



Canada Policies and Procedures Manual

As a Brand Partner of Nerium Canada Ltd. (hereafter the “Company”), you are required to understand and comply with all rules, regulations, policies, and procedures contained in this Brand Partner Policies & Procedures Manual (the “Policy Manual”) that may be published or disseminated by the Company. The Company reserves the right to amend this Policy Manual by publishing or transmitting amendments as it deems appropriate.

The Company honours all Federal, Provincial, Territorial, and local regulations governing network marketing, and requires every Brand Partner to do the same. It is, therefore, very important that you read and understand the information contained in this Policy Manual. If you have any questions regarding any rule or policy, seek an answer from your Sponsor, upline leader, or the Company Department of Ethics and Compliance. The Code of Professional Ethics is included in Section 12 of this Policy Manual; you should review these materials and make them a part of your planning.

All currency in this document is Canadian \$ unless otherwise specified.

CONTENTS

SECTION ONE:	BRAND PARTNER STATUS	2
SECTION TWO:	TERM AND RENEWAL	4
SECTION THREE:	SPONSORSHIP	5
SECTION FOUR:	RESIGNATION/TERMINATION	7
SECTION FIVE:	TRANSFERABILITY	9
SECTION SIX:	PROPRIETARY INFORMATION	11
SECTION SEVEN:	TRADEMARKS, LITERATURE, AND ADVERTISING	12
SECTION EIGHT:	PAYMENT OF COMMISSIONS	16
SECTION NINE:	PURCHASE AND SALE OF PRODUCTS	17
SECTION TEN:	CUSTOMER RETURNS	24
SECTION ELEVEN:	GENERAL PROVISIONS	26
SECTION TWELVE:	CODE OF PROFESSIONAL ETHICS	29

SECTION ONE: BRAND PARTNER STATUS

- 1.01 Becoming a Brand Partner.** An applicant becomes an independent Brand Partner (“Brand Partner”) of the Company when the following requirements are fulfilled:
- a) The applicant’s completed Brand Partner Application and Agreement (the “Agreement”) and any related documents have been received and accepted by the Company at its business office in Addison, Dallas County, Texas, USA.
 - b) The applicant purchases at or below Company cost, a Brand Partner Launch Kit, which contains Brand Partner Forms (including but not limited to Brand Partner Applications and Product Order Forms), Company Information and Brochures, which are sales aid materials (not for resale). This sum is not a service or franchise fee, but rather is strictly to offset costs incurred by the Company for educational and business materials required for a Brand Partner of the Company.
 - c) The Company reserves the right to decline to accept any Agreement for any reason at its sole discretion.
- 1.02 No Purchase Required.** Except as set forth above, no purchase is required to become a Brand Partner.
- 1.03 Brand Partner Obligations and Rights.** A Brand Partner is authorized to sell the Company’s products and services and to participate in the Company’s Compensation Plan. A Brand Partner may sponsor new Brand Partners into the Company.
- 1.04 Legal Age.** A Brand Partner shall be 18 years of age or older.
- 1.05 Common Address.** No more than three (3) Brand Partners or Customers may ship product to the same shipping address.
- 1.06 Married Couples.** Married couples and their dependent children shall share a single Brand Partner entity. Brand Partners who subsequently marry shall maintain separate Brand Partner status unless one is the direct Sponsor of the other, in which case their Brand Partner entities may be consolidated. When a couple sharing a Brand Partner entity divorces or separates, the Company will continue to pay commission checks in the same manner as before the divorce or separation until it receives written notice, signed by both parties or issued by a court decree which specifies to whom future commission checks should be paid, provided the couple has complied with the requirements of Section 5.03, if applicable.
- 1.07 Simultaneous Interests.** A Brand Partner and spouse and dependents may not have simultaneous beneficial interests in more than one Brand Partner position entity. For example, a shareholder of a corporation that is a Brand Partner may not become an individual Brand Partner.
- 1.08 Corporations and Partnerships.** Corporations and Partnerships may become a Brand Partner of the Company when the Agreement is accompanied by copies of the following documents within thirty (30) days after the Agreement is accepted; otherwise, the Brand Partner position may go into suspension:
- a) Articles of incorporation and Partnership agreement, as applicable;
 - b) A complete list of all directors, officers, and shareholders involved in a corporation, or all general and limited Partners of a Partnership, and if the partner is a corporation then a complete list of all directors, officers and shareholders involved in a corporation as applicable.
 - c) A Business Number or other identification number as the Company may approve in its sole discretion; and
 - d) Such other documents and information as may be reasonably requested from time to time.

Shareholders, directors, officers, partners, members, beneficiaries, and trustees, as applicable, of a Brand Partner entity shall agree to be and the Company will hold each personally liable to the Company and bound by the Agreement and the Policy Manual.

- 1.09 Fictitious and/or Assumed Names.** A person or entity may not apply as a Brand Partner using a fictitious or assumed name without Company approval which may be withheld in the Company's sole discretion.
- 1.10 Independent Contractor Status.** A Brand Partner is an independent contractor. Brand Partner is not a franchisee, joint venture Partner, business Partner, employee or agent of the Company, and Brand Partner is prohibited from stating or implying, whether orally or in writing, otherwise. Brand Partner has no authority to bind the Company to any obligation. The Company is not responsible for payment or co-payment of any employee benefits. Brand Partner is responsible for liability, health, disability and workmen's compensation insurance. Brand Partner sets Brand Partner's own hours and determines how to conduct Brand Partner's business, subject to the Agreement and the Policy Manual.
- 1.11 Taxation.** You will be fully responsible for compliance, including charging, collecting, paying and remitting, all applicable federal and provincial taxes, including goods and services tax (GST) and harmonized sales tax (HST), Quebec sales tax (QST) and provincial sales taxes (PST), income taxes, withholding taxes, source deductions, employment insurance premiums, Canada Pension Plan contributions, worker's compensation contributions and provincial employee health tax contributions, as well as any other levies, premiums, license requirements and fees related to your earnings and activities as a Brand Partner. You must pay for your own license fees and any insurance premiums, and if required, obtain a business number.
- 1.12 Legal Compliance.** A Brand Partner shall comply with all Federal, Provincial, Territorial and local statutes, regulations, and ordinances concerning the operation of Brand Partner's business. A Brand Partner is responsible for Brand Partner's own managerial decisions and expenditures including all estimated income and self-employment taxes.
- 1.13 Brand Partner Identification Number.** A Brand Partner will be assigned a Company International ID number for purposes of the Brand Partner's business with the Company. This number shall be placed on all orders and correspondence with the Company hereinafter referred to as the Brand Partner Identification Number ("BPIN"). The Company will use this number in all internal Brand Partner transactions. A Brand Partner may be asked for a Social Insurance Number (SIN) or GST/HST and QST registration numbers depending on income earned. Any taxes, penalties and interest incurred by the Company as a result of an incorrect or invalid SIN or GST/HST or QST registration number furnished to the Company will be the responsibility of Brand Partner.
- 1.14 No Exclusive Territories.** There are no exclusive territories for marketing or sponsoring purposes, nor shall any Brand Partner imply or state that Brand Partner has an exclusive territory. No franchise is granted and there are no exclusive territories for sales or sponsoring purposes. No geographical limitations exist on Brand Partner sponsoring within any country in which the Company is approved to do business.
- 1.15 Other Products.** A Brand Partner agrees that no products except the Company's products approved for sale in their country shall be sold or shown at any event where the Company's products are sold or shown. During the term of the Brand Partner Agreement, and for a period of six months thereafter, Brand Partner is prohibited from selling or promoting any competing products or services or marketing programs to any of the Company's Employees, Agents or Brand Partners, except those Brand Partners personally-sponsored by Brand Partner. Any Brand Partner found in violation of this subsection risks the loss of buying privileges, possible suspension and/or termination of Brand Partner position and participation in the Company Compensation Plan, and the Company will pursue all legal recourses to recover damages.
- 1.16 Cross-Group Selling.** Selling to other Company Brand Partners in order to receive credit for bonuses and advancement is prohibited. Brand Partner shall obtain all of Brand Partner's Company products, literature and materials directly from the Company. Any violation of this rule subjects Brand Partner to possible suspension and/or termination.
- 1.17 Contacts.** Brand Partners are to limit all corporate communication to the office and staff of the Company. No direct contact is to be made with the Company's partners, suppliers, consultants, or hired professionals without the express written approval of the Company.

SECTION TWO: TERM AND RENEWAL

2.01 Term. Subject to the provisions of Section Four, the Agreement shall have a term beginning on the date of acceptance by the Company and ending one year from the date thereof (the "Anniversary Date").

2.02 Annual Renewal. A Brand Partner authorizes Company to automatically renew their Brand Partner's status annually. The annual renewal fee is posted in the Online Business Center or is available through the Company Support and is due on the Anniversary Date of enrollment. A Brand Partner not renewing by the renewal date, as provided herein, shall be deemed to have voluntarily terminated their Brand Partner position relationship with the Company and will thereby lose their Brand Partner position, all sponsorship rights, their position in the Compensation Plan, all rights to commissions and bonuses, and the ability to purchase products from the Company at wholesale prices. A Brand Partner who fails to renew his/her Brand Partner status may not reenroll under a new Sponsor for six (6) months after non-renewal.

