SECTION 1 - WAIVER

1.1 Waiver

The PŪRVii never gives up its right to insist on compliance with its Agreements and with the applicable laws governing the conduct of a business. No failure of PŪRVii to exercise any right or power under the Agreement or to insist upon strict compliance by a PURVII distributor (Partner) with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of PŪRVii's right to demand exact compliance with the Agreement. An authorized officer of PŪRVii or his designee can affect waiver by PŪRVii only in writing. PŪRVii's waiver of any particular breach by a Partner shall not affect or impair PŪRVii's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Partner. Nor shall any delay or omission by PŪRVii to exercise any right arising from a breach affect or impair PŪRVii's rights as to that or any subsequent breach.

The existence of any claim or cause of action of a Partner against PŪRVii shall not constitute a defense to PŪRVii's enforcement of any term or provision of the Agreement.

The titles and headings to these policies are for reference purposes only, and do not constitute, and shall not be construed as substantive terms of these Policies.

<u>PŪRVii reserves the right to amend the terms and conditions of these Policies and Procedures and the Marketing and Compensation</u> <u>Plan at any time, as deemed necessary without prior notice and, each Partner agrees to abide by these changes or submit their</u> <u>resignation within ten (10) days of publication</u>. Any Amendments will be binding on all Partners upon notification of such amendments through any of PŪRVii's official channels of communication, to include but not limited to, Partner email blasts, PŪRVii blogs, and postings to the PŪRVii websites.

SECTION 2 BECOMING A Partner

2.1 Code of Ethics

I will deal with others honestly and fairly at all times.

I will be truthful in my representation of PŪRVii products making no medical or exaggerated health claims and I will clearly state all terms of the sale.

I will not make claims for PŪRVii programs, services, or products except as contained in official PŪRVii literature. I also understand and agree that the responsibilities of "commercial speech"—claims made in the promotion of commercial goods and services—exceed the requirements of either scientific, research, or other forms of "free speech." <u>Therefore, I will rePartner that even my personal experience of benefits</u> received from PŪRVii programs, services, and products may be interpreted as an "extension of labeling claim" if I use those experiences as a sales device.

I will be respectful of every person I meet while working my PURVii business.

I will correctly represent the PŪRVii income potential represented therein, **including PŪRVii presentations regarding earnings and income at all presentations.** I understand that any misrepresentation could result in termination of my Partner status.

At all times, I will conduct myself and my business in an ethical, moral, legal and financially sound manner. I will not engage in activities that would bring disrespect to the PŪRVii, my independent business or to me.

2.2 - Requirements to Become a Partner

To become a PŪRVii Partner, each applicant must meet all of the following criteria:

a. Be of legal age in his or her state, province or country of residence.

b. Reside in a country where PURVii is authorized and currently open to do business.

c. Possess a valid Social Security Number, Federal Tax ID Number or other country-specific form of identification.

d. Submit a properly executed Partner Application and Agreement Form to PURVii. Online applications are accepted as originals.

e. In order to qualify and receive certain bonus payments and commission payments, all prospective Partners are required to purchase a Partner kit except where prohibited by law.

f. A person or entity may not apply as a Partner using a fictitious or assumed name.

The PŪRVii reserves the right to reject any application to become a Partner or to reject the renewal of an existing Partner for any reason or no reason, including violations of these Policies and Procedures.

2.3 Partner Benefits

Once the PŪRVii has approved a Partner Application and Agreement, all benefits of the PŪRVii Marketing and Compensation Program and the Partner Agreement are available to the new Partner. These benefits include the right to:

- a. Purchase PŪRVii products and services at the discounted Partner price.
- b. Sell PŪRVii products and services at retail and earn profits from these sales.
- c. Participate in the PŪRVii Marketing and Compensation Program (receive bonuses and commissions, if qualified).
- d. Sponsor and enroll other individuals as Promoters or Partners/Partners into the PŪRVii business and build a sales organization and progress through the levels of the PŪRVii Marketing and Compensation Program.
- e. Receive periodic PŪRVii literature and other PŪRVii communications.
- f. Participate in PŪRVii-sponsored events that include: support, training, motivation, and recognition functions, upon payment of appropriate fees, if applicable.
- g. Participate in promotional and incentive-based contests and programs sponsored by the PŪRVii.
- h. Receive free services such as travel benefits, shopping and concierge service.

2.4 Renewal of Your PŪRVii Business

The term of the Partner Agreement is one year from the date of its acceptance by the PŪRVii. Partners must renew their Partner Agreement each year by paying an annual fee in the amount of forty nine dollars (\$49) within thirty (30) days of the anniversary date of their Partner Agreement. [If the fee is not paid within thirty (30) days after the expiration of the current term of the Partner Agreement, the Partner will not be eligible to renew the Agreement.] The Partner will lose all rights under the Partner Agreement and the PŪRVii Marketing and Compensation Program. To ensure that a Partner does not forfeit his or her benefits by forgetting the renewal date, and in order to make renewal more convenient, PŪRVii utilizes the Automatic Renewal Program ("ARP"). Under the ARP, the Partner's renewal fee will be:

- a. Deducted from the Partner's payable commissions during the month of the anniversary of the Partner Agreement. If no bonus check is received, then forty nine dollars (\$49) will be charged to the Partner's credit card or checking account on file.
- b. If, for any reason, the renewal fee cannot be collected per the above methods (Section 2.4), the Partner may be billed the annual renewal fee. Payments must be received in the PŪRVii offices within thirty (30) days of the date of the expiration.

c. <u>This automatic renewal will remain in effect until the Partner notifies the PŪRVii in writing to cancel or until the Partner's business</u> is terminated.

d. The renewal fee will be accepted ONLY under the renewing Partner's current line of sponsorship.

SECTION 3 OPERATING A PŪRVii BUSINESS

3.1 Adherence to the PŪRVii Marketing and Compensation Plan

Partners must adhere to the terms of the PŪRVii Marketing and Compensation Program as set forth in these Policies and Procedures. Partners shall not offer the PŪRVii opportunity through, or in combination with, any other system, program, or method of marketing other than specifically stated in these Policies and Procedures. Partners shall not require or encourage other current or prospective Customers or Partners to participate in any manner that varies from the program as set forth in these Policies and Procedures. Partners to execute any agreement or contract other than PŪRVii agreements and contracts in order

to become a PŪRVii Partner. Partners shall NOT require or encourage current or prospective Customers or Partners to make any purchase from, or payment to, any individual or other entity in order to participate in the PŪRVii Marketing and Compensation Program other than those purchases identified as recommended or required in these Policies and Procedures.

3.2 In General

In the conduct of his or her business, the Partner shall safeguard and promote the reputation of the PŪRVii and its products and services. The marketing and promotion of the PŪRVii, the PŪRVii opportunity, the PŪRVii Marketing and Compensation Program, PŪRVii products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices at all times.

To promote the products, services and opportunities that PŪRVii offers. Partners must only use the sales aids and support materials produced or approved by PŪRVii. The PŪRVii has carefully designed its products, product labels, PŪRVii Marketing and Compensation Program and promotional materials and checked them for legal compliance. This is done to ensure that each aspect of the PŪRVii opportunity is fair, standard throughout, truthful, substantiated, and compliant with the vast and complex legal requirements of federal, state, provincial, local and international laws.

For this reason, Partners are strictly prohibited from developing their own sales aids, promotional materials and other literature without the express written consent of the PÜRVii. Partners agree to use all promotional materials and other literature for Partner training purposes only, not for

public use.

3.2.1 Trademarks and Copyrights

The act of becoming a Partner provides a license to you to use the name of the PŪRVii, PURVII, in the manner described below. The name of the PŪRVii and other names as adopted and developed by the PŪRVii are proprietary trade names, trademarks and service marks of the PŪRVii. These marks are supplied to Partners for use only in an expressly authorized manner. Use of the PŪRVii name on any item not produced by the PŪRVii is prohibited except printed as follows:

a. [Partner's Personal or Business Name], a Partner of PŪRVii

b. PŪRVii Partner

Partners may also list themselves as an "Partner of PŪRVII" in the white or yellow pages of a telephone directory under their name or their Doing Business As (DBA) name only. No Partner will place telephone directory display ads using PŪRVii's name or logo. This policy also applies to the Internet.

Partners shall not answer the telephone: "PŪRVII," "PŪRVII LLC" or in any manner leading the caller to believe he or she reached the corporate offices

of PŪRVii.

Partners shall not use PŪRVii's trade name or any of its trademarks on their business or personal checking accounts - Partners may imprint business checks as being an "Independent Partner of PŪRVii."

Partners are not permitted to create their own business card or letterhead graphics if the PŪRVii trade name and or trademarks are used. Only approved PŪRVii graphics versions and wording are permitted. Business cards and stationary as supplied by PŪRVii, to include the words "Independent Partner" on stationery and business cards. Partners may indicate their PŪRVii pin level title under their name; however, it must still indicate "Independent Partner." PŪRVii's marketing alliances may not be listed on any business cards or stationery. These policies also apply to any signage produced by Partners.

Partners may not produce for sale any recorded PŪRVii or other events, speeches, books, instructional tools or other supplies without specific prior written consent from the PŪRVii. Partners shall not reproduce for sale, distribution or for personal use any recording of PŪRVii-produced audio or videotaped presentations without the prior written consent of PŪRVii.

In order to protect its trademarks and copyrights, the PŪRVii reserves the right to require any Partner to transfer any website name, domain name or PŪRVii name related to PŪRVii business to PŪRVii.

3.2.2 Partner Websites

The PŪRVii name and the names of PŪRVii products and services are trademark and copyright protected. Partners are prohibited from using the PŪRVii intellectual property, which includes all PŪRVii copyrighted material and PŪRVii trade and service marks, on websites having an

URL address other than PURVII. All Partners must first obtain written permission to use and maintain websites originating from a URL address other than PŪRVII and which uses the PŪRVIi name, any PŪRVIi copyright protected material or PŪRVIi trademarks.

