a response or settlement proposed by the Compliance Department has been denied or otherwise remains unresolved, the DRB reviews evidence, deliberates, and responds to current outstanding issues on a collective basis. A Distributor may submit a written request for a telephonic or in-person hearing within seven (7) business days from the date of: (1) the written notice by Sisel of disciplinary action; or (2) the written decision of the Compliance Department regarding disputes between Distributors. All communication with Sisel and the Distributor seeking resolution of a dispute must be in writing. It is within the DRB's discretion whether a claim is accepted into the dispute for review. If the DRB agrees to review the matter, it shall schedule a hearing within 30 days of receipt of the Distributor's written request. All evidence (e.g., documents, exhibits, etc.) that a Distributor desires to have considered by the DRB must be submitted to Sisel no later than seven (7) business days before the date of the hearing. The Distributor shall bear all of the expenses related to his or her attendance and submission of evidence along with the attendance of any witnesses he or she desires to be present at the

hearing. The decision of the DRB will be final and subject to no further review. During the pendency of the claim before the DRB, the Distributor waives his or her right to pursue arbitration or any other remedy. Following issuance of a sanction, the disciplined Distributor may appeal the sanction to the DRB. Distributor's appeal must be in writing and received by the Company within 15 days from the date of Sisel's suspension notice. If the appeal is not received by Sisel within the 15-day period, the sanction will be final. The Distributor must submit all supporting documentation with his or her appeal correspondence. If the Distributor files a timely appeal of cancellation, the DRB will review and reconsider the cancellation, consider any other appropriate action, and notify the Distributor in writing of its decision.

9.4 ARBITRATION Any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the International Chamber of Commerce Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. All matters whether resolved through arbitration, judicial action or otherwise shall be conducted in the English language. Distributors waive all rights to trial by jury or to any court. Claims arising in the United States under Sisel International, LLC, shall be held in Salt Lake City, Utah and Distributors specifically agree to not dispute the venue. All arbitration arising under Sisel International AG shall be held in Zurich, Switzerland. All parties shall be entitled to all discovery rights pursuant to the American Arbitration Rules or International Chamber of Commerce Arbitration Rules respectively. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, as approved by both parties. The prevailing party shall not be entitled to receive from the losing party, costs and expenses of arbitration, including legal and filing fees, and each party agree to bear their own fees and costs. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement. Nothing in these Policies and Procedures shall prevent Sisel from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect Sisel's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding. Similarly, as an exception to the arbitration requirement, Sisel may bring any claim or action against a Distributor for copyright, trademark or other intellectual property right violation in an appropriate court situated in Utah, with the governing law, venue and jurisdiction being the State of Utah.

9.5 GOVERNING LAW, JURISDICTION AND VENUE Jurisdiction and venue of any matter not subject to arbitration shall reside in Utah County, State of Utah unless the laws of the state or country in which a Distributor resides expressly require the application of its laws. The parties agree that the Agreement is deemed to have been entered into in Utah County, Utah, and the laws of the State of Utah of the United States shall govern all other matters relating to or arising from the Agreement unless the laws of the state in which a Distributor resides expressly require the application of its laws. **(US Only)** Notwithstanding the foregoing, residents of Louisiana may bring an action against Sisel with the jurisdiction and venue as provided by Louisiana law.

9.6 TIME LIMITATION ON CLAIMS Sisel will not review any alleged violation of the terms and conditions of the Agreement not brought to its attention within one year from the date of the alleged violation. Failure to report a violation within the one-year period will result in Sisel not pursuing the allegations to prevent stale claims from disrupting the ongoing business activities of Distributorships. All reports of violations must be in writing and sent to the attention of Sisel's Compliance Department. Similarly, Distributors agree that, notwithstanding any statute of limitation to the contrary, any claim or action a Distributor may wish to bring against Sisel or any of its affiliates for any act or omission relating to the Agreement must be brought within one (1) year from the date of the alleged act or omission giving rise to the claim or cause of action. Failure to bring such action within the permitted one-year time shall act as a bar against all claims against Sisel for such act or omission. Distributors waive any and all claims or rights to have any other statute of limitation apply.

10 ORDERING AND SHIPPING

10.1 PREFERRED CUSTOMERS Distributors are encouraged to promote Sisel's Preferred Customer Program to Retail Customers. Customers can simply call Sisel's Customer Service number or go online to the Sisel website or the replicated website of their Sisel Distributor to place their orders. Sisel will send the ordered products directly to the customer. To ensure that Distributors receive the appropriate sales

volume, Retail Customers need to place orders using Distributor's ID Number. In addition, a Preferred Customer may sign up to have a pre-selected package of Sisel products delivered to his or her home automatically each month (the Automatic Purchase Program).

