



company policy

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1. The Company

- 1.1. Forever Living Products (UK and Ireland) Limited (which is referred to in this Handbook as “the Company”) is the promoter of this selling system.
- 1.2. Forever Living Products (UK and Ireland) Limited is an associated company of Forever Living Products International Inc, whose head office is at 7501 East McCormick Parkway, Scottsdale, Arizona 85258 USA.
- 1.3. The Forever Living Products group of companies are engaged in the sale and distribution of health, nutritional and beauty related products which are fully described in their company literature.
- 1.4. The Forever Living Products group of companies sell their products through a Multi-Level Marketing Plan using independent Distributors to sell the products and deliver them to retail customers. Distributors at all levels of the Marketing Plan are encouraged to make retail sales each month and keep records of such sales. The Forever Living Products Marketing Plan is founded upon honesty, integrity and allows an equal and fair opportunity for everyone to achieve success.
- 1.5. It is for the mutual benefit of independent Distributors and the Company that rules and regulations are complied with for proper sales and marketing procedures and to prevent improper sales and marketing procedures and to prevent improper, abusive or illegal acts and to ensure that the conduct of the Company and independent Distributors reflect the practice which will best enable the growth of all these businesses and enhance and protect their reputation. Accordingly, all independent Distributors agree to comply with the rules and regulations set out in this Company Policy Handbook and agree that the Company has a right to change these rules at any time on not less than 30 days written notice and that independent Distributors agree to comply with those rules, as amended, and that they form part of their contract with the Company. No amendment to the rules will require independent Distributors to incur any expenditure but they may require them to amend their business practices. Any changes to the Policy Handbook will be notified to Distributors in the Company’s monthly magazine and Distributors agree that this is sufficient notification. Distributors agree that if they are inactive and in consequence do not receive a monthly magazine they are still bound by any change to the Policy Handbook set out in that magazine.
- 1.6. Each Distributor is advised to become familiar with all Company Policies. A copy of the Company Policy Handbook should be supplied to new Distributors by the Sponsor before the Distributor Application Form is completed.
- 1.7. The Company is a member of the Direct Selling Association (DSA). Distributors are required to be aware of and comply with the terms and conditions of both the DSA Consumer Code of Practice and the DSA Code of Business Conduct, copies of which are supplied to New Distributors when their application to become a Distributor is accepted with further copies being available through the Company should any retail customer of the Distributor request a copy.
- 1.8. It is illegal for the Company or a Distributor to persuade anyone to make a payment by promising benefits from getting others to join the scheme. Do not mislead by making claims that high earnings are easily achieved.

2. Introduction and Definitions

- 2.1. The Forever Living Products Marketing Plan provides for Active Distributors to receive monthly sales bonuses and other rewards for their Accredited Sales and those of their Sponsored Group. The Marketing Plan and all Company incentive programmes are intended to promote sound Multi-Level Marketing (“MLM”) building principles. This includes the proper sponsoring and purchasing of Product in retailable quantities.
- 2.2. The basic element of the Marketing Plan is the Profit Plan, by which Active Distributors will receive a bonus based on their monthly purchases and the purchases made by their Sponsored Group according to their position in the Marketing Plan. Independent Distributors agree that the Company has the right to change the Marketing Plan and the rates of bonuses and incentives paid by the Company and the events in respect of which bonuses and incentives are paid, at any time on not less than 30 days written notice.
- 2.3. Products have a “**Case Credit**” (or “**CC**”) value, directly proportional to their VAT exclusive wholesale value. Literature items do not have any CC value.
- 2.4. Throughout this Policy Handbook the following expressions shall have the following meanings:

“**Accredited Sales**” means sales of those Products, which have been purchased directly from the Company.

“**Active Distributor**” means a Distributor who has four or more CCs of personal Accredited Sales in their Home Country for the month, at least one of which is personally acquired. Personal Accredited Sales can be acquired personally or from personally Sponsored New Distributors. The active status of a Distributor is established each month.

“**Assistant Supervisor**” means a Distributor who has achieved the position of Assistant Supervisor the qualification for which is set out in paragraph 3.10.

“**Bonus Recap**” means a monthly statement of account setting out full and accurate details of all transactions and how any deductions are calculated.

“**Case Credit**” a value assigned to each product to calculate sales activity to determine advancements, bonuses, awards and earned incentives for Distributors as set forth in the Forever Marketing Plan. All Case Credits are calculated on a month by month basis.

(a) Active Case Credits: Personal Case Credits plus New Distributor Case Credits. These are used to determine a Sales Leader’s Active status each month.

(b) Leadership Case Credits: Case Credits awarded to an Active Leadership Bonus Qualified Manager calculated at 40%, 20%, or 10% of the Personal and non-Manager Case Credits of their 1st, 2nd, or 3rd generation Active Managers, respectively.

(c) New Distributor Case Credits: Case Credits as reflected by the Personal Accredited Sales of a personally-sponsored Distributor, or their Downline Distributors, while they are at the level of New Distributor.