All internet sales of PŪRVii products and services must be processed through the shopping cart on the PURVII website. Partners are prohibited from processing sales of PŪRVii products and services through shopping carts set up on websites originating from a URL address other than PURVII, including PayPal and other payment service providers.

When PŪRVii intellectual property is approved for use on a website originating from an URL address other than PURVII, the user must be redirected to the respective PŪRVii website for any information regarding PŪRVii products and opportunity. Under no circumstances shall a website originating from a URL address other than PURVII contain any information regarding the PŪRVii opportunity or any PŪRVii product. PŪRVii will monitor these websites to ensure compliance with this section.

3.2.3 Media and Media Inquiries

Partners are prohibited from responding to media inquiries regarding the PŪRVii, its products or services, or their independent PŪRVii business. **All inquiries by any media must immediately be referred to the PŪRVii legal department.** The PŪRVii employs a professional staff responsible for replying to these inquiries. This policy assures accurate and consistent information to the public. Partners are prohibited from utilizing radio or television media for the advertising, distribution or promotion of PŪRVii products, services or opportunity without the express written consent of PŪRVii. In the event that PŪRVii grants permission for the use of such media, PŪRVii must have final authority on every stage of the production process with full rights to all recordings.

3.2.4 Enrolling Materials

Partners may place advertisements or promotional materials for the purpose of enrolling new Partners and Customers. These materials are limited to advertisements for selling products or services and enrolling, including advertisements, voice messages, signage, printed correspondence, and electronic distribution. Before any such material can be used, it must be submitted for written approval to the PŪRVii.

Enrolling material shall not contain misleading, unethical or exaggerated information and must specifically adhere to the guidelines set forth in this Section and <u>Section 3.2.6.</u> All materials are in constant review by the PŪRVii's Legal department, as well as federal, state and international regulatory agencies. Violation of any of PŪRVii's guidelines will result in disciplinary action.

Advertisements must be placed in the appropriate sections of all media. Advertisements shall not be placed under any heading that indicates they are for employment. In addition to not using income claims, advertisements should be clear that commissions are paid on product purchases, not enrollments, and ads shall never indicate large earnings are easy. It must be clear that income is dependent on multiple factors including, but not limited to, time, effort and geographical area.

3.2.5 Advertising Guidelines

The following guidelines will be followed by Partners to protect the PŪRVii opportunity. These guidelines assist in preparing material and are in addition to guidelines expressed elsewhere in these Policies and Procedures. These guidelines pertain to all advertising, including "blind ads" (ads that do not specifically mention PŪRVii). **Fraudulent inducement in ads will not be tolerated by PŪRVii and will be cause for immediate suspension or termination.**

Partners shall refrain from directly or indirectly representing the capability of Partners in multilevel or network marketing businesses, including, but not limited to the PŪRVii Compensation Plan, to make a profit, without simultaneously disclosing and presenting:

- The current Income Disclosure Statement; and,
- That not all Partners make money in the PURVii; and,
- That no one can be guaranteed success as a PŪRVii Partner

Partners must not misrepresent the income levels, earnings, product sales, profits or payments that a person may reasonably expect to earn, generate, or receive as a PŪRVii Partner.

Partners shall not represent the opportunity to participate in the PŪRVii Sales Program as employment or as a salaried position with guaranteed income. The PŪRVii will enforce the following policies concerning advertising:

PŪRVii Partners are independent contractors and all incomes are a result of personal effort. Any and all advertisements must be factual. The starting of any exaggerated claims or misleading information will jeopardize a Partner's distributorship. <u>If income of any kind is mentioned</u> in an advertisement, it must represent actual income earned and it must include the word "commissions" so that it is not interpreted as any form of guaranteed income; verbiage such as "I earned (documented income) in commissions last month" may be used

if documented, but terms implying consistent income such as "**monthly**" or "**yearly**" may not be included unless this consistency is documented; and if income is included, terms such as "**possible**" or "**potential**" may not be used as these terms infer a potential for salaried earnings.

Any advertising which promotes, represents or implies salaried positions, management positions, hourly wages, full or part-time, or guaranteed incomes is considered misleading and is prohibited. The PŪRVii opportunity is not a job and may not be presented as such. Terms such as "manager trainee," "management positions available," "travel provided," "call for interview," "positions available," "now hiring," and other misleading statements are not allowed as these imply employment. PŪRVii Partners are independent contractors and advertising or communicating otherwise is a violation of the PŪRVii Partner Agreement.

In addition, Partners must not:

- · Misrepresent the capabilities of any PŪRVii product.
- Misrepresent the nature, validity or status of any testing of a PURVii product or the meaning or status of any government approval or regulation.
- Allow or condone, by action or by words, the use, production, marketing or distribution, by sale or otherwise, of Partner-produced sales aids.
- Falsely represent that a Partner is employed by PURVii in order to aid that Partner to obtain credit.
- Run any advertising that may include income claims without displaying the Income Disclosure Statement at the same time.
- · Copy any PŪRVii-produced materials (brochures, videos, and catalogs) without prior written approval from PŪRVii
- Reproduce previously published articles or books or utilize or refer to articles, books, or marketing materials that PŪRVii has discontinued or banned from use.
- State that Partners are financial partners with the PŪRVii or any of the PŪRVii's marketing alliances.
- Use the following words or phrases when describing the PŪRVii opportunity in ads or elsewhere:
 - "Investment" "Retirement Plan" "Business Model" "Business Opportunity"* "Return on Investment" "ROI"
- Promote or market products or services not currently offered by PŪRVii without previous written permission from PŪRVii.
- Advertise on radio or television without written authorization from the PŪRVii.
- · Make unauthorized claims as to therapeutic or curative properties of any PŪRVii products
- Use the name "PŪRVii" in any advertisement without simultaneously and conspicuously also having, "[Partner Name/DBA], An Independent Partner of PŪRVii."
- · Place advertisements in commercial or retail establishments.

*Note: Many states have "Business Opportunity" laws that have specific and legal connotations, unrelated to what our Partners talk about when referring to PŪRVii as a "business opportunity." To avoid confusion, <u>PŪRVii prohibits Partners from referring to PŪRVii as a "Business</u> <u>Opportunity."</u> You may say it is a home-based business or a "great self employment opportunity."

3.2.6 Sample Ads and Phrases

The guidelines expressed in <u>Section 3.2.6</u> were established to protect the opportunity for all Partners. They are not meant to restrain the Partner from conducting his or her business in a fair, truthful and profitable manner. Ads and phrases must be approved by the PŪRVii by emailing your sample ad to support.

3.2.7 Internet SPAM Standards

Unsolicited broadcast distribution of email or other distributions that may be defined as "bulk mail" or "SPAM" is strictly prohibited. Any other bulk use of email is prohibited by PŪRVii unless written authorization is provided by PŪRVii.

3.3 Changes to the PŪRVii Business

3.3.1 In General

Each Partner will immediately notify PŪRVii of any changes to the information contained on the Partner's Application and Agreement including all changes of address. Partners may modify their existing Partner Agreement; i.e., change Social Security Number to Federal ID Number, or change the form of ownership from an individual proprietorship to a business entity owned by the Partner, by submitting a written request, a properly executed Partner Application and Agreement, and appropriate supporting documentation. If the form of the business is changed from a sole proprietorship to a corporation, partnership or trust, the original Partner must submit a Corporation, Partnership, Trust or DBA Form, a copy of the Articles of Incorporation or a copy of the FEIN number issued by the IRS

3.3.2 Addition of Co-Applicants

When adding a co-applicant, either an individual or a business entity, to an existing PŪRVii business, the PŪRVii requires both a written request, as well as a completed Partner Application and Agreement, containing the applicant's and co-applicant's Social Security Numbers or Federal ID Numbers, if applicable, and signatures. To prevent the circumvention of the section regarding transfers and assignments of PŪRVii business, the original applicant must remain as a party to the original Partner Application and Agreement. The original Partner may not terminate his or her relationship with the PŪRVii unless the Partner Agreement, and the PŪRVii business, is terminated in its entirety. If the original Partner chooses termination of his or her relationship with the PŪRVii, he or she must transfer or assign his or her business in accordance with these Policies and Procedures. All bonus and commission checks will be sent to the address of record of the original Partner.

3.3.3 Change of Sponsor & Placement

To protect the integrity of all marketing organizations and safeguard the hard work of all Partners, PŪRVii strongly discourages changes in sponsorship and placement. Maintaining the integrity of sponsorship and placement is critical for the success of every Partner and marketing organization. The transfer of a PŪRVii business from one sponsor to another is rarely permitted. Requests for change of sponsorship must be submitted in writing to the PŪRVii using a Request for Approval of a Sponsor Change Form, and must include the reason for the transfer. Transfers will be considered only in the following two (2) circumstances:

- a. In cases involving fraudulent inducement or unethical sponsoring, a Partner 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, with PŪRVii having the final decision whether such infraction occurred.
- b. In cases where the enrolling Partner accidentally places the newly sponsored person under the incorrect sponsor. These changes must be approved by the PŪRVii and MUST be requested within seven (7) days of the enrollment.

<u>Placement changes, like sponsor changes, are rarely, if ever, granted and must meet the criteria listed above</u>; however, PŪRVii will consider placement changes in one additional circumstance. If a Partner and or their organization have suffered ill effects due to the unethical, illegal or other violations of the Policies and Procedures by a terminated Partner in their organization or upline, transfers may be considered, with the final authority for such changes resting with the PŪRVii.