10.2 PURCHASING SISEL PRODUCTS Each Distributor should purchase his or her products directly from Sisel. If a Distributor purchases products from another Distributor or any other source, the purchasing Distributor will not receive the personal sales volume that is associated with that purchase. Violation of this provision may result in discipline as outlined in Section 9.

10.3 GENERAL ORDER POLICIES On mail orders with invalid or incorrect payment, Sisel will attempt to contact the Distributor by phone, and/or mail or email to try to obtain another payment. If these attempts are unsuccessful after five (5) business days, the order will be returned unprocessed. No C.O.D. orders will be accepted. Sisel maintains no minimum order requirements. Orders for products and sales aids may be combined.

10.4 SHIPPING AND BACK ORDER POLICY Sisel will normally ship products within seven (7) days from the date on which it receives an order. Sisel will expeditiously ship any part of an order currently in stock. Once product has been shipped, if the shipment is rejected the Preferred Customer or Distributor will be charged the entire shipping charge, including the return shipping charge. A rejected shipment is still subject to a restock fee identified in Section 8. In the event an order has a known error, rather than just rejecting the shipment, Preferred Customers and Distributors should accept the shipment and contact Customer Service to obtain a return shipping label or to otherwise coordinate the return/exchange. If an ordered item is out-of-stock, it will be placed on back order and sent to the Distributor when Sisel receives additional inventory. Distributors will be charged and given Personal Sales Volume on back ordered items unless notified on the invoice that the product has been discontinued. Sisel will notify Distributors and Preferred Customers if items are back-ordered and are not expected to ship within thirty (30) days from the date of the order. An estimated shipping date will also be provided. Back ordered items may be canceled upon a Preferred Customer's or Distributor's request. Preferred Customers and Distributors may request a refund, credit on account, or replacement merchandise for canceled back orders. If a refund is requested, the Distributor's Personal Sales Volume will be decreased by the amount of the refund in the month in which the refund is issued.

10.5 CONFIRMATION OF ORDER A Distributor and/or recipient of an order must confirm that the product received matches the product listed on the shipping invoice and is free of damage. Failure to notify Sisel of any shipping discrepancy or damage within ten (10) days of shipment will cancel a Distributor's right to request a correction.

11 PAYMENTS

11.1 DEPOSITS No monies should be paid to or accepted by a Distributor for a sale to a Retail Customer except at the time of product delivery. Distributors should not accept monies from Retail Customers to be held for deposit in anticipation of future deliveries.

11.2 INSUFFICIENT FUNDS It is the responsibility of each Distributor participating in the Automatic Purchase Program to ensure that there are sufficient funds or credit available in his or her account to cover the monthly Automatic Purchase order. Sisel will not contact Distributors about Automatic Purchase orders canceled due to insufficient funds or lack of credit. This may result in a Distributor's failure to meet his or her Personal Sales Volume goals for the month.

11.3 RETURNED CHECKS AND CHARGEBACKS All checks returned by a Distributor's bank for insufficient funds will be re-submitted for payment. A \$25.00 USD returned check fee will be charged to the account of the Distributor. After receiving a returned check from a customer or a Distributor, all future orders must be paid by Credit Card. Any outstanding balance owed to Sisel by a Distributor for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks. Under no circumstance will any Distributor chargeback any credit card purchase. Distributors are required to return applicable products under the Company's product return policies rather than doing a credit card chargeback. Distributors assume responsibility for paying the Company any expenses of a Preferred or Retail Customer product return or credit card chargeback. If a Distributor initiates a chargeback rather than follow Sisel's return policy, he or she may be subject to discipline as outlined in Section 9.

11.4 RESTRICTIONS ON THIRD PARTY USE OF CREDIT CARDS AND CHECKING ACCOUNT ACCESS Distributors shall not permit other Distributors or customers to use his or her credit card, or permit debits to their checking accounts, or eWallet credits for enrolling or to making purchases from the Company. Distributors may not place a product order using someone else's credit card without the credit

card owner's prior written permission. In those rare circumstances where it may be necessary to purchase product for another Distributor, Sisel must receive written permission from the Distributor for whom the product order is being placed. Failure to produce such written permission upon request of the Company may result in cancellation of the sale, forfeiture of commissions resulting from the sale, and other disciplinary action.