(d) **Non-Manager Case Credits:** Case Credits as reflected by the Personal Accredited Sales of a Downline Distributor who is not under a Downline Manager.

(e) **Pass-Thru Case Credits:** Case Credits as reflected by the Personal Accredited Sales of a Downline non-Manager that pass through an Inactive Manager.

(f) **Personal Case Credits:** Case Credits as reflected by a Distributor's Personal Accredited Sales.

(g) **Total Case Credits:** the sum total of all a Distributor's various Case Credits.

"Company Marketing Plan" or **"Marketing Plan"** means the Marketing Plan of the Company as more fully described in Section 4 of this Policy Handbook.

"Company Policy Handbook" or **"Policy Handbook"** means this Forever Living Products (UK/Ireland) Limited document, as may be amended from time to time by the Company.

"Company Policies" means the Company's policies, which are set out and referred to, from time to time in the Company Policy Handbook.

"Distributor" means anyone who has signed a Distributor Application Form and in respect of whom Head Office has approved his/her application to become registered as a Distributor with the Company. All Distributors are independent Distributors and not agents, representatives or employees of the Company.

"Distributor Application Form" means the application form to become a Distributor with the Company, with a unique identification number, signed by a Distributor.

"Domestic" pertaining to the Distributor's Home Country.

"Downline" means all those Distributors emanating from (and including) a personally sponsored Distributor. A Distributor may have more than one Downline.

"Executive Committee" means the Senior Management Team employed by the Company.

"Gem Managers" means Managers who have a minimum of nine active domestic United Kingdom first-generation Sponsored Managers. This also applies to FLP Ireland i.e. nine active domestic first-generation Sponsored Managers.

"Head Office" has the meaning given by paragraph 1.1 of this Company Policy Handbook.

"Home Country" is the country in which a Distributor resides for a majority of time. It is the country that Managers must qualify to receive group and Leadership Bonus qualification waivers for all other Forever countries. When a Distributor changes their residence, they must notify their old country of residence so that their address can be changed and a new Home Country assigned.

"ID" means the personal unique identification number of a Distributor relating to the Distributor's personal Distributorship with the Company.

“Incentive Shares” The total Case Credits generated, in accordance with the Chairman’s Bonus rules, that are used to determine the Distributor’s share of their bonus pool(s).

“Leadership Bonus” means that part of a Distributor’s bonus, which is in relation to the Leadership Manager Programme.

“Literature” or **“Company Literature”** means sales aids, Company forms, Company magazine, packaging, samples of Product and any other Product related items which do not have a CC value.

“Manager” means a Distributor who has achieved the position of Manager in accordance with paragraph 4.8 & 4.9, and the terms **“Recognised Manager”** and **“Unrecognised Manager”** shall have the meanings as set out in paragraphs 4.10 and 4.11 respectively. **“New Distributor”** a Distributor who has not yet achieved the level of Assistant Supervisor.

“New Distributor” a Distributor who has not yet achieved the level of Assistant Supervisor.

“New Distributor Pricing (NDP) Profit” the difference between New Distributor Price and Wholesale price, which is paid to the immediate Upline sponsor on the Personal Accredited Sales of a Distributor who is not Wholesale Qualified.

“Operating Company” the administrative company under which one or multiple countries use a single database to calculate sales level advancements, bonus payments, and incentive qualifications.

“Participating Country” A country that has qualified to participate in the Chairman’s Bonus Incentive by generating at least 3,000 CC during any three months of the previous calendar year (3,000 CC for any two months if re-qualifying), and produces at least one Chairman’s Bonus qualifier.

“Personal Accredited Sales” means sales of those Products, which have been purchased directly from the Company by the Distributor, or by their personally sponsored New Distributors.

“Personal Bonus” means a bonus paid on Personal Accredited Sales.

“Product” means the health, nutritional and beauty related products, which are fully described in Company Literature and have a CC value.

“Profit Plan” means that part of the Marketing Plan specified in paragraph 4.13 of this Policy Handbook.

“Qualifying Country” Any participating country that is being used as the country of qualification for the Chairman’s Bonus Incentive.

“Sponsor” means a Distributor who personally signs up another Distributor.

“Sponsored Group” or **“Downline Sponsored Group”** means all of a Distributor’s Downlines.

“**Sponsored Manager**” means a Distributor who personally signs up another Distributor.

“**Suggested Retail Price (SRP)**” the price, not including taxes, at which the Company recommends that products be sold to retail Customers. It is upon this price that all bonuses are calculated

“**UK/Ireland Web Pages**” means the UK pages & Ireland link of the corporate website: www.foreverliving.com.

“**Upline**” means the Distributors in the upline genealogy of the Distributor.

“**Volume Bonus**” means a bonus paid on all group Accredited Sales of personally sponsored Assistant Supervisors, Supervisors and Assistant Managers.