SECTION THREE: SPONSORSHIP

- 3.01 Sponsoring.** A Brand Partner may sponsor other Brand Partners in any country, Province, State or Territory, or part thereof in which the Company has authorized. Sponsors shall ensure that each new Brand Partner has received, had access to, and understands the Company's Agreement, the Policy Manual and the Compensation Plan of that Brand Partner's jurisdiction. A Brand Partner will be compensated only for the generation of sales volumes, not for sponsoring new Brand Partners into the program.
- 3.02 Multiple Agreements.** If an applicant submits multiple Agreements that list different Sponsors, only the first completed Agreement to be received by the Company will be accepted. The decision of the Company in recognizing the official Sponsor is final.
- 3.03 Training Requirement.** Brand Partners are required to assure the adequate training of Brand Partners they sponsor. A Sponsor shall maintain an ongoing professional leadership association with Brand Partners in the organization and shall fulfill the obligation of performing a bona fide supervisory, distribution and selling function in the sale or delivery of products and services. Upon request, a Brand Partner must be able to provide the Company with evidence of ongoing fulfillment of Sponsor responsibilities, including training.
- 3.04 Income Claims.** No income projections, including those based solely on mathematical projections or "ideal projections" of the Company Compensation Plan may be made to prospective Brand Partners. Brand Partner shall not represent Brand Partner's income as an indication of the success assured to others, since income success depends upon many variables. Commission checks may not be used as marketing materials. Brand Partner shall not guarantee or estimate compensation, draws, expenses, or deductions attributable to the business to prospects. Brand Partner shall truthfully and fairly describe and present the Compensation Plan. No past, potential or actual income claims may be made to prospective Brand Partners. Brand Partner may not guarantee commissions or estimate expenses to prospects.
- 3.05 Product Claims.** You should not state or imply that any Product has been approved by Food and Drug administration in the United States, Health Canada, the Natural Health Products Directorate, the Canadian Food Inspection agency or any other Canadian regulatory authority. In the case of natural health products regulated under the Natural Health Products Regulations, you may indicate that the Product has a license (NPN) from Health Canada. Any Product claims or testimonials may not go beyond the scope of the approved claims which appear in Company materials for Canada and in the terms of the market authorization/licence granted by Health Canada. No reference, direct or indirect, to the Food and Drugs Act or its regulations, including without limitation the Food and Drug Regulations or Natural Health Products Regulations may be made upon any Product related advertising.
- 3.06 Transfer of Sponsorship.** Although it is strongly discouraged and is seldom permitted, a Brand Partner may transfer to a different Sponsor or Sponsorship line, subject to the written approval of the Company, which may be withheld in its sole discretion, subject to the following conditions:
- a) If the transferring Brand Partner is within the same Sponsorship group, notarized signatures are required from all Brand Partners that are or may be impacted by the move;
 - b) If the transferring Brand Partner is outside the same Sponsorship group, a notarized statement signed by all affected upline Brand Partners shall be submitted reflecting that each affected party understands and consents to the transfer. Any request for transfer of Sponsorship shall be first submitted to the Company in writing explaining the reason for the request of transfer;
 - c) A \$55.00 transfer fee shall be paid to the Company;
 - d) A written request for transfer explaining the exact reason for the requested transfer shall be submitted to the Company; and
 - e) The final approval of the Company, if granted, will apply only to the Brand Partner making the request and not Brand Partner's downline organization. Brand Partner shall comply with the requirements of Section 5.03.

3.07 Preferred Customers Associated with Brand Partner. As a general matter, the Company recognizes that a potential Brand Partner should be entitled to sign on with any Brand Partner sponsor of their choosing. However, a unique circumstance exists when an existing Brand Partner has undertaken a very serious sales and relationship effort to cause a prospective customer to become, not merely a one-time retail customer, but a committed Preferred Customer. In this situation, the Company has determined that the very serious efforts of the selling Brand Partner should be honored and respected. To this extent, the Company has adopted a policy that a Preferred Customer who decides to become a Brand Partner will be deemed to be associated and sponsored by the original Brand Partner who originally expended the effort to sign up the customer as a Preferred Customer.

SECTION FOUR: RESIGNATION/TERMINATION

4.01 Voluntary Resignation.

- a) A Brand Partner may voluntarily terminate Brand Partner's status by failing to renew or by sending a written notice of resignation or termination to the Company. Voluntary resignation is effective upon receipt of such notice by the Company.
- b) A Brand Partner who resigns or terminates Brand Partner's status may reapply as a Brand Partner at an entry-level position six (6) months after resignation.
- c) When a Brand Partner voluntarily terminates the Agreement, Brand Partner's sales network shall automatically roll up to the first upline Brand Partner.

4.02 Suspension. A Brand Partner may be suspended for violating the terms of the Agreement, which includes this Policy Manual, the Compensation Plan and other documents produced by the Company. When a decision is made to suspend Brand Partner, the Company will inform Brand Partner in writing that the suspension has occurred effective as of the date of the written notification, the reason for the suspension and the steps necessary to remove such suspension, if any. The suspension notice will be sent to Brand Partner's address on file with the Company pursuant to the notice provisions contained in the Policy Manual. Such suspension may or may not lead to termination of Brand Partner's position as so determined by the Company in its sole discretion. If Brand Partner wishes to appeal, the Company shall receive such appeal in writing within fifteen (15) days from the date of the suspension notice. The Company will review and consider the suspension and notify Brand Partner in writing of its decision within thirty (30) days from the date of the suspension notice. The decision of the Company will be final and subject to no further review. The Company may take certain action during the suspension period, including, but not limited to, the following:

- a) Prohibiting Brand Partner from holding Brand Partner meeting or outing as a Brand Partner of the Company or using any of the Company's proprietary marks and/or materials;
- b) Withholding commissions and bonuses due Brand Partner during the suspension period;
- c) Prohibiting Brand Partner from purchasing services and products from the Company; and/or
- d) Prohibiting Brand Partner from sponsoring new Brand Partners, contacting current Brand Partners or attending meetings of Brand Partners.
- e) If the Company, in its sole discretion, determines that the violation that caused the suspension is continuing, has not been satisfactorily resolved, or a new violation involving the suspended Brand Partner has occurred, the suspended Brand Partner may be terminated.

4.03 Termination. Brand Partner may be terminated for violating the terms of the Agreement, which includes this Policy Manual, the Compensation Plan and other documents produced by the Company. The Company may terminate a violating Brand Partner without placing Brand Partner on suspension, in the Company's sole discretion. Brand Partner will be given notice of the opportunity to be heard by a panel to consider the issues relating to the grounds for termination. When the decision is made to terminate Brand Partner, the Company will inform Brand Partner in writing at the address in Brand Partner's file that the termination has occurred effective thirty (30) days from the date of the written notification.

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

4.05 Effect of Termination. Immediately upon termination, the terminated Brand Partner:

- a) Shall remove and permanently discontinue the use of the trademarks, service marks, trade names and any signs, labels, stationery or advertising referring to or relating to any Company product, plan or program;
- b) Shall cease representing themselves as a Brand Partner of the Company;
- c) Shall lose all rights to Brand Partner's position and position in the Compensation Plan and to all future commissions and bonuses resulting there from; and
- d) Shall take all action reasonably required by the Company relating to protection of its confidential information.

The Company has the right to offset any amounts owed by Brand Partner to the Company from commissions or other bonuses due to Brand Partner. The Company may also offset an estimate of the reasonable amount that Brand Partner owes under the terms of the indemnity obligation incurred pursuant to Section 11.01 herein.

4.06 Reapplication. The acceptance of any reapplication of a terminated Brand Partner or the application of any family member of a terminated Brand Partner shall be in the sole discretion of the Company and may be denied.

4.07 Applicable Laws. Where these provisions on termination violate the public policy of Federal, Provincial, or Territorial law, the applicable Federal, Provincial, or Territorial law shall apply.

SECTION FIVE: TRANSFERABILITY

5.01 Acquisition of Business. Any Brand Partner desiring to acquire an interest in another Brand Partner's business shall first terminate his/her Brand Partner position and wait six (6) months before becoming eligible for such a purchase. All such transactions shall be fully disclosed to the Company and are subject to approval by the Company in advance.

5.02 Transfers to Brand Partner. Except as expressly set forth herein, Brand Partner may not assign his or her Agreement to another Brand Partner or to an individual who has an interest in Brand Partner entity. Notwithstanding the foregoing, a Brand Partner may transfer his or her Agreement to the Sponsor, subject to the conditions of Section 5.03. In such event, the Sponsor's Brand Partner position and transferring Brand Partner's Brand Partner position shall be merged into one entity.