11.5 SALES TAXES In designing the Sisel opportunity, one of our guiding philosophies has been to free Distributors from many administrative, operational, and logistical tasks. In doing so, Distributors are free to concentrate on those activities that directly affect their incomes. To these ends, Sisel relieves Distributors of the burdens of collecting and remitting sales taxes, filing sales tax reports, and keeping records relative to sales taxes. By its business operations, Sisel is required to charge sales taxes on all purchases made by Distributors and Preferred Customers, and remit the taxes charged to the respective governing authority. Accordingly, Sisel will collect and remit sales taxes on behalf of Distributors based on the retail price of the products according to applicable tax rates in the country, state, region or province to which the shipment is destined. If a Distributor has submitted and Sisel has accepted a current Sales Tax Exemption Certificate and Sales Tax Registration License or similar country-specific documentation, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be those of the Distributor. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state, region or province for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another location. Any sales tax exemption accepted by Sisel is not retroactive. Please note that the taxability of products and sales tax rates may differ by country, state, region and province. Additionally, an increasing number of local taxes (county and city) are being initiated in various jurisdictions. This could result in a disparity in what Sisel charges a Distributor and what the Distributor in turn can charge a retail customer depending upon where the sale occurs. The difference should be brought to the attention of Sisel Customer Service Department for possible adjustment. Distributors must provide the date of sale, state, province, county, city and rate of tax where sold, total retail sales and the amount of the additional tax due, or credit due. It is the responsibility of each Distributor to know what products are taxable and at what rate. If you have questions regarding taxability and rates, contact the appropriate governmental agency for assistance. This paragraph applies to sales taxes only and does not apply to a Distributor's income taxation.

12 INACTIVITY AND CANCELLATION

12.1 EFFECT OF CANCELLATION So long as a Distributor remains active and complies with the terms of the Distributor Agreement and these Policies and Procedures, Sisel shall pay commissions to such Distributor in accordance with the Marketing/Compensation Plan. A Distributor's bonuses and commissions constitute the entire consideration for the Distributor's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following a Distributor's non-renewal of his or her Distributor Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her Distributor Agreement (all of these methods are collectively referred to as "cancellation"), the Distributor shall have no right, title, claim or interest to the marketing organization which he or she operated, or any future commission or bonuses from the sales generated by the organization. A Distributor whose business is cancelled will permanently lose all rights as a Distributor. This includes the right to sell Sisel products and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities. In the event of cancellation, a Distributor agrees to, and does hereby waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization. Following a Distributor's cancellation of his or her Distributor Agreement, the former Distributor shall not represent that he or she is a Sisel Distributor and shall not have the right to sell Sisel products. A Distributor whose Distributor Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts to be withheld such as during an investigation preceding an involuntary cancellation).

12.2 CANCELLATION DUE TO INACTIVITY It is the Distributor's responsibility to lead his or her marketing organization with the proper example in personal production of sales to Retail Customers. Without this proper example and leadership, the Distributor will lose his or her right to receive commissions from sales generated through his or her marketing organization. A Distributor who allows his or her account to be cancelled due to inactivity must remain inactive for six (6) full calendar months before he or she can apply for a new Distributorship. If a Distributor does not have at least one new

personally sponsored active Distributor or Preferred Customer in his or her downline sales organization for 12 consecutive months, his or her Distributor Agreement shall automatically be cancelled due to inactivity. Mere inactivity is not the same as cancellation for re-application purposes under Section 4.5.4.

12.3 INVOLUNTARY CANCELLATION A Distributor's violation of any of the terms of the Agreement, including any amendments that may be made by Sisel, may result in any of the sanctions listed in Section 9.1, including the involuntary cancellation of his or her Distributor Agreement. Cancellation shall be effective on the date on which written notice is mailed, emailed, faxed or delivered to an express courier, to the Distributor's last known address (or fax number), or to his/her attorney, or when the Distributor receives actual notice of cancellation, whichever occurs first. Distributors may also be involuntarily terminated for filing a petition in bankruptcy, committing any act of dishonesty, being convicted of a felony or other criminal misconduct relevant to the Agreement, or failing or refusing to perform any obligation created by the Agreement.

12.4 VOLUNTARY CANCELLATION A Distributor or Preferred Customer has a right to cancel their relationship with Sisel at any time, regardless of reason. Cancellation can be made by calling customer Service, by email or in writing to the Company at its principal business address. The notice must include the Distributor's name, signature (if applicable), address, and Distributor I.D. Number. Please allow ten (10) business days from the date of receipt until the Distributorship is cancelled. Commissions and Bonuses will be calculated as outlined in Section 12.1 above. Cancellation does not waive any obligations arising prior to cancellation. A Distributor who voluntarily cancels must remain inactive for six (6) full calendar months before he or she can reapply for a new Distributorship.