“**Waiver**” a credit given from a qualifying Manager’s Home Country to waive his requirements for receiving Volume and Leadership Bonuses generated in all foreign countries.

“**Wholesale Price**” the price, not including taxes, at which the products are sold to Distributors who are Wholesale Qualified. This price is discounted 30% from SRP.

3. Being a Distributor and becoming an Assistant Supervisor

BEING A DISTRIBUTOR

- 3.1. A Distributor is a person (18 years or older) who has fully completed a Distributor Application Form having been personally sponsored by another Distributor who is at Distributor level or above in the Marketing Plan and his/her application has been successfully approved and processed at Head Office.
 - 3.1.1. Sponsoring Distributors online via an electronic signature application or online form is not permitted outside of the direct application form or link to one of the official Forever websites at www.foreverliving.com or www.foreverknowledge.info.
- 3.2. All terms and conditions under which Distributors are appointed are set out in the Distributor Application Form and other Company Literature specifically referred to on that form. Distributors are required to be familiar with all Company Policies including, where applicable, all policies set out in the UK/Ireland Web Pages.
- 3.3. A Distributor has the right to cancel his/her contract with the Company (Distributor Application Form) in the first 14 days after signing (see section 10, Terminating a Distributor Agreement). All Distributors who terminate, or are terminated, must wait a minimum of two years before submitting a new application for Head Office approval, subject only to the Responsoring Policy set out in paragraph 9.5.
- 3.4. A Distributor can purchase Products at the published wholesale price directly from the Company, in accordance with the policies and procedures outlined in this Policy Handbook. Literature is also available for purchase from the Company. New Distributors purchase at New Distributor Price (NDP) which is discounted 15% off the Suggested Retail Price (SRP). Assistant Supervisors, Supervisors, Assistant Managers and Managers purchase at Wholesale Price (WP) which is discounted 30% off the SRP.

- 3.4.1 A new Distributor does not receive bonuses until they have achieved the level of Assistant Supervisor. A new Distributor who purchases two Case Credits from the Company within two consecutive months or less will advance to the position of Assistant Supervisor.
- 3.4.1.1 Effective Nov. 1, 2010, a Distributor who has been sponsored for six full months and has not achieved the level of Assistant Supervisor, will be eligible to choose a new Sponsor.
- 3.4.1.2 Distributors who choose a new Sponsor will lose any former Downlines and accumulated move-up Case Credits, and will count as newly-sponsored for all applicable incentives.
- 3.4.2 All Distributors shall receive New Distributor Profit (New Distributor Price less Wholesale Price) on the purchases of their personally Sponsored New Distributors.
- 3.5. The Personal Accredited Sales of a New Distributor will count as Personal Accredited Sales for their immediate Upline Sponsor.
- 3.6. Having signed the Distributor Application Form, a Distributor may not purchase, nor make a commitment to purchase, more than £200/€300 of Products and/or Literature from the Company or his/her Sponsor, within the first seven days of the agreement becoming effective being that time when the Distributor Application Form has been successfully approved and processed at Head Office. THIS IS A STATUTORY REQUIREMENT.
- 3.7. The Company does not require a sponsor's signature on a Distributor Application Form. It is still necessary for the form to include sponsor's name and ID number but the sponsor does not need to sign the form for it to be accepted by the Company.
- 3.8. The Company runs training courses to provide Distributors with a good standard of Product knowledge and also advice on how to develop their business. These are available to all Distributors and details are published in the Company's monthly magazine. Successful Distributors gain current knowledge of the market by attending training meetings, maintaining their own personal retail Customers and sponsoring others to sell retail.
- 3.9. Active Distributors are provided with monthly Bonus Recaps.

<p><i>BECOMING AN ASSISTANT SUPERVISOR</i></p>
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- 3.10. After personally obtaining Accredited Sales to the amount of two CCs during any two consecutive calendar months, New Distributors qualify as Assistant Supervisors in the Company Marketing Plan.
- 3.11. All Distributors need two CCs, within their personal business, to purchase at Wholesale Price. Until that requirement is met all purchases will be at New Distributor Price.
- 3.12. All Product purchases made by an Assistant Supervisor or above count directly toward his/her own personal CCs.
- 3.13. Furthermore, until a New Distributor becomes an Assistant Supervisor, the CC value of his/her orders will be accredited to the Sponsor. Thus a Sponsor counts the first two CCs purchased by his/her directly Sponsored New Distributors towards his/her own active qualification in the month the purchase occurred. The Sponsor will earn Personal bonus on these orders and it will be paid at a value determined by their position on the Marketing

Plan. Also until the New Distributor becomes Assistant Supervisor New Distributor bonus shall be paid to the Sponsor. Group bonuses on those orders will be paid to the Upline according to the Profit Plan rules.

- 3.14. Regardless of how many CCs a sponsoring Distributor has accredited from his/her directly sponsored New Distributors, the sponsoring Distributor must always purchase at least one CC under his/her own ID each calendar month as part of his/her active qualification.