The Partner seeking to transfer must submit a properly completed and fully executed Sponsorship Transfer **Form** from the PŪRVii website and please email it to support, and if so directed, must include the written approval of seven direct upline Active Partners along with the sponsor's signature. If there are not seven upline Active Partners, then the actual number of upline Partners, including the highest-ranking Partner. If the transferring Partner wants to move any of the Partners in his or her marketing organization, each downline Partner also must complete a Request For Transfer Form and return it to PŪRVii. Downline Partners will not be moved with the transferring Partner unless all requirements are met. Transferring Partners must allow thirty (30) days after the receipt of the Request for Transfer Forms by PŪRVii for processing and verifying change requests. Final approval rests with PŪRVii.

3.3.4 Cancellation, Termination

and Re-Application

A Partner may legitimately change organizations by voluntarily canceling or terminating his or her PŪRVii business (see Section 10.4), and remain inactive for six (6) calendar months. Following the six-month period after cancellation or termination, the former Partner may re-apply under a new sponsor and new organizational leg. The PŪRVii reserves the right to move Partners into different organizations or lines of business at any time for any reason.

3.4 Unauthorized Claims by Partner

3.4.1 Product Claims

<u>No product claims may be made except those contained in current PŪRVii literature.</u> No claims as to therapeutic or curative properties of any products offered by PŪRVii may be made except those contained in current, official PŪRVii literature which are thoroughly sourced. <u>Partners will not claim PŪRVii products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases or</u> **illnesses.** Such claims are a violation of PŪRVii policies, and violate regulations of the United States Food and Drug Administration.

3.4.2 Income Claims

In their enthusiasm to enroll prospective Partners, some Partners occasionally are tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive, as new Partners become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At PŪRVii, we firmly believe that the PŪRVii income potential and compensation plan is great enough to be highly attractive, without reporting the earnings of others. Moreover, the Federal Trade Commission and various states have laws or regulations governing or prohibiting various types of income and testimonials by persons engaged in network marketing. Hypothetical income examples used to explain the operation of the PŪRVii Marketing and Compensation Program, which is based on mathematical projections, may be made to prospective Partners, provided the Partner who uses such hypothetical examples makes clear to the prospective Partner(s) such earnings are hypothetical. A disclaimer such as: "Any earnings or success you achieve will vary according to the geographical location, time and effort applied to your particular business, and is not guaranteed by the PŪRVii, its management, staff or Partners" is required.

3.4.3 Indemnification

A Partner is fully responsible for all of his or her verbal and written statements made regarding PŪRVii products and services, and the PŪRVii Marketing and Compensation Program which are not expressly contained in current, official PŪRVii materials. Each PŪRVii Partner agrees to indemnify and hold harmless PŪRVii, its shareholders, employees, agents, general/limited partners, and successors in interest from and against any claim, demand, liability, loss, cost, or expense, including, but not limited to, attorney's fees, arising or alleged to arise in connection with that Partner's PŪRVii business, its affiliates' activities as a PŪRVii Partner, and any other matter related to Partner's performance under the Partner Agreement.

3.5 Commercial Outlets

The PŪRVii strongly encourages the retailing and selling of its products and services through person-to-person contact. In an effort to reinforce this method of marketing and to help provide a standard of fairness for its Partner base, <u>Partners may not display or sell PŪRVii products</u>, <u>services or literature in any retail establishment (the Internet, including Amazon, eBay, YouTube, and other similar sales channels, is considered a prohibited retail outlet) without prior specific written consent from PŪRVii. However, it is permissible to promote and take orders for PŪRVii products and services in professional services offices or similar non-retail establishments.</u>

3.5.1 Trade Shows and Expositions

Partners may display or sell PŪRVii products at trade shows and professional expositions; however, the professional image of PŪRVii must be considered and maintained. Certain signage requirements for such events must be met prior to the show or exposition utilizing a corporate-formatted PŪRVii logo, the Partner's name, and followed or preceded by the phrase "Independent Partner." The logo can be obtained by contacting the PŪRVii if approved. All requests for permission to display or sell products at such events must be approved by the PŪRVii prior to the event by submitting a written request.

3.6 Conflict of Interest

Partners are permitted to participate in other multilevel or network marketing opportunities. However, products from competing multilevel or network marketing opportunities may not be offered or sold in conjunction with PŪRVii products and services. This includes but is not limited to:

1. Advertising PŪRVii products and services with non-PŪRVii products and services on the same webpage, or advertisement;

2. A direct or indirect Internet link from the PŪRVii products and services page to a non-PŪRVii product and services page.

Partners stipulate that multilevel or network marketing is not limited in geographic scope of the non-solicitation and unauthorized recruiting provisions of the Policies and Procedures and to do so would render the provisions ineffective. Therefore, the Partner agrees that these provisions shall apply in all countries in which PŪRVii conducts business. The Partner further agrees that the geographic scope applicable to these provisions is reasonable, and further waives any claim or defense that the non-solicitation provisions are void or voidable based on the breadth of their geographic scope.

3.6.1 Unauthorized Recruiting and Sales

Based upon PŪRVii's legitimate business interests, Partners are expressly prohibited from unauthorized recruiting, which includes the following:

- Actual or attempted recruitment or enrollment of PŪRVii Customers or Partners for any other marketing business ventures, either directly or through a third party. This includes, but is not limited to, presenting or assisting in the presentation of other marketing business ventures.
- Producing any literature, videos or promotional material of any nature for another marketing business venture which is used by the Partner or any third person to recruit PŪRVii Customers or Partners for that business venture.

- Selling, offering to sell or promoting non-PŪRVii products or services to PŪRVii Customers or Partners. Any product or service in the same generic category as a PŪRVii product or service is deemed to be competing; e.g., any dietary supplement is in the same generic category as PŪRVii's dietary supplements, and is, therefore, a competing product, regardless of differences in cost, quality, ingredients or nutrient content.
- Offering any non-PŪRVii products, services or business plan (by themselves or in conjunction with any PŪRVii products) at, before or after any PŪRVii or Partner meeting, seminar, lunch, convention or other PŪRVii function.

3.6.2 Non-solicitation of PŪRVii

Partners and Customers

For a period of one year after the cancellation (cancellation may be either voluntary, involuntary, through non-renewal, inactivity or termination) of an individual or entity's Partner Agreement, the ex-Partner shall not directly or through a third party solicit any PŪRVii Partner or Customer for any other direct sales, network marketing, multi level marketing program or commissionable opportunity. This provision shall survive the termination or cancellation of the Partner's Agreement. If the solicitation of the Partner or Customer is performed by a third party outside the Partner Agreement, PŪRVii will undertake all legal action necessary to be compensated for the irreparable harm caused by the unauthorized solicitation.

3.6.3 Genealogies and Downline Activity Reports

All Genealogies and Downline Activity Reports are confidential and constitute proprietary information of PŪRVii. Originals and copies of these reports must be returned to PŪRVii on demand or at the cancellation of the Partner's business. Genealogies and Downline Activity Reports are provided to active Partners only in the strictest confidence. These reports are available to Partners for the sole purpose of assisting Partners and their respective downline organizations in the development of their PŪRVii business. Partners will use these reports only to manage, motivate, and train their downline Partners. During the term of a Partner Agreement and for a period of one year after the termination or expiration of the Partner Agreement, for any reason whatsoever, the Partner shall not, on his or her own behalf, or on behalf of any person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any information contained in any Genealogy or Downline Activity Report to any third party.
- Use the information to compete with PŪRVii.
- Recruit or solicit any Partner or Customer of PŪRVii listed on any report or in any manner attempt to influence or induce any Partner or Customer of PŪRVii to alter their business relationship with PŪRVii.
- Use or disclose to any person, partnership, association, corporation or other entity any information contained in any Genealogy or Downline Activity Report. Conflict of Interest provisions shall survive the cancellation or termination of this Agreement. Upon demand by the PŪRVii, any current or former Partner will return the original and all copies of Genealogies or Downline Activity Reports to the PŪRVii, representing that any and all copies have been returned. Any violation of <u>Section 3.6.3</u> will result in termination.

Any breach by Partner of its covenants and agreements in this section may cause irreparable injury to PŪRVii that may not be adequately redressed by the payment of monies; therefore, PŪRVii shall be entitled to enjoin any such threatened or continuing violation. Partner acknowledges that PŪRVii holds all right, title, and interest in all information covered in this section and Partner agrees that Partner has only a limited right to use the confidential information in the course of performing the Partner's responsibilities to work the business.

Violations of 3.6, 3.6.1, 3.6.2 and/or 3.6.3 will entitle PURVii to immediate injunctive relief and a monetary penalty of \$5,000 per occurrence.

3.7 Corporations, Partnerships and Trusts

A corporation, partnership or business trust (collectively referred to in this section as an "Entity") may apply to be a PŪRVii Partner by submitting its Certificate of Incorporation, Partnership Agreement or Trust documents (these documents are collectively referred to as the "Entity Documents") to PŪRVii, to include a properly completed Corporation, Partnership, Trust or DBA Form, and a Partner Application and Agreement. A PŪRVii business may change its status under the same sponsor from an individual to a partnership, corporation or trust or from one type of Entity to another. The Partner(s) must provide the Entity Documents and submit a properly completed Corporation, Partnership, Trust or DBA Form to PŪRVii. The Corporation, Partnership, Trust or DBA form must be signed by all of the shareholders, partners or trustees. Partners of the Entity are jointly and severally liable for any indebtedness or other obligation to PŪRVii. It is the responsibility of those persons involved in the Entity to conform to the laws of the State in which their entity is formed pertaining to the corporate, partnership or business trusts.

All commission and bonus checks will be made out to the legal name of the business entity. When required, an FEIN must acPŪRVii the entity filing and name change with PŪRVii.