12.5 NON-RENEWAL A Distributor may also voluntarily cancel his or her Distributor Agreement by failing to renew the Agreement on its anniversary date. The Company may also elect not to renew a Distributor's Agreement upon a Distributor's anniversary date. In cases where Distributors elect to not renew their Distributor Account, they must wait a six (6) months before they are eligible to re-apply.

13 DEFINITIONS

Active Distributor - A Distributor who satisfies the minimum Personal Sales Volume requirements, as set forth in Sisel's Marketing/Compensation Plan, to ensure that he or she is eligible to receive commissions.

Agreement - The contract between the Company and each Distributor includes the Distributor Application and Agreement, the Sisel Policies and Procedures, Sisel's Marketing/Compensation Plan, and the Statement of Beneficial Interest Form (where applicable), all in their current form and as amended by Sisel in its sole discretion. These documents are collectively referred to as the "Agreement."

Beneficial Interest - the term "Beneficial Interest" is defined as: (1) a direct or indirect ownership in another Distributorship or Preferred Customer account; (2) actual, apparent, or de facto authority or control over another Distributorship or account; or (3) the right to receive any income directly or indirectly from another Distributorship account either now or in the future, other than as specifically authorized by the current Marketing/Compensation Plan.

Company - The term "Company" as it is used throughout the Agreement means Sisel International, LLC., Sisel International AG, and their affiliates.

Downline - See: "Marketing Organization" below.

End Consumer - A person who purchases Sisel products - a Retail Customer.

Immediate household - Heads of household, spouses and dependent family members residing in the same house.

Level - The layers or levels of downline Preferred Customers and Distributors in a Distributor's Marketing Organization. This term refers to the relationship of a Distributor relative to a particular up-line Distributor, determined by the number of Distributors between them who are related by sponsorship. For example, if A sponsors B, who sponsors C, who sponsors D, who sponsors E, then E is on A's fourth level.

Marketing Organization - The Preferred Customers and Distributors sponsored below a Distributor of any rank, often known as Downline Distributors.

Notice - Unless otherwise provided in the Agreement, any notice or other communications requested or permitted to be given under the Agreement shall be in writing and shall be delivered personally, transmitted by facsimile, email or sent by first class, certified (or registered) or express mail. Notices shall be deemed given when delivered personally or by email, or if transmitted by facsimile, one day after the date of that facsimile, or if mailed, five days after the date of mailing. As it is a Distributor's obligation to

keep his or her contact information current, notice will be deemed given when sent to the mailing address, email, facsimile number or contact information of the Distributor on file.

Official Sisel Material - Literature, audio or video tapes, and other materials developed, printed, published and distributed by Sisel to Distributors.

Personal Sales Volume (PV) - The commissionable value of products sold in a calendar month: (1) by the Company to a Distributor; and (2) by the Company to the Distributor's personally enrolled Preferred Customers.

Preferred Customer - A customer who has executed a Sisel Preferred Customer Agreement, (See Section 10.1 above), and who uses the products for personal consumption but does not develop a downline distributor organization and is not eligible to receive commissions.

Rank - The "title" that a Distributor has achieved pursuant to Sisel's Marketing/Compensation Plan. Rank advancements generally take effect on the 1st day of the month following their qualification. There are two primary ranks within Sisel's Marketing/Compensation Plan, Distributor and Executive. Details on each rank and their associated qualifications are found in Sisel's Marketing/Compensation Plan brochure and literature.

Recruit - For purposes of Sisel's Conflict of Interest Policy (Section 4.9), the term "recruit" means actual or attempted solicitation, enrollment, encouragement or effort to influence in any way, either directly or through a third party, another Sisel Distributor or Preferred Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the Distributor's actions are in response to an inquiry made by another Distributor or Preferred Customer.

Resalable - Products and sales aids shall be deemed "resalable" if each of the following elements are satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; 3) the product and packaging are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) the product expiration date is not less than six months away; and 5) the product contains current Sisel labeling. Any merchandise that is clearly identified at the time of sale as non-returnable, discontinued or as a seasonal item, shall not be resalable.

Retail Customer - An individual who purchases Sisel products from a Distributor for the purpose of personally consuming the products rather than offering them for resale - an end consumer.

Roll-Up - The method by which a vacancy in a Marketing Organization left by a Distributor whose Distributor Agreement has been cancelled is filled.

Sisel System Kit - A selection of Sisel training materials and distributorship support literature that each new Distributor obtains for free upon enrolling.

Sponsor - A Distributor who enrolls a Preferred Customer or another Distributor into the Company and is listed as the Sponsor on the Distributor Application and Agreement. The act of enrolling others and training them to become Distributors is called "sponsoring."

Upline - This term refers to the Distributor or Distributors above a particular Distributor in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular Distributor to the Company.

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