4. The Marketing Plan

<i>MOVING UP THE MARKETING PLAN</i>

- 4.1. When a Distributor has qualified for a higher position in the Marketing Plan, he/she will retain that position without the need to re-qualify unless Company Policy has been breached; or the Company or the Distributor terminates the Distributorship; or the Distributor cancels the distributorship or the Distributor has been sponsored.
- 4.2. A Distributor cannot be by-passed by anyone in his or her Sponsored Group in moving up the Marketing Plan to the position of Manager.
- 4.3. Pins representing advancement up the Marketing Plan will only be presented at Business Briefings, Success Showcase Training Days or other events conducted either by an Area Development Director or a member of the Executive Committee. Exceptions are allowed at the discretion of the Executive Committee.
- 4.4. After a Distributor and his/her Sponsored Group have Accredited Sales of 25 CCs of Product in one calendar month or two consecutive calendar months, the Distributor becomes a Supervisor and is honoured and presented with a bronze pin by the Company.
- 4.5. After a Distributor and his/her Sponsored Group have Accredited Sales of 75 CCs of Product in one calendar month or two consecutive calendar months, the Distributor becomes an Assistant Manager and is honoured and presented with a silver pin by the Company.
- 4.6. Any two consecutive calendar months may be used to accumulate CCs necessary to achieve Assistant Supervisor, Supervisor or Assistant Manager. All move-ups whether in one month or two shall occur on the exact date that sufficient CCs are accumulated to reach the specified level.
- 4.7. In respect of a Distributor qualifying for the levels of Assistant Supervisor (as specified in paragraph 3.10) or Supervisor (as specified in paragraph 4.4) or Assistant Manager (as specified in paragraph 4.5) or Manager (as specified in paragraph 4.8), the second of the two consecutive qualifying calendar months for achieving the relevant level may also be utilised and counted as the first calendar month towards qualifying for the next or any subsequent level of the Marketing Plan.

- 4.8. After a Distributor and his/her Sponsored Group have Accredited Sales of 120 CCs of product as set forth on the Distributor's monthly Bonus Recap in one calendar month or two consecutive calendar months and has been active in both months of move-up and there are no other Distributors in their Downline who qualify as Manager during the same period, the Distributor becomes a Recognised Manager and is honoured and presented with a gold pin by the Company.

<i>MANAGERS</i>

- 4.9. **“Recognised Manager”** That Distributor qualifies as a Recognised Manager and receives a gold Manager pin when
- They and their Downline group generate 120 Personal and non-Manager Case Credits within any two consecutive month period, and
 - They are an Active Distributor each month during the same period, and
 - There are no other Distributors in their Downline who qualify as Manager during the same period.

If the Distributor's Downline Distributor also qualifies as a Recognised Manager in any country during the same period, the Distributor will be a Recognised Manager if

- They are an Active Sales Leader each Month during the same period, and
- They have at least 25 Domestic Personal and non-Manager Case Credits in the final month of qualification from Distributors in Downlines other than the Downline that includes the Manager moving up in the same month.

- 4.10. Managers who do not satisfy condition 4.9 above will be regarded as “Unrecognised Managers”. An Unrecognised Manager can qualify for Personal, New Distributor and Volume Bonuses, but cannot qualify for Leadership Bonus or any other Manager incentive.

- 4.11. **“Unrecognised Manager”** When a Distributor and his Downline generate 120 Personal and non-Manager Case Credits within any two consecutive-month period, and the Distributor does not meet the remaining requirements for Recognised Manager, they become an Unrecognised Manager.

An Unrecognised Manager can qualify as a Recognised Manager by meeting the following requirements:

- Generate a total of 120 Personal and non-Manager Case Credits within any two consecutive month period, and
- Be an Active Sales Leader each month during the same period.

From the date that an Unrecognised Manager has generated 120 Personal and non-Manager Case Credits, he becomes a Recognised Manager and will begin to accrue Leadership Bonuses and Leadership Case Credits on Accredited Sales as long as they are Leadership Bonus Qualified.

If the qualification occurs the month immediately after becoming an Unrecognised Manager, the Case Credits that were not associated with a Downline Manager move-up during the month of move up to Unrecognised Manger can be counted for the Recognised Manager qualification.

“Sponsored Manager” A Manager becomes a Sponsored Manager to his immediate Upline Sponsor by

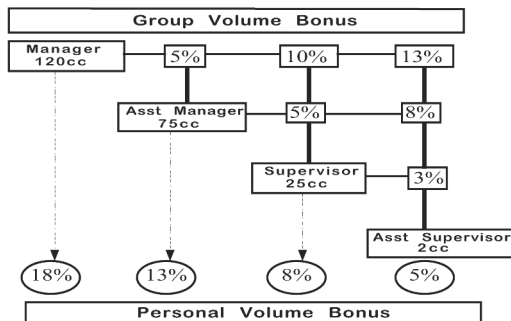
- Qualifying as a Recognised Manager, or
- Qualifying as a Sponsored Manager from Inherited or Transferred Manager status.