5.03 Conditions to Transferability. Brand Partner may not assign his or her Agreement in order to transfer the Brand Partner's position (or rights thereto) without the prior written approval of the Company and any such transfer, if approved, is subject to the following conditions:

- a) Brand Partner must be in good standing, and must strictly adhere to all Company Policies and Procedures and not currently be on probation or suspension.
- b) The Company possesses the right of first refusal with respect to any sale, assignment, transfer or merger of any Brand Partner position. A Brand Partner wishing to sell, assign, transfer or merge the Brand Partner position shall first provide the Company with the right and option to make such a purchase or receive such transfer in writing on the same terms and conditions as any outstanding offer. The Company will advise Brand Partner within ten (10) business days after receipt of such notice of its decision to accept or reject the offer. If the Company fails to respond within the ten (10) day period or declines such offer, Brand Partner may make the same offer or accept any outstanding offer which is on the same terms and conditions as the offer to the Company to any person or entity who is not a Brand Partner, married to or a dependent of a Brand Partner or who has any interest in a Brand Partner position.
- c) The selling Brand Partner shall provide the Company an executed "Sale of Nerium International Brand Partner Position" form and with a copy of all documents which detail the transfer, including without limitation, the name of the purchaser, the purchase price and terms of purchase and payment;
- d) A transfer fee of \$55.00 shall accompany the transfer documents;
- e) The documents shall contain a covenant made by the selling Brand Partner for the benefit of the proposed purchaser not to compete with the purchaser or attempt to divert or sponsor any existing Brand Partner of the Company for a period of 6 months from the date of the sale or transfer; and
- f) Upon approval of sale, transfer, or assignment being approved, the seller must provide a notarized Bill of Sale for the position being sold as proof of payment of the stated purchase price before the position will be transferred to the potential buyer. Upon approval by the Company in writing, the buying party shall assume the position of the selling Brand Partner and shall execute a current agreement and all such other documents as may be reasonably required by the Company.
- g) The Company reserves the right, in its sole discretion, to stipulate additional terms and conditions prior to approval of any proposed sale or transfer. The Company reserves the right to disapprove any sale or transfer.
- h) A Brand Partner must have had a completed product sale in the last 90 days.
- i) Brand Partner must have enrolled or renewed their Brand Partner position within the last twelve (12) months or have an active Auto Delivery template and an active auto deliver order that was paid with the selling Brand Partners credit card and shipped to the shipping address on their customer record within the last 30 days.

- j) A Brand Partner Position being sold must have personally sponsored at least one (1) Brand Partner in the last twelve (12) months.
- k) The new owner will assume the original enrollment date of the position being sold.
- l) If the position enrollment date is 60 days or greater the new owner will not be eligible to earn a Director 60 Bonus.
- m) If the position being purchased has already Fast Start Qualified, the new owner will assume the privileges of being FSQ and the position's enroller will not be eligible to receive Builder Bonus or additional coding legs for the position.
- n) If the position being purchased has achieved a rank of Senior Director or higher, the purchaser must maintain a Paid as Rank equal to the Highest Achieved Rank for that position for ninety (90) days before they may be eligible to receive the benefits of the LEXUS program.

5.04 Circumvention of Policies. If it is determined, in the Company's sole discretion, that a Brand Partner position was transferred in an effort to circumvent compliance with the Agreement, the transfer will be declared null and void and the Brand Partner position will revert back to the transferring Brand Partner who will be treated as if the transfer had never occurred from the reversion day forward. If necessary, and in the Company's sole discretion, appropriate action, including without limitation, termination, may be taken against the transferring Brand Partner to ensure compliance with the Agreement.

5.05 Succession. Notwithstanding any other provision of this Section Five, upon the death of a Brand Partner, the Brand Partner's position will pass to Brand Partner's successors in interest as provided by law; however, the Company will not recognize such a transfer until the successor in interest has executed a current Agreement and submitted certified copies of the death certificate and will, trust, or other instrument required by the Company to evidence transfer of ownership. The successor will thereafter be entitled to all the rights and be subject to all the obligations of a Company Brand Partner.

5.06 Reentry. Any Brand Partner who transfers their Brand Partnership shall wait for six (6) months after the effective date of such transfer before becoming eligible to reapply to become a new Brand Partner.

SECTION SIX: PROPRIETARY INFORMATION

6.01 Confidentiality Agreement. During the term of the Agreement, the Company may supply to Brand Partner confidential, proprietary, or trade secret information including, but not limited to genealogical and downline reports, customer lists, customer information developed by the Company or developed for and on behalf of the Company by Brand Partner (including, but not limited to credit data, customer and Brand Partner profiles and product purchase information), Brand Partner lists, manufacturer and supplier information, business reports, commission or sales reports and such other financial and business information which the Company may designate as confidential, proprietary, or trade secret. All such information (whether in written or electronic form) is confidential, proprietary, or trade secret to the Company and is transmitted to Brand Partner in strictest confidence on a “need to know” basis for use solely in Brand Partner’s business with the Company. Brand Partner shall use Brand Partner’s best efforts to keep confidential, proprietary, trade secret information protected, and shall not disclose any such information to any third party, directly, or indirectly. Brand Partner shall not use the information to compete with the Company or for any purpose other than promoting the Company’s program and its products and services. Upon expiration, non-renewal or termination of the Agreement, Brand Partner shall discontinue the use of such confidential, proprietary, or trade secret information and promptly return any confidential, proprietary, or trade secret information in their possession to the Company.

6.02 Copyright Restrictions. With respect to product purchases from the Company, Brand Partner shall abide by all manufacturers’ use restrictions and copyright protections.

6.03 Vendor’s and Other Business Associate’s Confidentiality. The Company’s business relationships with its vendors, manufacturers, suppliers, and researchers are confidential. Brand Partner shall not contact, directly or indirectly, speak to, or communicate with any supplier, manufacturer, or researcher of the Company except at a Company-sponsored event at which the supplier, manufacturer, or researcher is present at the request of the Company.

SECTION SEVEN: TRADEMARKS, LITERATURE, AND ADVERTISING

7.01 Trademarks. The Company's name, trademarks, service marks, and copyrighted materials are owned by the Company, including the names of the Company's products. The use of such marks and materials shall be in strict compliance with the Policy Manual. Only the Company is authorized to produce and market products and literature under these trademarks. Use of the Company name on any item not produced or authorized by the Company is prohibited, except in the manner described below:

Mary Jones
Independent Brand Partner
NERIUM INTERNATIONAL

7.02 Telephone, Yellow and White Page Listing. Brand Partner is not permitted to use the Company's trade name in advertising in the white or yellow page sections of the telephone book. Brand Partner is not permitted to list their telephone numbers under the Company's trade name without first obtaining prior written approval from the Company. If approval is granted for a listing, it shall be stated in the following manner:

Jones, Mary
Independent Brand Partner
NERIUM INTERNATIONAL

7.03 Imprinted Cheques. Brand Partner is not permitted to use the Company trade name or any of its trademarks or service marks on their business or personal checquing accounts; however, Brand Partner may imprint Brand Partner's business cheques as being a "Nerium International Independent Brand Partner."

7.04 Imprinted Business Cards or Letterheads. Brand Partner is not permitted to "create" Brand Partner's own stationary, business cards or letterhead graphics if the Company's trade name and/or trademarks are used. Only the approved Company graphics version and wording are permitted and letterhead shall be ordered either from the Company directly or from the Company-licensed independent contractor.

7.05 Print and Electronic Advertising. Only Company-produced or -approved (in writing and in advance) promotional and advertising materials may be used to advertise or promote a Brand Partner's business or sell products or services of the Company in any print or electronic media, including on an Internet web site. No person shall use the Company name, logos, trademarks, or copyrighted material in any advertising not produced by the Company or without prior express written permission from the Company. The Company's literature and materials may not be duplicated or reprinted without prior written permission of the Company. The Company's consent or approval may be withheld at its sole discretion. Banners, trade show materials, and the like must be approved in writing by the Company.

7.06 Internet. The Company maintains a presence on the Internet in its own web site. Brand Partner is prohibited from using any trademarks of Company, including the name Nerium International, the Nerium International logo, and the name of any of the products, or any other trade names, trademarks, or distinctive phrases or remarks used by Company, including those related to any product, or any term confusingly similar thereto - in any form on the internet. If a Brand Partner desires to provide a link from Brand Partner's personal web site directly to the Company's Web Site, the Brand Partner's request must be in writing and is subject to Company approval in its sole discretion. No link may be established until the Brand Partner receives written approval from Nerium International.

7.07 Protection of Minors. The Company website is not designed for or targeted at children. We do not knowingly collect, use, or disseminate any personally identifiable information from children under the age of 18. If, however, we become aware that personally identifiable information regarding a child under the age of 18 has been collected at the Company site, we will delete all such information.

7.08 Gifts, Enticement, and Special Discounts.

- a) Company Brand Partners are prohibited from using print, electronic, or verbal advertisements to entice potential prospects (including Preferred Customers) to join their organization or team, which includes, but not limited to; special rewards, incentives, bonuses, products, or guarantee of downline placements, which can be determined upon Company's sole discretion.
- b) Company Brand Partners are not allowed to use the "Placement Suite" as a form of incentive and/or enticement to leverage potential prospects, including Preferred Customers in any public or private forum for joining your Nerium Business.