3.8 Cross-Line Sponsoring

"Cross-line sponsoring" is defined as the enrollment of an individual or Entity that already has a current Customer, Promoter or Partner/Partner Agreement on file with PŪRVii, or who had such an agreement within the preceding six calendar months, within a different line of sponsorship. Actual or attempted cross-group sponsoring is strictly prohibited. The use of a spouse or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, Federal ID Numbers, or fictitious ID numbers to circumvent this policy is absolutely prohibited. Partners may not demean, discredit or invalidate other PŪRVii Partners in an attempt to entice another Partner to become part of the first Partner's marketing organization. This policy shall not prohibit the transfer of a PŪRVii business in accordance with the appropriate section within these Policies and Procedures.

3.9 Errors or Questions

In the event a Partner has questions about, or believes any errors have been made regarding commissions, bonuses, downline activity reports, Auto Shipments or charges, the Partners must notify PŪRVii within sixty (60) days of the date of the disputed error or incident in question. PŪRVii will not be responsible for any errors, omissions or problems after sixty (60) days.

3.10 Excess Inventory Purchases Prohibited

Partners are not required to carry inventory of products or sales aids and the PŪRVii strongly discourages Partners from carrying inventory. **PŪRVii ships product directly to the end consumer. PŪRVii does not permit more than two (2) of any one individual product that pays** <u>a fast start commission to be sold to a new Partner, one for personal use and one for retail sales.</u> In the event a Partner has a large retail order to fill, it is highly recommended that the Partner direct the PŪRVii to drop ship to the customer and not the Partner.

3.11 Governmental Approval or Endorsement

No federal, state, provincial or local regulatory or governmental agencies or officials approve or endorse any direct selling or network marketing companies or programs. Partners shall not represent or imply PŪRVii or its PŪRVii Marketing and Compensation Program have been "approved," "endorsed" or otherwise sanctioned by any government agency.

3.12 Holding Applications or Orders

Partners must not manipulate enrollments of new applicants and purchases of products. <u>All Partner Applications and product orders must</u> <u>be submitted to PŪRVii within 48 hours from the time they are executed.</u>

3.13 Identification

All Partners will provide their Social Security Number or Federal Taxpayer Identification Number to PŪRVii on the Partner Application and Agreement or in the Join process on the PŪRVii website. Upon enrollment, the PŪRVii will provide a unique Partner Identification Number to the Partner for identification. This number is used to place orders and track commissions and bonuses. Commission payments will not be sent to any Partner with a missing or invalid Social Security Number or Federal Taxpayer Identification Number.

3.14 Income Taxes

PŪRVii provides an **IRS Form 1099** MISC. (Non-employee Compensation) earnings statement to each Partner who falls into one of the following categories:

- Had earnings of over \$600 in the previous calendar year.
- Made purchases during the previous calendar year in excess of \$5,000.

A Partner is responsible for paying local, state, and federal taxes on income generated as a Partner. If a Partner is tax exempt, the exempt Federal or State Tax Identification Number along with all necessary support documentation must be provided to PŪRVii.

3.15 Independent Contractor Status

Partners are independent contractors and are not purchasers of a franchise or a business opportunity. The agreement between PŪRVii and its Partners does not create an employer/employee relationship, agency, partnership or joint venture between the PŪRVii and the Partner. Partners shall not be treated as employees for their services or for federal, state or local tax purposes. All Partners are responsible for paying any applicable taxes due from all compensation earned as a Partner. A Partner has no authority (expressed or implied) to bind the PŪRVii to any obligation. Each Partner is encouraged to establish his or her own goals, hours and methods of sale, providing he or she complies with the terms of the Partner Agreement, Policies and Procedures and any applicable laws.

3.16 Insurance

Insurance (liability, business, or other) is not a requirement to be a Partner, however, it is strongly suggested that as a Partner's business grows, that the Partner contact their insurance provider to determine whether their insurance coverage is adequate.

3.16.1 Business Pursuit Coverage

Partners may arrange for adequate insurance for their business. Homeowner's insurance policies typically do not cover business-related injuries, the theft of or damage to product inventory or business equipment. Most times, coverage can often be accomplished with a simple "Business Pursuit" endorsement attached to your present homeowner's policy. Contact your insurance provider for more detailed information. 3.16.2 Product Liability Coverage

The PŪRVii, in alliance with its vendors, maintains liability insurance to protect the PŪRVii and Partners against product liability claims, but this coverage does not cover deliberate or negligent misrepresentations by the Partners.

3.17 International Marketing

Because of critical legal and tax considerations, including, but not limited to, compliance with foreign laws regarding product approval, registration, regulations regarding ingredients, labeling, packaging, cautionary statements, taxes, literature content and language requirements, PŪRVii must limit the resale of PŪRVii products and services, and the presentation of the PŪRVii business to prospective Customers and Partners located within the United States and other countries authorized by the PŪRVii. Partners are authorized to sell PŪRVii products and services, and enroll Customers or Partners only in the countries in which PŪRVii is authorized to conduct business, as announced in official PŪRVii literature. PŪRVii products cannot be shipped into or sold in any foreign country for the purpose of resale, but may, subject to import laws of that country, be sold for personal consumption only. No Partner may sell, give, transfer, import, export or distribute PŪRVii products or sales aids in any unauthorized country, province or territory. No Partner may, in any unauthorized country, territory or province:

- · Conduct sales, enrollment or training meetings
- · Enroll or attempt to enroll potential Customers or Partners
- Conduct any other activity for the purpose of selling PŪRVii products, services or establishing a marketing organization, or promoting the PŪRVii opportunity.

3.18 Laws and Ordinances

3.18.1 Compliance with Federal State,

and Local Laws

Partners shall comply with all federal, state and local laws in the conduct of their business. The violation or attempted violation of any such law or regulation, or fraudulent or deceptive conduct, shall be grounds for disciplinary action by PŪRVii.

Although there are thousands of governing laws and statutes on the books in the numerous jurisdictions in which PŪRVii Partners operate, there is one critical federal law which requires specific publication in these Policies and Procedures: The FTC Do Not Call Registry. The penalties are significant (\$10,000 for each occurrence) and the statute also covers fax numbers, if registered. To quote from the FTC's website:

Q: Who is covered by the National Do Not Call Registry?

A: The National Do Not Call Registry applies to any plan, program or campaign to sell goods or services through interstate phone calls. This includes telemarketers who solicit consumers, often on behalf of third party sellers. It also includes sellers who provide, offer to provide, or arrange to provide goods or services to consumers in exchange for payment.

Q: What about an established business relationship?

A: A telemarketer or seller may call a consumer with whom it has an established business relationship for up to 18 months after the consumer's last purchase, delivery, or payment -even if the consumer's number is on the National Do Not Call Registry. In addition, a PŪRVii may call a consumer for up to three months after the consumer makes an inquiry or submits an application to the PŪRVii. And if a consumer has given a PŪRVii written permission, the PŪRVii may call even if the consumer's number is on the National Do Not Call Registry.

One caveat: If a consumer asks a PŪRVii or individual not to call, the PŪRVii or individual may not call, even if there is an established business relationship. Indeed, a PŪRVii or individual may not call a consumer regardless of whether the consumer's number is on the registry - if the consumer has asked to be put on the PŪRVii's or individual's own Do Not Call list.

3.18.2 Home-Based Business Requirements

Many cities, counties, states and countries have laws regulating certain home-based businesses. Partners must obey any applicable laws. If a city or county official notifies a Partner that an ordinance applies to him or to her, the Partner shall be cooperative and immediately send a copy of the ordinance to the PŪRVii.

When sampling products. Partners must check state and local statutes and regulations with regard to sampling food products as some states and counties require special permits.

3.19 Minors

A Minor is a person who is not of legal age (as recognized by the state, province or country in which they reside) to enter a legal and binding contract. Minors are ineligible to participate as a Partner, regardless of an adult with legal guardianship granting permission. No one under eighteen (18) years of age shall be permitted to become a Partner.

3.20 One PŪRVii Business

A Partner may operate or have an ownership interest, legal or equitable, in only one PŪRVii business. No individual may have, operate or receive compensation from more than one PURVii business. The Partner Agreement is voided by PURVii if the Partner or the family unit to which the Partner belongs has previously signed a Partner Agreement, unless the prior agreement expired or was terminated at least six (6) calendar months prior thereto, or the Agreement represents the exception in Section 3.20.1.

3.20.1 Married Couple Exception

The exceptions to the One Business Rule pertain to married couples and "life partners," who may maintain a separate Partner status. This exception only applies when one of the parties is in the direct line of sponsorship of the other. Both parties must be sponsored by the same Partner that enrolled the first party. A spouse (or life partner) may be directly placed under the other; however, one spouse (or life partner) cannot sponsor the other. Both parties must complete a Partner Agreement and both are individually bound to the Policies and Procedures. See Section 3.24

3.20.2 If Partners Marry

Two possibilities exist regarding a PURVii business when two Partners marry. Because of the marriage, the six-month waiting period explained in Section 3.3.4 may be waived with upline approval. The two Partner choices include:

- They may maintain their current distributorships. If one spouse is the sponsor of the other, the sponsor must be changed to the same Partner that sponsored the first. Both spouses must be sponsored by the same Partner that enrolled the first spouse so long as both are PŪRVii Partners and neither belongs to any other network marketing or multilevel PURVii.
- One spouse may terminate or sell his or her PŪRVii business and become a co-¬applicant with the other. See Section 3.23 regarding the sale of a PŪRVii business.

3.20.3 Actions of Household Partners or Affiliated Individuals

If any Partner of a Partner's immediate household engages in any activity, which, if performed by the Partner, would violate any provision of the Agreement, such activity will be deemed a violation by the Partner. The PURVii will take disciplinary action pursuant to the Policies and Procedures against the Partner. 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 PURVii will take disciplinary action against the entity.