A Sponsored Manager can be counted for his Upline Manager’s qualification for the Gem Bonus, Gem Manager status, and for any other incentive that requires Sponsored Managers.

4.12. Distributors who attain the level of Manager in the Marketing Plan are required to know and comply with the terms and conditions of the Managers’ Code of Conduct which is set out in Section 13.

THE PROFIT PLAN & VOLUME BONUS

4.13. The Profit Plan is illustrated below :



PERSONAL BONUS (PB) and VOLUME BONUS (VB)

New Distributor

No PB or VB paid at this level.

Assistant Supervisor

5% PB on all personal orders (including those of personally sponsored New Distributors).
No VB paid at this level.

Supervisor

8% PB on all personal orders (including those of personally sponsored New Distributors).
3% VB on all personally sponsored Assistant Supervisors and their group orders.

Assistant Manager

13% PB on all personal orders (including those of personally sponsored New Distributors).
5% VB on all personally sponsored Supervisors and their group orders.
8% VB on all personally sponsored Assistant Supervisors and their group orders.

Manager

18% PB on all personal orders (including those of personally sponsored New Distributors).
5% VB on all personally sponsored Assistant Managers and their group orders.
10% VB on all personally sponsored Supervisors and their group orders.
13% VB on all personally sponsored Assistant Supervisors and their group orders.

Managers are also eligible to receive bonus payments and Case Credits from the business of their Downline Managers (see paragraphs 4.39-4.47 ‘Leadership Manager Programme’).

<i>RECEIVING BONUS PAYMENTS</i>

- 4.14. All bonuses are calculated on the UK/Ireland Suggested Retail Price (SRP) less VAT.
- 4.15. Personal bonuses (including those accredited to a Distributor from his/her directly sponsored Distributors) are paid to a Distributor who has attained the level of Assistant Supervisor or above in the Marketing Plan, regardless of whether they qualify as an Active Distributor or not for that month.
- 4.15.1. All Distributors who have qualified for the level of Assistant Supervisor or above shall receive the profit (New Distributor Price less Wholesale Price) on the purchases of the New Distributors in their Downline, and in addition receive a personal bonus on such purchases.
- 4.15.2. The Personal Accredited Sales of a New Distributor will count as Personal Accredited Sales for their immediate Upline Sponsor.
- 4.16. To qualify for volume and other bonuses earned from his/her Sponsored Groups during any month; a Distributor must attain the level of Supervisor or above in the Marketing Plan and must be an Active Distributor in that month.
- 4.17. Bonuses are calculated according to a Distributor's position within the Marketing Plan. Bonuses are paid at the current level attained at the time orders are placed with Head Office. Example: if an Assistant Supervisor moves to Assistant Manager as a result of receiving 80 CCs in a calendar month, they will earn 5% for any personal purchases for the first 25 CCs, 8% on any personal purchases within the next 50 CCs and 13% for the personal purchases on the remaining 5 CCs.
- 4.18. A Distributor who is an Assistant Supervisor, Supervisor or Assistant Manager does not receive a volume bonus on any Distributor in his/her Sponsored Group who is at the same level in the Marketing Plan. However, they will receive CCs for the purpose of determining whether any advancement to a higher level in the Marketing Plan has been achieved.
- 4.19. Distributors are responsible for monitoring their personal CCs and any other qualifying CCs. The Company accepts no responsibility if a Distributor does not achieve the required CCs in accordance with the requirements of the Marketing Plan (which includes the Profit Plan, Leadership Manager Programme, Earned Incentive Programme, Chairman's Bonus Incentive and other incentives).
- 4.20. Distributors who are not Active Distributors in any month will not be paid a bonus on their Sponsored Group that month (except for the personal bonus accrued from their directly sponsored New Distributors). Distributors who forfeit any bonus may qualify the following or any subsequent month by becoming an Active Distributor in any such month; however, this qualification is not retrospective for any non-active months.
- 4.21. Any unearned bonus will be paid to the next Distributor up the line who is an Active Distributor. The Company does not require that Distributor to redistribute the bonus to his/her Downline.

- 4.22. Bonus payments are paid direct into the Distributor's bank account detailed on the Distributor Application Form on the 15th of the month following Product purchase. That is, bonuses for January Accredited Sales will be paid into that account on 15th February. When the 15th day of the month falls on Saturday, payments are paid into that account on Friday (14th). When the 15th day of the month falls on Sunday, payments are paid into that account on Monday (16th).
- 4.23. Any Distributor wishing to change the bank account nominated for payment of his/her bonus, should notify the Head Office Accounts Department, in writing, to be received before the first day of the month of the intended change of account.
- 4.24. Bonuses are paid excluding VAT and therefore any Distributor registered for VAT (see paragraphs 8.16–8.18) should send an invoice to the Company for the payment of VAT on his/her bonuses. This can be each month or quarterly, but must be a properly constituted invoice showing the Distributor's VAT number, address, date and a unique invoice number. All elements of the bonus are VAT related.