7.09 Social Media.

- a) As a Brand Partner for the Company, you are not required to maintain a presence in social media. Should you choose to do so, however, you must adhere to the guidelines and policies set forth by the Company. These guidelines and policies are designed to ensure the uniformity and professionalism of the Company brand which, in turn, benefits your business.
- b) The Company maintains an online presence for the benefit of the company as a whole, which includes Customers, Brand Partners, and the general public. We ask that in our public forums (Facebook, Twitter, etc.) you keep your comments relevant to all. Our blog (neriumblog.com) is a resource for you to ask questions related to the business side of the Company, and our corporate staff is available to help.
- c) You may not use the official Company pages to drive business, solicit business, drive people to your own site, or recruit Brand Partners. Our trademarked brand name cannot be used to drive traffic away from our corporate site.
- d) You cannot represent your independent business as the corporate office. All Brand Partner communications, both in print and online, must clearly appear as coming from an independent representative of the company and not lead the consumer to think they may be interacting with the corporate office.
- e) You are welcome to use the term "Independent Brand Partner for Nerium International" in the name/description of various social media sites for your business. You cannot use the word "official" or anything similar. You cannot create an alias for any sites like Twitter or others that use any permutation of the Company name. For further clarification regarding naming, please refer to Section 7.06.
- f) When posting information online related to the Company, please consider if the information you are sharing is beneficial to your business and to the company as a whole. Do not represent yourself in any way online that detracts from the Company brand. All Independent Brand Partners agree, acknowledge, and affirmatively accept any content posted (photos, testimonials, statements, marketing materials, etc.) on a social networking Web site including, but not limited to, Facebook, Twitter, MySpace, LinkedIn, Flickr, etc., must adhere to the Print and Electronic Guidelines found in Section 7.05. Health/medical claims, income claims, or disparaging comments, remarks, etc. are expressly prohibited and will not be approved or allowed.
- g) In the event of your voluntary or involuntary termination as a Nerium International Independent Brand Partner, you are required to remove all references to the Company from social networking profile(s) within ten days.

- h) Should the Company discover non-compliant profiles and/or websites, you will be required to remove the material immediately.
- i) Infractions of any social media guideline may result in disciplinary actions up to and including termination of your Brand Partner account.
- j) Nerium International requires that all Brand Partners identify themselves as independent business owners and should therefore adhere to the naming convention of their Facebook page and all other social media networks to read as follows:

John Doe,
Independent Brand Partner,
Nerium International.

On Facebook only are you allowed to use “Nerium” in your vanity URL if its naming convention is the same as your Nerium replicated site i.e. “Facebook.com/johndoe.nerium”. This is the only acceptable use of the word “Nerium” in a URL.

- k) All independent Brand Partners are prohibited from advertising “Nerium” on websites such as Groupon Facebook Offers, Twitter ads, or any website or social media networks with a coupon or special discount offer, including but not limited to the purchase of ads with the “Nerium” name used in the naming conventions of URL domains, subdomains, or in the advertising on pay per click ads, and/or adwords etc.

7.10 Endorsements. No endorsements by a Company officer or any third party may be asserted, except as expressly communicated in the Company literature and communications. Federal, Provincial, and Territorial regulatory agencies do not approve or endorse direct selling programs. Therefore, Brand Partner may not represent or imply, directly or indirectly, that the Company's program, products or services has been approved or endorsed by any governmental agency.

7.11 Independent Communications. Subject to the restrictions imposed by this Section Seven, Brand Partner is encouraged to distribute information and direction to Brand Partner's respective downline; however, Brand Partner shall identify and distinguish between personal communications and the official communications of the Company.

7.12 Medical Claims. No medical claims (expressed or implied) may be made for any Company product by Brand Partner. The Company recommends that customers under a physician's care or suffering from any chronic disorder should consult their physician before undertaking any changes in diet or when beginning any nutritional program. The Company's nutritional products are designed for augmentation, not replacement. The Company encourages all Company customers to seek the advice and counsel of nutritional and healthcare professionals.

7.13 Brand Partner Services. The Company provides every active Brand Partner with management and training communications, timely delivery of product and sales materials, and a computer report of sales made in their marketing group for the pay period in which commissions and overrides are earned and paid.

7.14 Pricing. Pricing for products sold on the Internet must adhere to the general rules for all such retail sales, as outlined in Section 9.13.

7.15 Recordings. Brand Partner may not produce or reproduce for sale or personal use products sold by the Company or any Company-produced literature, audio or video material, presentations, events or speeches, including conference calls. Video and/or audio taping of Company meetings and conferences is strictly prohibited. Still photography is allowable at the discretion of the meeting host.

7.16 Telephone Answering. Brand Partner may not answer the telephone by saying “Nerium International” or in any other manner that would lead the caller to believe that the call has reached the corporate offices of the Company.

7.17 Liability. Violation of any of the rules contained in this Policy Manual is grounds for termination of the individual's Brand Partner status. The violator may also be liable for damages resulting from unauthorized use of the Company copyrights, trademarks, and materials.

7.18 iPad Incentive Rules. There can be no mention of iPad in any type of promotion or incentive program that is presented to the public at large, either in print or electronically. It is not acceptable to have a picture of someone with his or her iPad and communication involving the iPad cannot explain how to win, earn, or obtain an iPad by working with the Company.

7.19 Lexus and iPad Payout Option.

- a) Car bonus earners who choose the night and day cream bottle option will receive four (4) bottles of night cream and four (4) bottles of day cream, and receive this payout option up to a maximum of six (6) qualifying months. The Car Payment Option will remain available once the bottles option has ended.
- b) iPad bonus earners who choose the night and day cream bottle option will receive a one (1) time payout of four (4) bottles of night cream and four (4) bottles of day cream.

SECTION EIGHT: PAYMENT OF COMMISSIONS

8.01 Basis for Commissions. Commissions and other bonuses cannot be paid until a completed Agreement has been received and accepted by the Company prior to the end of the month in which the sale is made. Commissions are paid ONLY on the sale of Company services and products. No commissions are paid on the purchase of a Brand Partner Launch Kit or for sponsoring Brand Partners. There is no requirement for personal purchases.

8.02 Calendar. Commissions, overrides, and bonuses are calculated and paid on the current pay period information. A Brand Partner is promoted to the highest rank in which he/she qualifies at the close of each bonus period. Commissions and bonuses are paid based on the "Paid As" rank.

8.03 Commission and Bonus Payment Date. Monthly commission and bonuses are paid approximately two weeks following the end of each pay period. Should the payment day fall on a legal holiday or weekend, commissions and override payments will then be made on the next regularly scheduled business day. Weekly commission and bonuses are paid ten (10) days following the close of the commission period. Commissions are paid to "qualified" Brand Partners as defined in the Compensation Plan. The Compensation Plan sets forth a detailed explanation of the benefits and the commission structure.

8.04 Minimum Payment. The minimum amount for payment of commissions and overrides is \$11.00 CAD; all monies not paid will be included in the next bonus payment. Processing fees vary based on payment option and may be deducted from all commission and bonus payments.

8.05 Offset of Commissions. Any commissions or bonuses earned and paid on products returned is the obligation of and shall be repaid to the Company by the Brand Partner originally paid such commissions or bonuses. The Company has the right to offset such amounts against future commissions and other bonuses paid or owed to such Brand Partner and Brand Partner's upline who participated in an override.

8.06 Tax Reporting. Each Brand Partner is responsible for reporting and paying (and will hold the Company harmless from) all local, provincial, territorial, federal and other taxes with respect to the Brand Partner's income from the sale of products and any payments or other monetary or non-monetary compensation received by the Brand Partner. Payments made in the form of incentive trips, free product (3UR Free, NGB, in lieu of car lease), and/or car payments are all subject to taxation as income. The Brand Partner is responsible to prepare and maintain its own books and records and to file all applicable tax returns. The Company will not withhold or make payments for any income taxes, CPP, or employment insurance or obtain worker's compensation insurance with respect to a Brand Partner. If the Brand Partner is required to charge and collect GST/HST, and QST, to the Company in respect of the commissions, the Brand Partner must comply with such procedures as the Company has in place to issue or sign-back an invoice for such commissions plus the applicable GST/HST, and QST, including but not limited to the GST/HST, and QST, registration numbers of the Brand Partner.

SECTION NINE: PURCHASE AND SALE OF PRODUCTS

9.01 Purchase Requirement. No product purchase is required in order for an applicant to become a Brand Partner, although sales of products may be required in order to advance in the Compensation Plan. Brand Partners who have had their Agreement accepted by the Company may buy products at wholesale prices directly from the Company.

9.02 Stockpiling Prohibited. The success of the Company depends on sales to the ultimate consumer and all forms of stockpiling are strictly prohibited including, but not limited to, purchases of products primarily for purposes of attempting to qualify for additional compensation.

9.03 70% Rule. In order to qualify for commissions and bonuses, Brand Partner shall certify on the product order form that the Brand Partner has sold to non-Brand Partner consumers at least 70% of all products previously purchased. Brand Partners placing telephone orders to the Company are also required to comply with this rule and may be requested by the Company to verify compliance.

In its effort to support and enforce the retail sales/70% Rule, the Company on a quarterly basis will conduct random audit verification follow-ups. Representatives of the Company will contact Brand Partner to further verify compliance with the retail 70% Rule. Brand Partners should maintain records and be prepared to assist the Company representative in their task.

9.04 Retail Sales Rule. Requiring sales to at least five (5) retail customers per month.

9.05 Preferred Customer Rules. A Preferred Customer must personally opt-in to the monthly Auto-Delivery Order program. Invalid Preferred Customer orders are defined as orders submitted as Preferred Customer orders for qualification purposes without the written authorization from the customer. If a Nerium International Brand Partners submits a Preferred Customer order without the Customer's consent, the Brand Partner will be subject to disciplinary action, including termination. Preferred Customer orders cannot be paid by or shipped to a Nerium International Brand Partner for any reason. No exceptions.

9.06 Ordering Methods. All orders submitted to the Company shall have the Brand Partner's or Customer's Company issued identification number placed thereon to assist the Company in processing and shipping the order properly. Failure to provide this information may result in a delay in processing the order.