3.21 Repackaging and Relabeling Prohibited

Partners must not re-package, re-label, refill or alter the labels on any PŪRVii products, information, materials or programs. PŪRVii products must be sold in their original containers. Re-labeling or re-packaging violates federal and state laws, resulting in severe criminal and civil penalties or PŪRVii sanctions as described in Section 11.1. Liability could arise when, as a consequence of the repackaging or relabeling of products, the persons using the products suffer any type of injury or their property is damaged.

3.22 Request for Records

Any request from a Partner for copies or other records requires a fee of \$25. These fees cover the expenses associated with the time required to research files, copy records and the postage required to mail records. Distribution by any service other than regular first-class mail will result in an additional charge. PURVii reserves the right to impose additional fees or deny a request for records depending upon the subject matter or magnitude of the request.

3.23 Sale, Transfer or Assignment

of PŪRVii Business

Although a PŪRVii business is a privately owned, independently operated business, the sale, transfer or assignment of a PŪRVii business is subject to certain limitations. If a Partner wishes to sell, transfer or assign his or her PŪRVii business, the following criteria must be met:

• No sale, assignment or transfer of any Partner entity, or Partner rights, shall be effective without the prior written consent of PURVii.

All sales, transfers or assignments are at the sole discretion of the PŪRVii. Consent by the PŪRVii will not be unreasonably withheld.

- Protection of the existing line of sponsorship must always be maintained so the PURVii business continues to be operated in that line of sponsorship.
- The buyer or transferee must not be a current Partner and the purchaser must comply with all applicable policies and procedures including Section 3.20. If the buyer is an active PŪRVii Partner, he or she must first terminate his or her PŪRVii business and remain inactive for six (6) full calendar months before becoming eligible for purchase, transfer, assignment or acquisition of any interest in the PŪRVii business.
- Prior to consent, the PŪRVii requires all documents of sale or transfer be signed and notarized by all interested parties of the sale, transfer or assignment, and submitted to PŪRVii along with a Request for the Sale or Transfer of a Partner Position Form 2011 for review and consent. These documents must particularly describe the terms of the sale.
- <u>PŪRVii maintains the Right of First Refusal to purchase the Partner business.</u> In the event PŪRVii does purchase the Partner business, any and all revenue earned by the Partner business will go to the PŪRVii.
- Before the sale, transfer or assignment will be finalized and approved by the PŪRVii, any obligations the selling Partner has with PŪRVii must be satisfied. PŪRVii reserves the right to have the purchase funds placed in a PŪRVii escrow account for 90 days before the funds will be released to the seller.
- The selling Partner must be active, in good standing and not in violation of any of the terms of the Partner Agreement or Policies and Procedures, to be eligible to sell, transfer or assign a PŪRVii business.
- If it is determined in the PŪRVii's sole discretion the Partner's business was sold, transferred or assigned in an effort to circumvent compliance with the Agreement, the Policies and Procedures or the PŪRVii Marketing and Compensation Program, the sale, transfer or assignment shall be declared null and void. The Partner business shall revert to the original Partner, and shall be treated as if the sale, transfer, or assignment had never occurred. If necessary, and at the PŪRVii's sole discretion, appropriate action, including termination, will be taken against the original Partner to ensure compliance with the Partner Agreement and the Policies and Procedures. The PŪRVii shall not be liable or responsible for any monies which may have been exchanged in the unauthorized sale of the Partner's business.
- PŪRVii will charge the Partner receiving the position \$169.95 as an administration fee upon submission to and approval by the PŪRVii for any sale, transfer or assignment. This fee will include a starter kit and one PŪRVii product. Applicable sales tax and shipping charges shall apply. This administration fee must be paid before any transfer will be approved.

3.24 Separation or Termination of a

PŪRVii Business

PŪRVii Partners may also operate their PŪRVii business as a husband-wife partnership, regular partnership, corporation(s) or trust(s). If a marriage ends in divorce, or a corporation, partnership or trust (the latter three are collectively referred to herein as "Entities") dissolves, arrangements shall be made ensuring any separation or division of the business is accomplished to not adversely affect the interests and income of other Partners up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other Partners and the PŪRVii, PŪRVii will involuntarily terminate the Partner Agreement. During a pending divorce or entity dissolution, the parties shall adopt one of the following methods of operation:

- One of the parties may, with consent of the other(s), operate the PŪRVii business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees, authorize PŪRVii to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- The parties may continue to operate the PŪRVii business jointly on a "business-as usual" basis, whereupon all compensation paid by PŪRVii will be paid in the joint names of the Partners or in the name of the Entity, to be divided as the parties may independently agree between themselves.

Under no circumstances will the downline organization of divorcing parties or that of a PŪRVii business formerly operated by two or more individuals as any form of Entity, be divided. Similarly, under no circumstances will PŪRVii split commission and bonus checks between divorcing parties or Partners of dissolving Entities. PŪRVii will recognize one downline organization and will issue one commission check per PŪRVii business, per commission cycle. Commission checks shall be issued to the same individual, joint names or to the entity. In the event parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business, the Partner Agreement shall be involuntarily canceled.

If a former spouse or a former Entity owner has relinquished all rights in his or her original PŪRVii business, these parties are thereafter free to enroll under any sponsor of their choosing, providing the 6 month waiting period requirement set forth in these Policies and Procedures is met. This spouse or partner shall have no rights to any Partners in his or her former organization or to any former retail customer. He or she must develop the new business in the same manner as any new Partner.

3.25 Sponsoring

All Partners in good standing have the right to sponsor and enroll others in the PŪRVii. Each prospective customer or Partner has the ultimate right to choose his or her own sponsor. If two Partners claim to be the sponsor of the same new Partner or customer, the PŪRVii shall regard the first application received by the PŪRVii as controlling. Industry practice suggests that the first Partner who actually works with a prospective Customer or Partner has first claim to sponsorship. Basic tenets of common sense and consideration will govern with the PŪRVii having the final authority to determine the proper sponsor.

3.26 Succession

Upon the death or incapacitation of a Partner, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the PŪRVii to ensure the transfer meets legal requirements. A Partner should consult an attorney to assist him or her in the preparation of a will or testamentary instrument. If a PŪRVii business is transferred by a will or other testamentary process, the beneficiary acquires both existing liability and the right to collect all bonuses and commissions of the deceased Partner's marketing organization, provided the below qualifications are met. If the heir so chooses, he or she may sell, transfer or assign the Partner business according to policies, see Section 3.23. If the heir(s) choose to conduct the PŪRVii business, they must:

- Execute a Partner Agreement
- · Comply with terms and provisions of the Agreement
- · Meet all of the qualifications for the deceased Partner's status
- The Benefactor must provide PŪRVii with an "address of record" to which all bonuses and commission checks will be sent. Bonus and commission checks of a PŪRVii business transferred pursuant to this section will be paid in a single check to the Benefactor

3.26.1 Transfer upon Death of Partner

To affect a testamentary transfer of a PŪRVii business, the successor must provide the following to PŪRVii:

- · An original death certificate
- A notarized copy of the will or other instrument establishing the successor's right to the PŪRVii business
- · An executed Partner Agreement

3.26.2 Transfer upon Incapacitation of a Partner

To affect a transfer of a PŪRVii business because of incapacity, the successor must provide the following to PŪRVii:

- · A notarized copy of an appointment as trustee or guardian
- A notarized copy of the trust document or other documentation establishing the trustee or guardian's right to administer the PURVii business
- A Partner Agreement executed by the trustee or guardian

SECTION 4 RESPONSIBILITIES

OF Partners

4.1 Change of Address or Telephone Numbers

To ensure timely delivery of products, support materials and commission checks, the PŪRVii files must be current. Any change of address or telephone number shall be corrected under the "Update Profile" section of the online PŪRVII back office. Updated information may also be mailed to PŪRVii's corporate office. In order to guarantee proper delivery and data entry of the change, at least two weeks notice must be provided to the PŪRVii on all changes made by mail. The PŪRVii will not be responsible for shipments that are delayed or lost due to the Partner's neglect to provide accurate and timely shipping information.

4.2 Ongoing Training

Any Partner who sponsors another Partner into the PŪRVii must perform a bona fide supervisory function to ensure that his or her downline is properly operating their PŪRVii business. Partners must have ongoing contact, communication and coaching supervision with the Partners in their downline organizations. Examples include but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Partners to PŪRVii meetings, training sessions and other functions. Upline Partners also are responsible to motivate and train new Partners in PŪRVii product knowledge, effective sales techniques, the PŪRVii Marketing and Compensation Program, and these Policies and Procedures. Partners will monitor the Partners in their downline organization to ensure downline Partners do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Partner will provide documented evidence to the PŪRVii of their ongoing fulfillment of the responsibilities of a sponsor. Failure to do so can result in termination.

Any Partner must continue to support the PŪRVii organization through training, ongoing communication, coaching, supervision, motivation and accessibility in order to continue to receive any compensation including applicable bonuses.

Any Partner hosting organizational training calls must do so at times that does not conflict with PŪRVii corporate training or informational calls. These calls are presented to allow Partners to gain information and knowledge about the PŪRVii, the products, sales tips, policies and procedures and business building and are integral to the development and success of the Partner's business.

4.3 Ongoing Sales Responsibilities

Regardless of their level of achievement, Partners have an ongoing obligation to personally promote sales through the generation of new Customers and servicing their existing Customers.

4.4 Non-Disparagement

In setting the proper example for their downline, Partners will not disparage other PŪRVii Partners, PŪRVii's products, PŪRVii's Marketing and Compensation Program or the PŪRVii's employees.

4.5 Reporting Policy Violations

Partners observing a policy violation by another Partner should bring the violation directly to the attention of the PŪRVii. The Partner should provide details of the incident including, but not limited to: date, number of occurrences, persons involved, and any supporting documentation. These reports need to be in writing and mailed or to the PŪRVii.

4.6 Reviewing Policies and Procedures with Applicants

Partners will review the most current version of the Policies and Procedures with prospective Partners prior to the applicant signing a Partner Agreement.