<i>EAGLE MANAGER</i>

- 4.24.1 Once a Distributor has achieved the level of Manager they can then qualify to become an Eagle Manager. Eagle Manager Status is earned and renewed each year by meeting the following requirements during the calendar year after qualifying as a Recognised Manager:
- Be Active and Leadership Bonus Qualified every month.
 - Generate at least 720 Total Case Credits, including at least 100 non-Manger Case Credits from new, personally-sponsored Downlines.
 - Personally sponsor and develop at least two new Supervisor lines.
 - Support local and regional meetings.

In addition to the requirements listed above, Senior Managers and above must also develop and maintain Downline Eagle Managers, as outlined in the following schedule. Each Downline Eagle Manager must be in a separate sponsorship line, without regard to how many generations down. This requirement is based on the Manager position qualified for at the beginning of the calendar year.

- 1) Senior Manager: 1 Downline Eagle Manager.
- 2) Soaring Manager: 3 Downline Eagle Managers.
- 3) Sapphire Manager: 6 Downline Eagle Managers.
- 4) Diamond-Sapphire: 10 Downline Eagle Managers.
- 5) Diamond Manager: 15 Downline Eagle Managers.
- 6) Double-Diamond Manager: 25 Downline Eagle Managers.
- 7) Triple-Diamond Manager: 35 Downline Eagle Managers.
- 8) Centurion-Diamond Manager: 45 Downline Eagle Managers.

All requirements must be achieved in a single Operating Company, with the exception of the new non-Manager Case Credit requirement and the Downline Eagle Manager requirement, as clarified below.

- Re-sponsored Distributors are included in the new, personally-sponsored Downline, new Supervisor and new Case Credit requirements.
- A Manager can combine new non-Manager Case Credits from various countries to count toward the 100 new Case Credit requirement.

- A Manager can combine their Downline Eagle Managers from various countries for the purpose of achieving Eagle Manager status.

If a Distributor achieves Manager after the first of the year:

- Any New Distributors they sponsored during the final month of move-up will count toward the new sponsoring and new Case Credit requirements for that calendar year's Eagle Manager programme.
- Their Eagle Manager requirements are NOT prorated; rather, they need to accomplish the 720-total/100-new Case Credits and the two -new Supervisors during the remainder of the year after achieving Manager level. Upon completion of all requirements to achieve Eagle Manager Status, the Distributorship will be awarded an earned trip to attend the annual Eagle Managers' Retreat located in their respective region. This will include:
- Airfare for two and three night's lodging.
- An invitation to the exclusive Eagle Managers' Training.
- Access to all events relating to the Eagle Managers' Retreat.

4.24.2 **"Eagle Summit"** Eagle Summit is earned and renewed each year by generating 7,500 total Case Credits during the calendar year after qualifying as a Recognised Manager.

Managers achieving Eagle Summit will be invited to an exclusive global retreat, and will receive Eagle Summit recognition and awards at the Global Rally.

Managers must attend the Global Rally to receive Eagle Summit Awards.

POSITIONS BEYOND MANAGER

- 4.25. To qualify as a Senior, Soaring or Gem Manager the first-generation Sponsored Recognised Manager can only be counted once, even if they have qualified as Recognised Manager in several countries.
- 4.26. To proceed further up the Marketing Plan Distributors should continue to sponsor and develop others to the position of Manager. When a Manager has sponsored and developed 2 first-generation Recognised Managers (domestic or foreign) he/she becomes a Senior Manager and a Manager pin, set with two garnets, is awarded at a Company event. A Distributor can only be classed as a Sponsored Manager in the country he/she has qualified with 120 CC. They will be classed as Transferred Manager in all other countries they are registered into until such time as they re-qualify with 120 CC in one or two consecutive months. Transferred Manager status cannot be used towards pinning levels.
- 4.27. When a Manager has sponsored and developed five (5) 1st Generation Sponsored Recognised Managers, they become a Soaring Manager and they will be awarded a new Manager pin with four garnets. A Soaring Manager with five (5) active 1st Generation Sponsored Managers has their Case Credit requirements in the Earned Incentive Programme reduced by 40 CC for Incentive 1, 50 Case Credits for Incentive 2 and 60 CC for Incentive 3.