9.07 Direct Purchase. A Brand Partner may purchase Brand Partner's product needs directly from the Company. Should a Brand Partner obtain product from Brand Partner's Sponsor or upline Brand Partner's personal inventory and a replacement product order is not placed and processed through the Company, no commissions or overrides will be paid by the Company on such transactions.

9.08 Payment Options. Purchases may be paid by money order, cashier's cheque, personal cheque or credit cards, unless specifically stated otherwise by the Company. Pre-printed name, physical address and phone number, must be on all cheques. Personal cheques will be accepted only for payments in the amount not greater than \$1,000. In the event a cheque or credit card is declined, Brand Partner will be contacted for an alternate form of payment and may be subject to an additional processing fee. No orders will be shipped without prior payment. Returned cheques are subject to a \$30.00 returned cheque fee.

9.09 Shipping and Handling. It is the ordering Brand Partner's sole responsibility to indicate (a) the method and means of shipping, and (b) the destination address.

9.10 Product Delivery. Upon clearance of payment, the Company processes for shipment the products and materials ordered. If an item is temporarily not available ("TNA"), the consignee will be notified on the packing list included with the shipment. If a TNA should occur, the item(s) will be shipped as soon as available and usually within ten (10) days of the date the original order was received. Back orders may be cancelled by Brand Partner by written request received by the Company prior to shipment.

9.11 Damaged Goods. The shipping company is responsible for any damage that occurs after it takes physical custody of the products. Therefore, it is important that the damage is reported promptly in order to allow the Company to file a claim with the shipper. The purchaser of Company products who receives damaged goods shall comply with the following procedures:

- a) Accept delivery.
- b) Before the driver leaves, note on the delivery receipt the number of boxes that appear to be damaged and require the driver to acknowledge the damage in writing.
- c) Save the damaged products or boxes for inspection by the shipping agent.
- d) Contact the Company Support Department to arrange for a replacement order to be shipped and a damaged goods claim to be filed.

9.12 Price Changes. Prices for the Company's products, services and literature are subject to change without prior notice.

9.13 Receipts, Retail Pricing. Brand Partner will provide all retail purchasers of the Company products with written receipts. Although the Company provides a suggested retail price as a guideline, Brand Partner may sell the Company products at whatever retail price they and their customers may agree upon, as long as the price is not below the Preferred Customer price. Brand Partners must use the retail receipt applicable in the Province or Territory of sale.

9.14 Sales Tax. Brand Partners shall be solely responsible for the payment, collection, reporting and remittance of all applicable GST/HST, QST and PST, and any other similar taxes.

9.15 Shipping Loss. The Company will track all deliveries shipped. Brand Partner should contact the Company immediately upon being made aware of any shipping problem.

9.16 Inaccurate Delivery. If a product is shipped in error by the Company, the unordered merchandise may be returned at the Company's expense provided the following steps are taken:

- a) Brand Partner or retail customer notifies the Company within five (5) days of receipt of the order;
- b) A copy of the shipping or packing slip shall be enclosed with the proper forms required by the Company completed and executed by Brand Partner or retail customer; and
- c) Products shall be returned in original containers and shall be packed properly to prevent damage in return shipment.

9.17 Refused Shipments. Should Brand Partner refuse delivery on any order placed with the Company, the Company shall have the right to place Brand Partner in suspension pending resolution of the refusal of delivery. No Brand Partner shall refuse any shipment from the Company unless prior approval of the Company has been obtained. Should the receiving party of any order shipped from the Company refuse to accept delivery and the shipment is returned to the Company, the ordering Brand Partner's status will be suspended pending resolution of the delivery refusal. Non-accepted delivery charges will be debited to Brand Partner's account. If the Company determines that a valid reason exists for refusing shipment, it will instruct the Brand Partner or retail customer on the proper procedure for a return. Retail customer, can refuse shipment without requiring pre-approval.

9.18 Retail Outlets. The integrity of the Company's marketing plan is built upon person-to-person, one-on-one, and in-home presentation methods of sale. Selling Company products through any chain of retail stores, including but not limited to drugstores, pharmacies, supermarkets, health food stores, shopping mall booths and the like, restaurants or online shopping malls including, but not limited to, eBay, Craigslist, etc. is strictly prohibited. Selling Company products by Brand Partners through retail outlets or professional offices that are not part of chains and are owned or operated by the Brand Partner is acceptable upon written approval by the Company.

9.19 Service-Oriented Establishments. It is permissible to take orders for the Company products in businesses such as health spas, health resorts or similar establishments.

9.20 Medical Offices. Medical doctors and other health professionals may sell the Company products from their offices only if the doctor or health professional is a Brand Partner.

9.21 Trade Shows. With written authorization from the Company, Company products or services and opportunity may be displayed at trade shows by Brand Partners. Request for participation in trade shows must be received in writing by the Company at least two weeks prior to the show. Written authorization from the Company must be received before participating in the trade show. Unless written authorization is secured from the Company, Company products or services and opportunity are the only products or services and/or opportunity that may be offered in the trade show booth. Only Company produced marketing materials may be displayed or distributed. No Brand Partner may sell or promote the Company's products or services or business opportunity at flea markets, swap meets, or garage sales. Company tradeshow authorization does not guarantee exclusive participation in any tradeshow.

9.22 International Sales. No independent Brand Partner may export or sell directly or indirectly to others who export the Company's products, literature, sales aids or promotional material relating to the Company, its products or services or the Company's program to any other country. Independent Brand Partners who choose to sponsor internationally may do so only in countries specifically permitted by the Company. Brand Partners who sponsor internationally must sponsor in compliance with the policies and procedures in that country as may be amended from time to time. Any violation of this rule constitutes a material breach of this contract and is grounds for immediate termination of the Brand Partner position. Only products approved in the country can be sold to residents of that country.

9.23 Product/Services Claims. Brand Partner shall make no claim, representation, or warranty concerning any product or service of the Company, except for those contained in the official Company materials. Brand Partner can only promote benefits of Nerium products using language contained in the official Company materials. Brand Partners may not make any medical, therapeutic, curative, or treatment claims regarding any Nerium product. Brand Partners may only use "before" and "after" photos provided by the Company. The use of any unauthorized "before" and "after" photos is prohibited.

9.24 Promotional Items. All promotional items that bear the Company name or logo shall be purchased solely from the Company or its approved supplier unless prior written permission is obtained from the Company.

9.25 Telemarketing. Telemarketing is strictly prohibited. While the Company does not consider Brand Partners to be "telemarketers" in the traditional sense of the word, the applicable government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties.

- a) Therefore, Brand Partners must not engage in telemarketing in the operation of their Company businesses. The term "telemarketing" means using telecommunications facilities, including telephones or fax machines, to make unsolicited telecommunications for the purpose of solicitation. Prohibited telemarketing will include the placing of one or more telephone calls or fax messages to an individual or entity to induce the purchase of a Company product or service, or to recruit them for the Company opportunity. "Cold calls" made to prospective customers or Brand Partners that promote either Company products or services or the Company opportunity constitute telemarketing and are prohibited. However, a telephone call placed to a prospective customer or Brand Partner (a "prospect") is permissible under the following situations:
- b) Where the Brand Partner is responding to a prospect's inquiry or application regarding a product or service offered by the Brand Partner, within the three (3) months immediately preceding the date of such a meeting.
- c) In addition, Brand Partners shall not use automatic telephone dialing systems relative to the operation of their Company businesses. The term "automatic telephone dialing system" means equipment which has the capacity to (a) store or produce telephone numbers to be called, using a random or sequential number generator, and (b) to dial such numbers.

9.26 Privacy Policy. The protection of personal information is very important to the Company. Privacy protection is, and always will be, critical to our business. The Company is committed to protecting the privacy of our Independent Brand Partners ("Brand Partners")

and customers. The purpose of this Privacy Policy is to inform you about our data collection practices, what information may be collected from you when become a Brand Partner or when making inquiries or purchasing product from the Company as a customer, the purposes for which we collect such personal information, how we protect your personal information, and how such information will be used by the Company and/or other persons or entities with whom such information may be shared. It also explains your choices regarding the collection, use, and disclosure of personal information, your ability to edit, update, correct or delete personal information, and the security procedures that we have implemented to protect your privacy.

9.27 Scope of Application. This Privacy Policy applies to the Company's collection, use and disclosure of the personal information of its Canadian-based Brand Partners and customers within Canada.

9.28 Collection of Information. The Company collects personal information from its Brand Partners so that they can participate in the relationship marketing opportunities offered by the Company. In order to enroll you in the Brand Partner program, we collect contact information such as name, address, telephone number and email address. When you order product from us as a Brand Partner, our third party service provider that provides a certified payment system will collect payment information such as credit card information. We may also collect your date of birth and social insurance number if we require that information for compensation purposes including payment of commissions.

The Company collects personal information from customers who visit our website and/or our Brand Partners' websites to make enquiries and/or purchase Company products. We collect your name and contact information (e.g. your first and last name, mailing address, city, province/territory, postal code, telephone number, and e-mail address) in order to connect you with one of our Brand Partners from whom you can order our products. Our third party service provider that provides a certified payment system may also obtain from you payment information such as credit card information, so that we can fulfill your order. We may also collect your name, contact information and payment information if you contact us by telephone for returns or other customer service purposes. All of this information allows us to conduct our business, provide customer service, communicate offers on products that may be of interest to you, and fulfill your order. You may volunteer to provide personal information to us. If you do not want to disclose your personal information to us, please do not submit it.