4.7 Confidentiality/Communications

PŪRVii business relationships with its consultants, officers and employees, marketing alliances, manufacturers, vendors, suppliers, and PŪRVii associates (collectively referred to herein as the "PŪRVii Representative"), within or outside the corporate workplace, are confidential, proprietary, and not to be circumvented by either the Partner or PŪRVii Representative. A Partner shall not contact, directly or indirectly, or speak to or otherwise communicate with any current PŪRVii Representative, except while the PŪRVii Representative is representing PŪRVii an official capacity or at a PŪRVii sponsored event at which the PŪRVii Representative is present at the request of PŪRVii or as otherwise expressly permitted in writing by PŪRVii. Under no circumstances shall a Partner contact, either directly or indirectly, or speak to or otherwise communicate with any former PŪRVii Representative without the express written permission from PŪRVii. Violation of this regulation may result in termination of the Partner and possible claims of damages against the Partner or the PŪRVii Representative. Questions regarding any of these businesses should be directed to the PŪRVii.

4.8 Release for use of Photo, Audio, Video Image, and/or Testimonial Endorsement

By becoming a Partner, Partners agree to allow the use of its or their name for recognition and marketing purposes and must provide PŪRVii with a picture of the Partner upon request, as set forth in the guidelines below.

All PŪRVii Partners grant to PŪRVii, and its successors, assigns, employees and agents, the absolute and irrevocable right and permission, with respect to any photograph, audio and/or video picture taken of them, or in which they may be included with others, and with respect to any testimonial endorsement:

- To use, reuse, broadcast, rebroadcast, publish, or republish such photo, audio, video, or endorsement, in all or in part, individually or in conjunction with any other photograph or video, or any other endorsement, in any current or future medium and for any purpose whatsoever, including (but not by way of limitation) marketing, advertising, promotion, and/or publicity; and,
- In the case of visual representations, to copyright such photograph and/or video, in the original or as republished, in the name of the PŪRVii, or in any other name. Partners hereby confirm that the information given by them as a testimonial endorsement, or represented in a photograph, video or audio is true and accurate to the best of their knowledge. By submitting the testimonial, the Partner hereby waives any right that they may have to inspect or approve the finished or unfinished product or products, the advertising copy, printed, recorded, photographic or video matter which may be used in connection therewith, or the use to which it may be applied.

• Partners hereby release and discharge the PŪRVii, and its and their successors, assigns, employees, and agents, from any and all liability, claim or demand arising out of or in connection with the creation and the use of the above-mentioned photograph, video, audio or endorsement, including any claim for defamation.

SECTION 5 SALES REQUIREMENTS

5.1 Product Sales

The PŪRVii Marketing and Compensation Program is based upon the sales of products and services to end consumers. Partners must fulfill specified personal and downline organization retail sales requirements and meet responsibilities set forth in the Agreement, to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied by Partners to be eligible for commissions:

- Partners must satisfy their monthly Personal Bonus Volume requirements as stated in the PŪRVii Marketing and Compensation Program. Personal Volume shall include purchases made by the Partner and purchases made by the Partner's Retail Customers and Preferred Customers (PCs).
- A minimum of seventy percent (70%) of a Partner's personal orders, including AutoShip, must be used or sold to his or her personal Retail Customers. Partners may not purchase additional products until at least seventy percent (70%) of the previous order has been used or sold to end consumers.

5.1.1 Buyer's Right to Cancel

All Partners must notify both new Partners and customers of the following:

NOTICE OF RIGHT TO CANCEL

You may cancel this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date (five days for Alaska residents).

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN (10) business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will

be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good a condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you make the goods available to the seller and the seller does not pick them up within twenty (20) days of the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, to PŪRVii NOT LATER THAN MIDNIGHT of the third business day following the date set forth above.

The PŪRVii Sales Order Form contains all legally required notices. <u>It must be given to the buyer on every sale. In addition, the Partner</u> must orally inform the buyer of the three-day right to cancel at the time the buyer signs the contract of sale or purchases the goods.

5.2 No Price or Territory Restrictions

Partners are not required to sell PŪRVii products at the suggested retail prices set by PŪRVii on the PŪRVii price list. Partners may sell PŪRVii products at any reasonable price they choose. There are no exclusive territories granted to any PŪRVii Partner to market products or for sponsoring new Partners.

SECTION 6 BONUSES AND COMMISSIONS

6.1 Bonus and Commission

PŪRVii shall pay commissions to the Partner in accordance with the PŪRVii Marketing and Compensation Program. Unless specified differently, bonuses and commissions are paid weekly, monthly and to the PŪRVii for a refund, the bonuses and/or commissions attributable to

the returned product(s) will be deducted until recovered from the Partner(s) who received the bonus or commissions on the sales of the refunded goods. If necessary, the Partner(s) will be billed the amount of the adjustment until the account is cleared.

6.3 Unclaimed Commissions and Credits

Commissions are void after 90 days from their date of issuance. <u>Customers or Partners that have a credit account must use the credit</u> within six (6) months from the date that the credits were issued.

SECTION 7 ORDERING

7.1 Sales Goals

The foundation of a successful enterprise can be found on two platforms: developing and expanding product sales to end consumers who will become repeat customers; and the development (enrollment, encouragement and continued coaching) of a downline. It is strongly suggested that the time be divided equally, as each portion of the foundation is necessary to support the other. Without retail product sales, the organization will collapse. PŪRVii is a product and service based direct sales company.

7.1.1 Wholesale Customer Program (WC)

Partners are encouraged to promote the wholesale customer program to retail customers. A Retail Customer can become a Wholesale Customer at any time by setting up a monthly subscription of any PŪRVii product. There is no minimum purchase required as long as there is at least one product on subscription. The Partner that enrolled the Wholesale Customer will receive 20% of the total CV (commissionable volume) purchased and 50% of the CV will be paid to the Partner in their weekly Binary Team Commission.

7.1.2 Monthly Subscription Program

Under this program, the Partner or WC authorizes PŪRVii to have a specified dollar amount drafted automatically from their checking account or credit card account. This amount is based upon a pre-selected order, assuring the Partner has met his or her monthly volume requirements. PŪRVii will send the Partner or Wholesale Customer their preselected order every 4 weeks, allowing the Partner or Wholesale Customer to choose from many products each month for retailing or personal use.

Disclosure of the Subscription program to prospective new Partners is mandatory. A sponsoring Partner will not place anyone on a monthly subscription or select products for them without total disclosure of the exact amount they will be billed monthly and what products or services they will receive. The new Partner must agree to utilization of the Subscription program before the Subscription Profile is setup. Violation of this policy may result in termination.

<u>A Subscription is not mandatory for any Partner.</u> Monthly volume requirements are encouraged to be achieved through personal use purchases, which may be met through a subscription and PC <u>AutoShips. Partners or WCs refusing a Subscription will result in all</u> <u>Subscriptions being stopped.</u>

Partners electing to receive Subscription orders agree to do so under the 70% Rule (See <u>Section 5.1.1</u>) requiring them to sell or consume at least 70 percent (70%) of their previous order prior to receiving the next month's order.

7.2 Purchasing PŪRVii Products

Each Partner must purchase his or her products directly from PŪRVii. If a Partner purchases products from another Partner, or any other source, the purchasing Partner will not receive the Personal Sales Volume associated with that purchase as it was previously credited to another Partner, nor will they be able to obtain a refund or exchange from PŪRVii.

7.3 General Order Policies

PŪRVii will attempt to contact the Partner either by telephone, email or regular mail to obtain another payment regarding mail orders with invalid or incorrect payment. If these attempts are unsuccessful after five working days, the order will be returned unprocessed. No C.O.D. orders will be accepted.

7.4 Shipping and Back-Order Policy

PŪRVii will make every effort to ship products within five (5) business days from the date on which it processes an order, although we strive to maintain "Out the Door in 24!," PŪRVii will expeditiously ship any part of any order currently in stock. If an ordered item is out of stock, the item will be placed on back-order and shipped as soon as PŪRVii receives additional inventory. Partners will be charged and given Personal Sales Volume on back-ordered items unless notified that the product has been discontinued. PŪRVii will notify Partners and WCs if items are back-ordered and are not expected to ship within 30 days from the date of the order. An estimated shipping date also will be provided. Back-ordered items may be substituted for other products upon a Partner's or Wholesale Customer's written request.

7.5 Confirmation of Order

A Partner 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 the PŪRVii of any shipping discrepancy or damage within ten (10) days of receipt will void the right to request a correction.

SECTION 8 PAYMENTS AND SHIPPING

8.1 Deposits and Prepayments

No money shall be paid to or accepted by a Partner for sale to a Retail Customer except at the time of product delivery. Partners will not accept money from Retail Customers to be held for deposit in anticipation of future deliveries.

8.2 Restrictions on Third-Party Use of Credit Cards and Checking Accounts

Without the express written permission of PŪRVii, <u>Partners must not permit other Partners or Customers to use their personal credit</u> <u>card or permit debits to their checking accounts, either to enroll or make purchases from the PŪRVii.</u> Partners shall not place their credit card or debit card information on the account of any other Partner, either to enroll that Partner or make purchases from the PŪRVii. In the event this occurs, PŪRVii will not be responsible for any charges incurred by the actual credit card holder.

8.3 Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of a Partner Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Partner or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Partners or Customers ("phantoms"); (d) purchasing PŪRVii products or services on behalf of another Partner or Customer, or under another Partner's or Customer's I.D. number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods or services that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers.

Disputes arising from the voluntary use of a Partner's credit card on another account will result in all monies paid out by PŪRVii to the complainant being deducted from the cardholder's account.