<i>GEM MANAGER AWARDS</i>

- 4.28. When a Manager has sponsored and developed nine (9) 1st Generation Sponsored Recognised Managers in their line, they become a Sapphire Manager, and a gold pin with four sapphires is awarded. Pins will only be presented at a company event. The Sapphire Manager Distributorship is also awarded a four-day, three-night all-expense-paid trip to a resort within your country.
- 4.29. When a Manager has sponsored and developed seventeen (17) 1st Generation Sponsored Recognised Managers, they become a Diamond-Sapphire Manager, and a gold pin with two diamonds and two sapphires is awarded at a Company event. The Distributorship is also awarded a specially designed sculpture. In addition, the distributorship will receive an all-expense-paid trip for five days and four nights to a luxury European Resort determined by the Company.
- 4.30. When a Manager has built and develops 25 1st Generation Sponsored Recognised Managers they become a Diamond Manager and are awarded:
- A gold pin with one large diamond.
 - A beautifully designed diamond ring.
 - A waiver of case volume requirements for Earned Incentives and Volume Bonus, provided a minimum of 25 1st Generation Sponsored Recognised Managers are active each month.
 - A 7-day, 6-night all-expense-paid trip to a luxury resort outside their Region.
- 4.31. Double Diamond Manager: When a Manager has developed 50 1st Generation Sponsored Recognised Managers, they are recognised as Double Diamond Manager and are awarded:
- A specially designed gold pin with two large diamonds.
 - A 10-day, 9-night all-expense-paid trip to South Africa.
 - An exclusive pen accessorised with diamonds.
- 4.31.1 When a Manager builds and develops Seventy Five (75) 1st Generation Sponsored Recognised Managers, they become a Triple Diamond Manager. The Distributorship is also awarded the following privileges:
- A specially-designed gold pin with three large diamonds.
 - An all-expense-paid trip for 14 days and 13 nights around the world.
 - An exclusive, personalised watch (at Forever's discretion).
 - Limited Edition Bronze (at Forever's discretion).
- 4.31.2 When a Manager builds and develops one hundred (100) 1st Generation Sponsored Recognised Managers, they become a Diamond Centurion Manager. The Distributorship is also awarded the following privileges:
- A specially-designed gold pin with four large diamonds.
- 4.31.3 A Manager can combine their 1st Generation Sponsored Recognised Managers from all countries for the purpose of achieving Senior through Diamond Centurion Manager. However, each 1st Generation Manager can only be counted once.

INHERITED MANAGERS

- 4.32. When a Manager's Distributorship is terminated, that Manager's entire Downline Sponsored Group will be placed directly under that terminated Manager's previous Sponsor. Accordingly the terminated Manager's entire Downline Sponsored Group will remain in their existing generation sequence underneath the applicable previous Sponsor.
- 4.33. If the terminated Manager had any first-generation Managers in his/her Sponsored Group, these Sponsored Managers will be classified as 'Inherited Managers' in his/her newly-appointed Sponsor's first generation.
- 4.34. The Sponsor who inherits the Downline Sponsored Group shall be entitled to select one of the Inherited Managers to remain at 'Sponsored Manager' status. This serves as a replacement for the Sponsored Manager lost with the recent termination of his/her first-generation Manager.
- 4.35. The remaining Inherited Managers do not affect the volume bonuses or Leadership Bonuses paid to the Manager or his/her Upline. Their activity does not however count for qualification for the Gem Bonus or case reduction for the Earned Incentive Programme. Inherited Managers do not count towards Gem Manager status.
- 4.35.1 A Manager who internationally Sponsors into a country other than their original country of sponsorship shall be a Transferred Manager. The activity of a Transferred Manager does not count for their Upline Manager's qualification for the Gem Bonus, case reduction for the Earned Incentive Programme, or Gem Manager status.
- 4.35.2 A Transferred or Inherited Manager can qualify as a Sponsored Manager by meeting the following requirements:
- 1) Generate a total of 120 Personal and non-Manager Case Credits within any two consecutive month period.
 - 2) Be an Active Sales Leader during the same period.
 - 3) If requalifying in a foreign country, be an Active Sales Leader in their Home Country, or generate four Personal Case Credits in the country where they are achieving Sponsored Manager status.

INHERITED SPONSORED GROUP

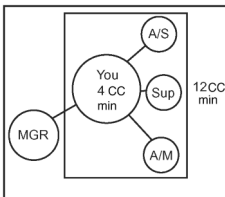
- 4.36. The remaining Inherited Managers may subsequently achieve the status of Sponsored Manager for the purposes of their new Sponsor. In order to achieve this, the remaining Inherited Managers must re-qualify with 120 CCs in a one or two consecutive month period and may only count personal and non-Manager business to accumulate the 120 CCs needed.
- 4.37. When a Distributor who is not a Manager terminates or cancels his/her Distributorship or when the Company terminates such a Distributorship then that Distributor's entire Sponsored Group will be placed directly under his/her previous Sponsor in the existing generation sequence.