We may also collect non-personally identifiable information from you when you visit the Company's website and/or our Brand Partners' websites, such as your IP address, browser type, domain name, etc. This information is collected and analyzed in the aggregate in order to improve the function and content of our website. The collection of this non-personally identifying information is further described in the section below pertaining to "Cookies".

9.29 Use, Transfer and Disclosure of Information. Personal information provided to us by Brand Partners is used as described above, to enroll Brand Partners in our relationship marketing programs, to process payment for products ordered by Brand Partners, to provide Brand Partners with regular information regarding our products and promotions, and to process payments made to Brand Partners as compensation. Our information practices regarding Brand Partners are further described within our Terms of Agreement entered into between the Company and its Brand Partners.

Personal information provided to us by customers through our website, our Brand Partners' website or via email or telephone is used for a variety of purposes described above, such as processing, confirming and fulfilling your order and to process returns. When you provide your personal information to us, we will disclose aspects of that personal information (in particular, your name and contact information) to one or more of our Brand Partners, so as to allow a Brand Partner to contact you to process your order. While Brand Partners are fully independent from the Company, our Terms of Agreement contractually obligate Brand Partners to protect customer personal information that we share with Brand Partners in order to respond to product enquiries and process orders.

When customer payment information is submitted via our website or the website of one of our Brand Partners, neither the Company nor our independent Brand Partners have access to your payment information, as that information is processed by a third party service provider that provides a certified payment system for online transactions.

The Company does not sell or otherwise disclose your personal information to third parties other than as described in this Privacy Policy, however,

we may transfer your personal information to various vendors and service providers who perform functions on our behalf. Examples may include fulfilling orders, delivering packages, e-mail administrative functions, processing credit card payments, and providing customer service. Company vendors and service providers are contractually obligated to use your personal information only for those purposes for which they are hired and to take adequate security measures to ensure a comparable level of protection for your personal information. Our vendors and service providers may be located outside of the territory of Canada with the effect that your personal information may be sent to another jurisdiction for processing and while in another jurisdiction, may be accessible to foreign courts, law enforcement and national security authorities.

We may disclose the personal information that we collect about you when we have reason to believe that it is necessary to identify, contact or bring legal action against persons or entities that may be causing injury to you, to us, or to others. We may also disclose personal information when we believe the law requires it. We reserve the right to transfer any personal information we have about you in the event that we merge with or are acquired by a third party.

9.30 Protection of Minors. The Company website is not designed for or targeted at children. We do not knowingly collect, use, or disseminate any personally identifiable information from children under the age of 18. If, however, we become aware that personally identifiable information regarding a child under the age of 18 has been collected at the Company site, we will delete all such information.

9.31 Cookies. Through the Company's website and the websites of its Brand Partners, the Company may collect non-personally identifiable information in order to analyze trends and statistics, and therefore enhance the operation of the site. Cookies are small pieces of information that are stored on computer hard drives. We may use cookies to recognize you when you return to the Company's website or our Brand Partners' websites in order to provide you with a better user experience. Our cookies do not contain any personally identifying information, such as your name, or sensitive information such as your credit card number. Web browsers often allow you to erase existing cookies from your hard drive, block the use of cookies and/or be notified when cookies are encountered. If you elect to block cookies, please note that you may not be able to take full advantage of the features and functions of the Company's website or those of our Brand Partners', though you will still be able to use all basic features.

9.32 Third-Party Links. The Company's website and/or its Brand Partner websites may contain links to websites operated and maintained by third parties over which we have absolutely no control. Any information you provide to third party web sites will be governed under the terms of each web sites' privacy policy and we encourage you to investigate and ask questions before disclosing any information to the operators of third party web sites. We have no responsibility or liability whatsoever for the content, actions, or policies of third party web sites. The inclusion of third party web sites on our site in no way constitutes an endorsement of such web sites' content, actions, or policies.

9.33 Security. As technology continues to enhance and expand the collection of information of all kinds, we are committed to using our physical, organizational and technological resources in an effort to ensure that our Brand Partners, Customers, and Users receive the kind of privacy protection that will make them confident and secure. Personal information is only accessible to the persons in our organization who require it to carry out the purposes above. We retain personal information at Addison, TX. We shall not be responsible, however, for harm that you or any person may suffer as a result of a breach of confidentiality due to your use of the Internet.

9.34 Modifications to Policy. This Privacy Policy is effective as of January 2014. The Company reserves the right to change this Privacy Policy at any time. Any changes to this Agreement will be effective immediately upon notice, which may be provided to you via e-mail or by posting the latest version on our web site. Your use of the site after such Notice will be deemed acceptance of such changes. Be sure to review this Privacy Policy periodically to ensure familiarity with its most current version. You can easily confirm whether any revisions have been posted since your last visit by checking the date on which the Policy was last revised, which is set forth at the bottom of this Policy. If you disagree with the changes in our policy, please do not use the site after the posting of such changes online. By using the Company web site following the posting of changes to this Privacy Policy, you agree to and approve of all such changes.

9.35 Accessing Your Personal Information and Withdrawing Consent. You have the right to ask in writing whether we hold any personal information about you and to request access to your information. We may not be able to provide you with all the information you

request, depending on the circumstances, and there may be a reasonable charge for any copy of personal information requested.

If you believe any of the information we have collected about you is incorrect or incomplete, you have the right to ask us to change it, or you may contact us to update your personal information in our records. You may withdraw your consent to our use of your personal information at any time, subject to legal or contractual restrictions. However, if you withdraw your consent for us to use your personal information, we may be unable to provide a product or deal which you request.

9.36 Questions, Comments and Complaints. If you have questions or comments about this Privacy Policy, please contact the Company Support Center by email at support@nerium.com, or call (855) 463-7486 during normal business hours.

You may register a privacy-related complaint by contacting the Company's Privacy Officer at the above contact or by writing to 4004 Belt Line Road, Suite 112, Addison, TX. 75006. We will explain our complaint procedure to you and investigate all complaints. If a complaint is justified, we will take all appropriate steps to set the situation right, including changing our policies and practices if necessary. We will also let you know what other complaint procedures may be available to you.

9.37 Consent. The Company collects personal information about you only when you voluntarily provide it or otherwise only with your consent as required by PIPEDA or by other applicable law. By visiting and using this website, the visitor agrees to the Privacy Policy and the terms of use. If you do not agree to the Privacy Policy, do not use this Website or provide personal information to the Company. We will not, as a condition of the supply of our service, require you to consent to the collection, use or disclosure of information beyond that required to fulfill the explicitly specified and legitimate purposes for which the information is being provided. Upon giving the Company reasonable notice, a user may withdraw consent to use his or her personal information at any time, subject to any legal or contractual restrictions. If you wish to withdraw your consent, please contact the Privacy Officer of the Company as described below. We will inform you of the implications of withdrawing consent.

9.38 Retention of Personal Information. Personal Information that does not have a specific purpose or that no longer fulfills its intended purpose will be destroyed in a secured fashion. The Company will only retain Personal Information for the duration of its intended use or as otherwise required by law.

9.39 Commercial Electronic Messages. You must have the express or implied consent of the recipient to send commercial electronic messages, including email messages, or other electronic communications such as text messages. For consent to be valid, it must be knowledgeable, meaning that the individual must know the purpose for which their contact information may be used.

- a) Obtaining Express Consent: Canada's anti-spam law (CASL) requires the disclosure of the following information when seeking consent to send commercial electronic messages: i) the purpose of the request (i.e. sending commercial electronic message ii) the name of the person/entity seeking the consent, and if different, the person/entity on whose behalf consent is sought, and which party is seeking consent on the other's behalf; iii) the mailing address, and one or more of a phone number, email address, or web address for one of those persons; and iv) that consent may be withdrawn.
- b) Obtaining Implied Consent: Implied consent will only exist in the case of an "existing business relationship". Existing business relationship is a defined term in the law. Such a relationship will only exist where i) the recipient of the message has made a purchase from the person who sends the message (or causes it to be sent) within the two years prior to the message; ii) the recipient of the message has accepted a business or investment opportunity from the person who sends the message (or causes it to be sent) within the two years prior to the message; iii) there is a written contract between the recipient of the message and the person who sends the message (or causes it to be sent) that does not relate to an item set out in i) or ii) above and that is either currently in existence, or that expired in the two years prior to the message; or iv) the recipient of the message made an inquiry or application of the person who sends the message (or causes it to be sent) regarding a purchase of business opportunity in the six months prior to the message.
- c) The "Transactional or Relationship" Exception: CASL provides an exemption from its consent requirement for messages the sole

purpose of which is to: i) facilitate, complete or confirm a commercial transaction into which the recipient had previously agreed to enter, ii) provide information about warranty, recall or safety information about a product the recipient has purchased or used, iii) provide notice regarding a subscription, membership, account, loan or other ongoing relationship with the sender, iv) provide information directly related to an employment relationship or benefit plan in which the recipient is currently involved, v) deliver goods or service, including product updates or upgrades, that the person to whom the message is sent is entitled to receive under a transaction they previously entered. Note: this exception does not apply to the disclosure and unsubscribe requirements below, or to the prohibitions against fraud and false or misleading headers. Neither the consent or message content requirements apply to a response to a request, inquiry, complaint, or other solicitation from the recipient of the message.