8.4 Chargebacks

Partners shall not resolve billing disputes through the issuance of chargebacks to their credit cards. All billing disputes must be handled by contacting the PŪRVii Customer Support. If unable to achieve resolution through these channels, the Partner should contact the PŪRVii legal department. Chargebacks are costly to the PŪRVii including loss of revenue and product and fees charged by the credit card companies. Failure to follow these procedures will result in termination of the Partner's business.

Filing a false chargeback claim rather than going through the normal refund policy may also result in civil charges being filed by PŪRVii against the offending party.

8.5 Sales Taxes

For purchases made from the PŪRVii, PŪRVii collects and remits applicable state taxes which may be due on the suggested retail selling price of those products and/or materials which are subject to tax. The applicable rate of tax due is based on the address to which the product and/or material is delivered. If a Partner has submitted a current Sales Tax Exemption Certificate and Sales Tax Registration License or other valid exemption document, sales tax will not be added to the invoice. In that case the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be then upon the Partner. Exemption from the payment of sales tax is applicable only to orders that are shipped to a country, state 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 state or province. Any sales tax exemption accepted by the PŪRVii will not be retroactive.

SECTION 9 PRODUCT GUARANTEES, RETURNS, AND INVENTORY REPURCHASES

9.1 Product Guarantee

PŪRVii guarantees its products against container rupture, faulty workmanship or inadvertent product shortage. The broken or damaged item will be replaced at no cost to the Partner or Customer upon receiving the damaged product back at the PŪRVii shipping facility.

Failure of the Partner to fulfill the above obligation will result in PŪRVii honoring this guarantee, refunding the appropriate money for a return and deducting the refunded amount plus a \$30 processing fee from the Partner's account.

9.1.2 Returns by Customers directly to PŪRVii

PŪRVii offers Customers (not Partners) an unconditional 7 day, money-back guarantee. If for any reason a Customer is dissatisfied with any PŪRVii product or service, he or she may return that product to the PŪRVii within 7 days for a replacement, exchange or a full refund of the purchase price, less shipping charges. Volume for any returns will be deducted during the volume week and month of the refund, with volume being deducted from the upline Partners that profited from the original sale. There are no refunds on any service that has been completed. Refunds will not be given for the current month of services.

9.1.3 Returns by Partners — (Personal Consumption Products Only)

If a Partner is dissatisfied with any PŪRVii product purchased for personal use, PŪRVii will exchange products for sixty days from the shipment date. As a result of an exchange, there will be no future credits offered if the product exchanged for is not of equal value. All returns must be postmarked within fifteen (14) days of receipt of a RMA number, see <u>Section 9.1.5</u>.

9.1.4 Returns by Partners upon Resignation

Any Partner who terminates their position must notify the PŪRVii in writing. At that time, any unused salable product that has shipped within the last 14 days of the termination date may be returned to PŪRVii.

9.2 Procedures for Returns

The following procedures apply to all returns for refund, repurchase or exchange:

- The Partner or Customer who purchased it directly from PŪRVii must return all merchandise (except as allowed for in Article 9.1.1. above) PŪRVii recommends that the Partner or Customer take pictures of package before returning to PŪRVii and submit the picture with an explanation to support@purvii.com
- · Products are not considered current or resalable if:
 - Returned after the product's commercially usable or shelf life has passed.
 - If they are used or have been consumed.
 - If PŪRVii has stated prior to the purchase that the products are seasonal or special promotion products (including Show Specials) and are not subject to the repurchase obligation.
 - If the products are discontinued.
- The return must be accompanied by:
 - · A copy of the original dated retail sales receipt or invoice.
 - The unused portion of the product in its original container if doing an exchange.
 - Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement or refund.
 Partners must use UPS, Federal Express, or other similar shipper that has shipment tracking capabilities. Insurance on the package is advisable as any loss or damage is the responsibility of the Partner until delivery to PŪRVii. All returns must be shipped to PŪRVii shipping prepaid. PŪRVii does not accept collect-shipped or damaged packages. If returned products are not received by the PŪRVii's Distribution Center, it is the responsibility of the Partner to trace the shipment.
- If a Partner is returning merchandise to PŪRVii that was returned to him or her by a Retail Customer, the product must be received by PŪRVii within 14 days from the date on which the Retail Customer returned the merchandise to the Partner, and shall be accompanied by the sales receipt the Partner provided the Customer at the time of sale. No refund or replacement of product will be made if the conditions of these requirements are not met.
- If there is no damage to the shipment or the items, a refund will be issued no later than thirty (30) days after receipt of the shipment.
- If the shipment or the contents arrive damaged, digital photos will be taken. A postcard will be mailed to the shipping Partner explaining the damage. The Partner will have thirty (30) days in which to file a claim with the shipper for the damages and notify the PŪRVii. If the Partner fails to: (1) file a claim against the shipping PŪRVii; and (2) notify PŪRVii of that claim, after thirty (30) days, PŪRVii will destroy the product and no refund will be made. Please note that this is not a PŪRVii rule: In all cases, whoever ships the product is the ONLY one who may file a claim

for damages.

9.2.1 Sales Aids

Sales tools are a completely optional purchase and while these tools may assist the user in achieving measures of success, they are not mandatory for success, nor are they in any way considered to be the acceptable or endorsed method for success. And, since the creation of these tools is an ever-evolving process, exchanges are only permitted for thirty (30) days after direct purchase from PŪRVii. Sales tools represent an exception to the Partner Product Exchange Policy.

Sales aids have no personal or business volume attached to the purchase. Partners may sell or offer to sell PŪRVii sales tools only to other PŪRVii Partners provided the price charged does not exceed the price set forth by the PŪRVii. Misleading statements which, in any way, compel a Partner to make purchases of sales tools from the PŪRVii or from the Partner will result in punitive actions by the PŪRVii including a fine to the selling Partner for the entire purchase amount.

9.3 Business Volume and Returns

Organizations and Partners accumulate Business Volume through the sale of products in AutoShip, website orders, PC online ordering and products purchased by new enrollees. At the time of refund, the Business Volume attributed to the order will be deducted in its entirety from the organization that originally benefited by the sale.

SECTION 10 INACTIVITY AND CANCELLATION

10.1 Effect of Cancellation

The PŪRVii shall pay commissions to Partners in accordance with the PŪRVii Marketing and Compensation Program to any Partner who complies with the terms of the Partner Agreement and these Policies and Procedures. A Partner's bonuses and commissions constitute the entire consideration for the Partner's efforts in generating sales and all activities related to generating sales. Following a Partner's non-renewal of his or her Partner Agreement, or voluntary or involuntary cancellation of his or her Partner Agreement (all of these methods are collectively referred to as "cancellation") or termination, the former Partner shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. Following a Partner's cancellation of his or her Partner Agreement, the former Partner shall not hold him/herself out as a PŪRVii Partner and shall not have the right to sell PŪRVii products or services or attend PŪRVii-related events. A Partner whose Partner Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she worked prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation or termination.

10.2 Inactive Status

It is the Partner's responsibility to lead his or her marketing organization with the proper example in personal commissions from sales generated through his or her marketing organization. If a Partner has not fulfilled his or her Personal Volume requirements for a period of one hundred eighty (180) days, his or her Partner Agreement shall be deemed canceled and the Partner status will irreparably change to RC status with only those rights and benefits afforded to RCs. This change of status will become effective on the day following the last day of the sixty day period of inactivity. Partners will be given a 15 day grace period after the one hundred eighty day period of inactivity to reinstate their position. PŪRVii is not obligated to provide written confirmation of the change of status.

10.3 Involuntary Cancellation

Partners in violation of any of the terms of the Agreement, including any amendments that may be made by PŪRVii will result in any of the sanctions listed in <u>Section 11.1</u>, including the involuntary cancellation or termination of his or her Partner Agreement. Cancellation shall be effective on the date on which written notice is mailed with return receipt requested, to the Partner's last known address.

10.4 Voluntary Cancellation

A Partner may voluntarily cancel his or her Partner Agreement at any time for any reason by contacting PURVii customer support.

10.4.1 Non-renewal

A Partner also may voluntarily cancel his or her Partner Agreement by failing to renew the Agreement on its anniversary date.

SECTION 11 DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

11.1 Disciplinary Sanctions

Violation of the Partner Agreement, these Policies and Procedures, or any illegal, fraudulent, deceptive or unethical business conduct by a Partner will result, in one or more of the following corrective measures:

- Issuance of a written warning or reprimand. Probation for a specific period of time is one option, depending upon the severity of the offense, during which time the Partner will refrain from any other infractions.
- Imposition of a fine that can range from \$0 to \$1,000,000, which will be withheld from bonus and commission checks. Fines will vary according to the infraction and Partner's rank and may include amounts to cover the cost of the infraction(s) or future restitution.

- Loss of rights to one or more bonus and commission checks. This can be in the form of a suspension which prohibits further Partner activity until the case is resolved.
- Adjustment of any marketing organization, including the movement of all or part of the marketing organization to another Partner.
- · Involuntary termination of the offender's Partner Agreement.
- Requiring the Partner to take immediate corrective measures.
- · Any other measure expressly allowed within any provision of the Agreement.
- Any other measure which the PŪRVii deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Partner's policy violation or contractual breach.
- PŪRVii may withhold from a Partner all or part of the Partner's bonuses and commissions during the period that PŪRVii is investigating any conduct allegedly in violation of the Agreement. If a Partner's business is canceled for disciplinary reasons, the Partner will not be entitled to recover any commissions withheld during the investigation period.
- PŪRVii may institute legal proceedings for monetary and/or equitable relief or prosecute criminally in its sole discretion.

11.1.1 Review

Disciplinary reviews are conducted by the PŪRVii legal department to protect Partners, consumers and the PŪRVii against negative publicity, legal ramifications or financial hardship and to ensure the adherence to the corporate guidelines outlined in these policies and procedures. Investigations are a non-biased collection and examination of the facts and circumstances surrounding a particular action, event, or individual that there is reason to believe is in violation of the PŪRVii Policies and Procedures or criminal, civil or regulatory law.