- d) Unsubscribe Mechanism: Commercial electronic messages must give the recipient the opportunity to opt out of all (or any class of) future commercial electronic messages. An unsubscribe request must be given effect within 10 business days. The unsubscribe request must function through the same electronic means used to send the communication, and must specify an electronic address or link to a webpage to which the request can be sent. For an email, including only a mailing address for an unsubscribe mechanism would not be sufficient.
- e) Required Information: Each commercial electronic message must contain i) the name under which the sender carries on business, and if different, the name under which person on whose behalf the message was sent carries on business. If the message is being sent on behalf of more than one person, (i.e. there is more than one beneficial sender), each of them must be identified; ii) a valid “physical” mailing address for the sender or the person on whose behalf the message was sent; and iii) one of more of an email address, telephone number, or web address for either the sender or the person on whose behalf the message was sent. All of this information must be set out clearly and prominently.
- f) Penalties: CASL provides for very stringent penalties, including an administrative monetary penalty of up to \$10,000,000, and as of July 1, 2017, a private right of action for \$200 per offence, not to exceed \$1,000,000 on any day on which an offence occurred.

SECTION TEN: CUSTOMER RETURNS

- 10.01 Retail Customer Guarantee.** The Company offers a 100% money-back satisfaction guarantee to all retail customers within thirty (30) days of purchase. If a retail customer is dissatisfied with any of the Company products for any reason, then that retail customer may return that product in its original package and shipping containers, with original proof of purchase, to the original selling Brand Partner or the company directly for either a replacement or a full refund of the purchase price.
- 10.02 Product Returns.** The Company offers satisfaction guarantee to all Brand Partners within thirty (30) days of purchase. If a Brand Partner is dissatisfied with any of the Company products for any reason, then that Brand Partner may return that product in its original package and shipping containers, with original proof of purchase, to the company directly for either a replacement or a full refund of the purchase price less a 10% handling charge and any commissions paid on the purchase.
- 10.03 Warranties.** Except as expressly stated herein, the Company makes no warranty or representation as to the merchantability, fitness for a particular purpose, workmanship or any other warranty concerning any product or service purchased from or through the Company. The manufacturer's warranty will be transferred to Brand Partner.
- 10.04 Buyer's Right to Cancel.** Each Province and Territory provides retail customers a Buyer's Right to Cancel as indicated on the applicable provincial or territorial product order form. Brand Partners must provide a copy of the applicable product order form with the Buyer's Right to Cancel upon each sale to a retail customer.
- 10.05 Retail Customer Refunds.** The Company will replace the returned retail product to the Brand Partner provided the following procedures and conditions are met:
- a) The product shall be returned to the Company by the Brand Partner who purchased it from the Company within thirty (30) days of the date of the original purchase.
 - b) Brand Partner shall obtain a return authorization number from the Company customer service department within ten (10) days of the return date to Brand Partner and prior to returning any product.
 - c) The product shall be received by the Company within twenty (20) days of the return date to Brand Partner.
 - d) The return shall be accompanied by the following:
 - e) A signed statement from the retail customer identifying the reason for the return;
 - f) A copy of the original retail sales receipt;
 - g) The unused portion of the product is returned in its original container, and
 - h) The name, address, and telephone number of the retail customer.
 - i) Proper shipping carton(s) and packing materials shall be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested.
 - j) The Brand Partner will pay the cost of shipping replacement product(s).
 - k) The Company will replace the product, but will not refund to any Brand Partner the purchase price of any retail customer returns.

10.06 Quality Control. The Company will replace, within twelve (12) months of purchase, any product found to be defective; however, no product shall be returned to the Company without prior written approval. Exchanges only. No Refunds.

- a) A written replacement request shall be submitted stating the reason for the request and accompanied by a copy of the Purchase Order Form or packing slip. Product returned without prior authorization will not be accepted.
- b) The Company will provide the Brand Partner with a return authorization number, and will instruct Brand Partner where to ship the product for inventory verification. Upon receipt and verification of the product, the Company will ship out replacement product as appropriate.
- c) The Company will not replace any product previously certified by Brand Partner as sold under the 70% Rule, sold at a special discount, or sold as a promotional item.

10.07 Termination Returns.

- a) A Brand Partner who terminates Brand Partner's business relationship with the Company has the right to return for repurchase on commercially reasonable terms currently marketable inventory including Company produced promotional materials, sales aids and kits in possession of Brand Partner and purchased by Brand Partner for resale prior to the date of termination. For purposes hereof, "reasonable commercial terms" shall mean the repurchase of marketable Inventory within twelve (12) months from the Brand Partner's date of purchase at not less than 90% of the Brand Partner's original net cost less appropriate set-offs and legal claims, if any. In addition for purposes of this section, products not purchased by the Brand Partner within thirty (30) days of the return date, shall not be considered "currently marketable" if returned for repurchase after the products commercially reasonable usable or shelf life period has passed (shelf life will be deemed to have passed if the product package has been opened) or if the Company clearly discloses to the Brand Partner prior to purchase that the products are seasonal, discontinued, or special promotional products and are not subject to the repurchase obligation. The Company will not issue a refund nor replace any product previously certified as having been sold under the 70% Rule. No refunds will be issued unless a Brand Partner is in strict compliance with the procedures contained herein:
- b) A written return request shall be submitted, stating the reason for the termination, the reason for the return of product and/or sales materials, and accompanied by original proof of payment and a copy of the Purchase Order Form or Packing Slip. Product returned without prior authorization will be returned to Brand Partner;
- c) The Company will provide Brand Partner with a return authorization number, and will instruct Brand Partner where to ship the product for inventory verification. Upon receipt and inspection of the return, Company will process the appropriate refund for payment; and
- d) Brand Partner shall pay the cost of return freight.
- e) All commissions, overrides, and bonuses paid to a terminated Brand Partner as a result of any product returned upon termination shall be repaid to the Company. The Company may deduct such amounts from any commissions or other amounts owed to such Brand Partner. All commissions, overrides, and/or bonuses paid to a Brand Partner's upline on a returned product shall be repaid to the Company by the upline Brand Partner.

SECTION ELEVEN: GENERAL PROVISIONS

- 11.01 Indemnity Agreement.** Brand Partner agrees to indemnify and hold harmless the Company, its shareholders, officers, directors, employees, agents and successors in interest from and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys' fees, asserted against or suffered or incurred by any of them, directly or indirectly, arising out of or in any way related to or connected with allegedly or otherwise, that Brand Partner's (a) activities as Brand Partner; (b) breach of the terms of the Agreement; and/or (c) violation of or failure to comply with any applicable federal, provincial or local law or regulation.
- 11.02 Other Services and Products.** No products or services except for the Company's products or services shall be sold or shown at any event where the Company's product or services are sold or shown. Except as provided above, a Brand Partner is not restricted from selling other companies' services and products that are not similar to or competitive with the products and services of the Company. However, promotion of direct sales and/or network marketing programs and/or competitive services or products with anyone are strictly prohibited.
- 11.03 Limit on Liability.** To the extent permitted by law, the Company shall not be liable for and Brand Partner releases the Company from, and waives all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by Brand Partner as a result of (a) the breach by Brand Partner of the Agreement and/or the terms and conditions of the Policy Manual; (b) the operation of Brand Partner's business; (c) any incorrect or wrong data or information provided by Brand Partner; (d) any copyright violation in connection with materials provided by Brand Partner; or (e) the failure to provide any information or data necessary for the Company to operate its business, including, without limitation, the enrollment and acceptance of Brand Partner into the Compensation Plan or the payment of commissions and bonuses.
- 11.04 Limitation of Damages.** TO THE EXTENT PERMITTED BY LAW, THE COMPANY AND ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES AND OTHER REPRESENTATIVES SHALL NOT BE LIABLE FOR, AND BRAND PARTNER HEREBY RELEASES THE FOREGOING FROM, AND WAIVE ANY CLAIM FOR LOSS OF PROFIT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES WHICH MAY ARISE OUT OF ANY CLAIM WHATSOEVER RELATING TO THE COMPANY'S PERFORMANCE, NON-PERFORMANCE, ACT OR OMISSION WITH RESPECT TO THE BUSINESS RELATIONSHIP OR OTHER MATTERS BETWEEN ANY BRAND PARTNER AND THE COMPANY, WHETHER SOUNDING IN CONTRACT, TORT OR STRICT LIABILITY. Furthermore, it is agreed that any damages to Brand Partner shall not exceed and is hereby expressly limited to, the amount of unsold Company programs, services and/or products of the Company owned by Brand Partner and any commissions owed to Brand Partner.
- 11.05 Record keeping.** The Company encourages Brand Partner to keep complete and accurate records of all Brand Partner's business dealings.
- 11.06 Non-Solicitation and Non-Competition.** Brand Partner acknowledges and agrees that the only way to protect the goodwill, confidential, proprietary, and trade secret information of Company and the integrity and stability of the sales force created by other Brand Partners is to prohibit all Brand Partners from recruiting and solicitation of other Brand Partners to other companies during the term of this agreement and for a reasonable time thereafter. Consequently, in consideration for all of the rights granted by this Agreement, including the protection this non-solicitation provision affords to Brand Partner, for the term of this Agreement and for two (2) years after termination hereof, for any reason, Brand Partner agrees not to, directly or indirectly, recruit or solicit any of Company's other Brand Partners to join other direct sales, multi-level or network marketing companies that are selling competitive products.

For the term of this Agreement and for two (2) years after termination hereof, for any reason, Brand Partner agrees not to sell any product that is the same or similar to or competes with the products of Company within any country where Company sells its products.

Brand Partner agrees not to solicit, directly or indirectly, Company's Brand Partners to purchase services or products, except those of Company, throughout the term of this Agreement.

11.07 Amendments. The Company reserves the right to amend the Agreement, Policy Manual, its retail prices, product availability and the Compensation Plan at any time without prior notice as it deems appropriate. Amendments will be communicated to Brand Partner through official Company publications, by posting on the company web site, or voice and/or e-mail. Amendments are effective and binding on Brand Partner as of the date of issuance. In the event any conflict between the original documents or policies and any such amendment, the amendment will control.

11.08 Non-Waiver Provision. No failure of the Company to exercise any power under the Policy Manual or to insist upon strict compliance by Brand Partner with any obligation or provision herein, and no custom or practice of the parties at variance with this Policy Manual, shall constitute a waiver of the Company's right to demand exact compliance with this Policy Manual. The Company's waiver of any particular default by Brand Partner shall not affect or impair the Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other Brand Partner. Nor shall any delay or omissions by the Company to exercise any right arising from a default affect or impair the Company's rights as to that or any subsequent default. Waiver by the Company can be affected only in writing by an authorized officer of the Company.

11.09 Arbitration.

- a) Except as expressly set forth herein, all disputes, claims, or causes of action relating to or arising from any Independent Brand Partner Application, Nerium International Terms of Agreement, Company's Policies and Procedures, and any other Company policies, products, and services, the rights and obligations of Company and Brand Partner, or any other disputes, claims or causes of action between Brand Partner and any of its officers, directors, employees, or affiliates, and Company or any of its officers, directors, employees, or affiliates, whether in tort or contract, shall be settled totally and finally by arbitration, in Dallas, Texas, in accordance with the Commercial Arbitration Rules of the American Arbitration Association, including the optional rules for emergency measures of protection which Company may use, in addition to or instead of the procedures set forth in section (c) below. The arbitration shall be conducted before a single arbitrator, and shall not be conducted on a class-wide, class action, or multiple complaining-party basis.
- b) Notwithstanding the foregoing, the arbitrator shall have no jurisdiction over disputes relating to the ownership, validity or registration of any mark or other intellectual property or proprietary or confidential information of the Company without the Company's prior written consent. The Company may seek any applicable remedy in any applicable forum with respect to these disputes and with respect to money owing to the Company. In addition to monetary damages, the Company may obtain injunctive relief against Brand Partner for any violation of the Agreement or misuse of the Company's trademark, copyright or confidential information policies.
- c) Nothing in this rule shall prevent the Company from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other injunctive or emergency relief available to safeguard and protect the Company's interests prior to the filing of or during or following any arbitration or other proceeding or pending the handing down of a decision or award in connection with any arbitration or other proceeding. Brand Partner hereby agrees that violation of the prohibition on use or disclosure of trade secrets, proprietary, or confidential information or the prohibition of the non-solicitation and non-disparagement provisions herein stated will cause Company irreparable injury for which there is no adequate remedy at law and hereby agrees to the entry of an ex parte temporary restraining order, preliminary and permanent injunction, or any other emergency remedy necessary to prevent said violation.
- d) Nothing contained herein shall be deemed to give the arbitrator any authority, power or right to alter, change, amend, modify, add to, or to subtract from any of the provisions of this Agreement.

- 11.10 Entire Agreement.** This Policy Manual is incorporated into the Agreement along with the Compensation Plan, and constitutes the entire agreement of the parties regarding their business relationship.
- 11.11 Governing Law.** The Agreement and this Policy Manual shall be governed by the laws of the State of Texas and the jurisdiction of all claims arising hereunder shall be in the County of Dallas, the State of Texas. USA.
- 11.12 Force Majeure.** The Company shall not be responsible for delays or failure in performance caused by circumstances beyond a party's control, such as strikes, labor difficulties, fire, war, government decrees or orders, or curtailment of a party's usual source of supply.
- 11.13 Notice.** Any communication, notice or demand of any kind whatsoever, which either Brand Partner or the Company may be required or may desire to give or to serve upon the other shall be in writing and delivered by electronic communication whether by telex, telegram, e-mail or fax (if confirmed in writing sent by registered or certified mail, postage pre-paid, return receipt requested or by personal service). Any party may change its address for notice by giving written notice to the other in the manner provided in this Section. Any such communication, notice or demand shall be deemed to have been given or served on the date personally served by personal service, on the date of confirmed dispatch if by electronic communication, or on the date shown on the return receipt or other evidence if delivery is by mail.
- 11.14 Severability.** If under any applicable and binding law or rule of any applicable jurisdiction, any provision of the Agreement, including this Policy Manual, or any specification, standard or operating procedure which the Company has prescribed is held to be invalid or unenforceable, the Company shall have the right to modify the invalid or unenforceable provision, specification, standard or operating procedure or any portion thereof, to the extent required to be valid and enforceable, and Brand Partner shall be bound by any such modification. The modification will be effective only in the jurisdiction in which it is required.
- 11.15 Violations.** It is the obligation of every Brand Partner to abide by and maintain the integrity of this Policy Manual. If Brand Partner observes another Brand Partner committing a violation, such Brand Partner should discuss the violation directly with the violating Brand Partner. Any violations reported to the Company shall follow the Company's reporting procedures and may be reported by phone to Nerium International Support Department at 855-4-NERIUM (855-463-7486).

SECTION TWELVE: CODE OF PROFESSIONAL ETHICS

NERIUM INTERNATIONAL, BELIEVES THAT ITS BRAND PARTNERS SHOULD SUBSCRIBE TO THE PRINCIPLES OF FAIRNESS, HONESTY, INTEGRITY, AND SERVICE. THE RELATIONSHIP OF THE COMPANY TO BRAND PARTNER, BRAND PARTNER TO CUSTOMER, AND BRAND PARTNER TO OTHERS SHOULD BE PRESERVED, PROTECTED, AND PROMOTED IN ACCORDANCE WITH THE HIGHEST STANDARDS OF CONDUCT. THEREFORE, BRAND PARTNER AGREES TO ABIDE BY AND SUBSCRIBE TO THE CODE OF PROFESSIONAL ETHICS (THE “CODE OF ETHICS”) CONTAINED IN THIS SECTION TWELVE.

AS A BRAND PARTNER, I AGREE THAT:

- 12.01** I will be honest and fair in all my dealings while acting as a Brand Partner of the Company.
- 12.02** I will respect the time and privacy of the people I contact to become retail customers or Brand Partners of the Company. I will be courteous and respectful to every person contacted in the course of my Company business.
- 12.03** I will perform all my professional activities in a manner that will enhance my reputation and the reputation of the Company.
- 12.04** I will fulfill my leadership responsibilities as a Sponsor, including training and otherwise supporting Brand Partners in my sales organization.
- 12.05** I will not engage in any deceptive or illegal practice, or any practice prohibited by the Agreement or the Policy Manual.
- 12.06** I will not make diagnostic, therapeutic or curative claims for the Company’s products. I will not make any claims not contained in official Company literature. I will represent only that “each body is unique and responds uniquely to different products,” remembering that even my personal experience with the product may be interpreted as an “extension of labeling claims” if I use those experiences as a sales device.
- 12.07** I will make no income claims or representations regarding the Company Compensation Plan, remembering that ideal projections of the Company Compensation Plan are unrealistic. No network is grown in a perfect geometric progression and therefore it is impossible to predict incomes. Further, a Brand Partner’s success depends on many variables such as the amount of time committed to his/her business and the degree of organizational ability.
- 12.08** I understand and agree that I am solely responsible for all financial and/or legal obligations incurred by me in the course of my business as a Brand Partner of the Company, including self-employment taxes, income taxes, GST/HST, QST, PST, license fees, and related personal fees.
- 12.09** I will always honor the Company’s 100% satisfaction, thirty (30) day money back guarantee when dealing with my retail customers.
- 12.10** I understand and agree that capitalism is one of the most competitive economic systems in the world; I will compete aggressively but fairly, and I will respect the professionals of other network marketing companies. I will not solicit from the proprietary rolls or “genealogical” printouts of other network marketing companies. I will not use sales materials or professional associations that may be regarded as proprietary by other companies. The Company seeks to promote the reputation of all reputable network marketing companies that are furthering the cause of personal independence for their Brand Partners.
- 12.11** A Brand Partner shall engage in no conduct which negatively impacts, disrupts or impairs the reputation or business of the Company or other Brand Partners, including, but not limited to: disparagement of the Company, its Officers or Employees or other Brand Partners; manipulation of the Compensation Plan; undermines or is at odds with the training systems utilized by and authorized by the Company; conduct which is abusive, disrespectful, or intimidating of other Brand Partners, Customers, Employees, or Affiliates of the company; conduct that undermines the relationship between the Company and Brand Partners or relationships between Brand Partners; conduct which is false, fraudulent, dishonest or deceptive in any way; or any other conduct which the Company deems disreputable or, in anyway, negatively impacts the Company or other Brand Partners.