In order to resolve these issues in a timely manner, Partners agree to cooperate fully and provide complete and accurate information to the investigator.

11.2 Grievances and Complaints

When a Partner has a grievance or complaint with another Partner regarding any practice or conduct in relationship to their respective PŪRVii businesses, the complaining Partner shall first report the problem to his or her immediate upline who will review the matter and attempt to resolve issues with the other party's upline. If the issues cannot be resolved, it must be reported in writing to the PŪRVii. PŪRVii will review the facts and attempt to resolve issues. In the event the issue cannot be resolved, the grievance shall be referred to the Dispute Resolution Board for final review and determination. You may also contact PURVII customer support. Partner uplines have no authority to resolve any issues that circumvent, oppose or contradict the Agreement, the Policies and Procedures or PŪRVii's Marketing and Compensation Plan.

11.3 Dispute Resolution Board

The purpose of the Dispute Resolution Board ("DRB") is:

- (1) To review appeals of disciplinary sanctions.
- (2) To review matters between two or more PŪRVii Partners.

(3) After response or settlement instituted by the PŪRVii legal department has been denied or otherwise remains unresolved, the Dispute Resolution Board (DRB) shall review evidence, deliberate and respond to current exceptional issues on a collective basis.

A Partner may submit a written request for a telephone or in-person hearing within seven (7) business days from the date of:

- (1) The written notice by PŪRVii of disciplinary action.
- (2) The written decision regarding disputes between Partners.

<u>All communication with PŪRVii and the Partner seeking resolution of a dispute must be in writing.</u> It is within the DRB's discretion whether a claim is accepted for review. If the DRB agrees to review the matter, it shall schedule a hearing within two (2) weeks of receipt of the Partner's written request. All evidence, i.e., documents, exhibits, etc., that a Partner desires to have considered by the DRB must be submitted to PŪRVii no later than seven (7) days before the date of the hearing. The Partner shall bear all of the expenses related to his or her attendance and the attendance of any witnesses he or she desires to be present at the hearing. The decision of the Dispute Resolution Board will be final

and subject to no further review. During the pendency of the appeal before the DRB, the Partner waives his or her right to pursue arbitration or any other remedy.

11.3.1 Appeals of Involuntary Termination

Following an involuntary termination, the canceled Partner may appeal the termination to the Dispute Resolution Board ("DRB"). The Partner's appeal must be in writing and received by the PŪRVii within twenty-five (25) days of the date of PŪRVii's termination notice. The Partner must submit all supporting documentation with his or her appeal correspondence. The written appeal will be reviewed by the DRB. If the Partner files a timely Appeal of Termination, the DRB will review and reconsider the termination, consider any other appropriate action, and notify the Partner in writing of its decision. If PŪRVii does not receive the appeal within the 25-day period, the cancellation will be automatically and irrevocably deemed final.

11.4 Arbitration

Any controversy or claim by any current or former Partner arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. Judgment in the award rendered by the arbitrator may be entered in any court having jurisdiction thereof If a current or former Partner files a claim or counterclaim against PŪRVii, he or she may do so only on an individual basis and not with any other current or former Partner, or as part of a class or consolidated action. **Current or Former Partners waive all rights to trial by jury or to any court**. All arbitration proceedings shall be held in Sarasota County, Florida.

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 sales industry, selected from the panel that the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees.

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 the PŪRVii 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 PŪRVii'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.

11.5 Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside in Sarasota County, Florida. The law of the State of Florida shall govern all disputes arising from the Agreement.

SECTION 12 GLOSSARY OF TERMS

12.1 Definitions

ACTIVE Partner — A Partner who satisfies the minimum Personal Bonus Volume requirements, as set forth in the PŪRVii Marketing and Compensation Plan, to ensure that a Partner Agreement remains in force.

ACTIVE RANK — The term "active rank" refers to the current rank of a Partner, as determined by the PŪRVii Marketing and Compensation Plan, for any calendar month or volume period. To be considered "active" relative to a particular rank, a Partner must meet the criteria set forth in the PŪRVii Marketing and Compensation Program for his or her respective rank. (See the definition of "Rank" below.)

AGREEMENT — The contract between the PŪRVii and each Partner includes the Partner Application and Agreement, the PŪRVii Policies and Procedures, the PŪRVii Marketing and Compensation Program, and the Entity Application and Agreement (where appropriate). These documents collectively are referred to as the "Agreement."

COMMISSIONABLE VOLUME (CV) — The commissionable value of products and services sold by the PŪRVii.

COMMISSIONABLE PRODUCTS AND SERVICES — All PŪRVii products and services on which commissions and bonuses are paid.

PŪRVii — The term "PŪRVii" as it is used throughout the Agreement means PŪRVii and any other subsidiary or affiliate of PŪRVII.

CUSTOMER — When the term "Customer" (with an uppercase "C") is used in these Policies and Procedures or other PŪRVii literature, it refers to a Wholesale Customer. For purposes of these Policies and Procedures, and the PŪRVii Marketing and Compensation Program, Customers are not Partners. If a Customer subsequently decides to become a Partner, he or she must properly complete a Partner Agreement. When

reference is made to Retail Customer, the term "Retail Customer" will be used.

DOWNLINE - See "Marketing Organization" below.

DOWNLINE LEG — Each one of the individuals enrolled immediately underneath a particular Partner and their respective marketing organization represents one "leg" in the particular Partner's marketing organization.

END CONSUMER — A person who purchases PŪRVii products for the purpose of personally consuming them, rather than for resale to someone else.

ENTITY AGREEMENT — A binding contract entered into by PŪRVii and any Partner who wishes to choose a corporate or partnership form of business. Upon acceptance by the PŪRVii, this contract, together with the Policies and Procedures, Partner Application and Agreement and PŪRVii Marketing and Compensation Program, spells out the complete rights of each party.

GROUP SALES VOLUME — The commissionable value of PŪRVii products generated by a Partner's marketing organization. Group Sales Volume includes the Personal Sales Volume of the subject Partner and is used for rank qualification only.

Partner — Any person or business entity that has submitted a complete PŪRVii Partner Agreement, has been accepted by PŪRVii and is authorized to merchandise PŪRVii products, sponsor others, and to receive compensation in accordance with the requirements of the Sales Compensation Plan. A Partner's relationship to PŪRVii is governed by the Partner Agreement, which is a fully enforceable contract. A Partner is a fully Independent Contractor.

Partner TRAINING MANUAL — A selection of PŪRVii training materials and business support literature that each new Partner has the option to purchase.

INDEPENDENT CONTRACTOR — Any Partner who merchandises the PŪRVii products in accordance with the Marketing and Compensation Plan and according to his or her own methods and abilities, and who is subject to the PŪRVii's oversight only as to the PŪRVii Policies and Procedures, Partner Agreement and the Compensation Plan.

INVOLUNTARY CANCELLATION — The termination of a Partner's Agreement and PURVii business that is initiated by PURVii.

LEVEL — The layers of downline Partners in a particular Partner's marketing organization. This term refers to the relationship of a Partner relative to a particular upline Partner, determined by the number of Partners between them who are related by sponsorship. For example: if A sponsors B, who sponsors C, who sponsors D, who sponsors E, then F is on A's fourth level.

OFFICIAL PŪRVii MATERIAL — Literature, audio or video and other materials developed, printed, published or distributed by PŪRVii to Partners.

OVERRIDE — Compensation paid by PŪRVii to Qualified Partners based on the Commissionable Volume of products sold by that Partner's personal group as set forth in the Marketing and Compensation Plan.

PERSONAL PRODUCTION - Selling product to an end consumer for personal use.

POLICIES AND PROCEDURES — The policies governing how a Partner is to conduct his business with PŪRVii, Partners and Customers as set forth in this document.

RANK — The "title" that a Partner has achieved pursuant to the PURVii Marketing and Compensation Plan.

RECRUIT — For purposes of PŪRVii's Conflict of Interest Policy (Section 3.6), the term "recruit" means to solicit, attempt to enroll, encourage, or attempt to influence in any way, either directly or through a third party, another PŪRVii Partner or Direct Customer to enroll or participate in another marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the Partner's actions are in response to an inquiry made by another Partner or Direct Customer.

RESALABLE — Goods and sales aids shall be deemed "resalable" if each of the following elements is 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 Partner or Direct Customer price; 4) products are returned to PŪRVii within 30 days from the date of purchase; 5) the product expiration date has not elapsed; and 6) the product contains current PŪRVii labeling. Any merchandise that is clearly identified at the time of sale as non-returnable, discontinued, part of a special promotion including

show specials or as a seasonal item shall not be resalable.

RETAIL CUSTOMER — An individual who purchases PŪRVii products directly from a Partner.

RETAIL SALES COMMISSION — The difference between the discounted price of products and the retail price a Partner receives for products when they are resold.

SPONSOR — A Partner who enrolls another Partner into the program. The sponsoring Partner then takes responsibility for the training and success of the new Partner. In the event that the original Sponsor resigns or otherwise fails to remain active, the next level active Partner in the organization shall become the successor sponsor.

SUGGESTED RETAIL PRICE (SRP) — The price at which the PŪRVii suggests Partners sell a particular product or service to Retail Customers.

UPLINE — This term refers to the Partner or Partners above a particular Partner in a sponsorship line up to PŪRVii. Conversely stated, it is the line of Sponsorship that links any particular Partner to PŪRVii.

VOLUNTARY CANCELLATION — The termination of a Partner or Customer Agreement instituted by the Partner or Customer who elects to discontinue his or her affiliation with PŪRVii (other than as a direct or Retail Customer) for any reason other than a termination instituted by PŪRVii for breaching the Agreement.