REQUALIFICATION

- 4.38 If you are a Transferred, Inherited or Unrecognised Manager, in order to become a “Sponsored Manager” you must requalify by meeting the following criteria:
- You must achieve Active status for each month of requalification.
 - You must have a total of 120 Case Credits (CCs) of Personal and Non-Manager Accredited Sales in one or two consecutive months. You CAN use Case Credits that were NOT associated with a downline Manager move-up from the final month you moved up to the position of Unrecognised Manager to re-qualify as a Recognised Manager, provided that the re-qualification occurs during the month immediately following. You CANNOT count the Case Credits from the downline Distributor that pushed you up to Unrecognised, but you can count the Case Credits coming from your other downlines outside of the line that pushed you up. If you are an Inherited or Transferred Manager, you may use the Case Credits earned in the month your status was changed to Inherited or Transferred.
 - If requalifying in a foreign country, you must achieve Active status either in your home country (your country of residence) or in the country where you are achieving Sponsored Manager status.

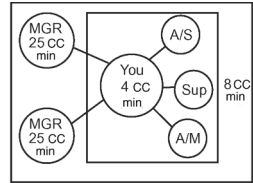
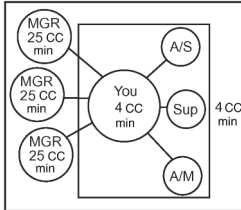
LEADERSHIP MANAGER PROGRAMME

- 4.39. After a Distributor becomes a Recognised Manager, he/she should work with his/her various Downlines with the intent of helping other Distributors to become Recognised Managers.
- 4.40. A Leadership Bonus can be paid at the following rates to Recognised Managers who have Downline Recognised Managers:
- 6% Bonus paid on all 1st Generation Managers and their group orders.
 - 3% Bonus paid on all 2nd Generation Managers and their group orders.
 - 2% Bonus paid on all 3rd Generation Managers and their group orders.
- 4.41. Managers are also allocated group volume case credits based on the Accredited Sales of their Downline Managers’ groups, as follows: •40% of total Case Credits of 1st Generation Managers and their groups. • 20% of total Case Credits of 2nd Generation Managers and their groups. • 10% of total Case Credits of 3rd Generation Managers and their groups.
- 4.42 Any Active Recognised Manager’s downline that has Accredited Sales of at least 25 or more Case Credits per month, as shown on the previous month’s recap, will count towards the reduction in all upline Managers’ minimum Case Credits of 12, 8 or 4 Case Credits.



- 4.43. Active Recognised Managers may qualify to receive their respective Leadership Bonus if they have sales of 12 CCs in personal and non-Manager business per calendar month, subject to paragraphs 4.44 and 4.45 below.

4.44 To reduce the monthly requirement of 12 CCs to 8 CCs, an Active Recognised Manager needs two separate Downlines, each with any Active Recognised Manager who themselves have sales of at least 25 CCs on their respective Bonus Recaps for the previous month.



45. To reduce the monthly requirement of 12 CCs or 8 CCs to 4 CCs, an Active Recognised Manager needs three separate Downlines, each with any Active Recognised Manager who themselves have sales of at least 25 CCs on their respective Bonus Recaps for the previous month.

4.46. Any Active Recognised Manager in a Downline (i.e. not only first-generation but also subsequent generations of Managers) who has sales of at least 25 CCs per month shown on their previous month's Bonus Recap will count for the reduction to 8 or 4 CCs of any Upline Manager's minimum requirement. The 25 CCs of the Downline Active Recognised Manager can be comprised of their own personal and non-Manager business and in addition include the allocated Case Credits based on the Accredited Sales of their Downline Managers' group (in accordance with paragraph 4.41 above).

4.47. Recognised Managers who are not 4 Case Credit active for 3 consecutive months (or more) will not receive a Leadership Bonus. In order to start receiving one, they must become active and have Accredited Sales of 12 personal and non-Manager CC (or as the case may be 8 CC or 4 CC as reduced in accordance with paragraphs 4.44 and 4.45) for 3 consecutive months, prior to re-qualifying for a Leadership Bonus in the fourth month. These 12 CC of accredited sales must occur in the country of residence.

4.48. An additional bonus ("Gem Bonus") is payable to active Gem Managers.

GEM BONUS

4.49. Gem Managers who have 9 or more active, domestic first-generation Sponsored Managers during a month will receive an additional 1% on all 1st, 2nd and 3rd Generation Managers and their group Accredited Sales for that month. Thus the Leadership Manager Bonuses become 7%, 4%, 3% respectively.

4.50. Gem Managers who have 17 or more active, domestic first-generation Sponsored Managers during a month will receive an additional 2% on all their 1st, 2nd and 3rd Generation Managers and their group Accredited Sales for that month. Thus the Leadership Manager Bonuses become 8%, 5%, 4% respectively.

4.51. Gem Managers who have 25 or more active, domestic first-generation Sponsored Managers during a month will receive an additional 3% on all 1st, 2nd and 3rd Generation Managers and their group Accredited Sales for that month. Thus the Leadership Manager Bonuses become 9%, 6%, 5% respectively.

4.52. In connection with International Sponsoring (see Section 7), Gem Bonus is paid by each country based on activity of Managers in that country. Therefore, to qualify for a Gem Bonus from any country, a Distributor must have the required number of active first-generation Managers located in that specified country for the month in which the Distributor is qualifying for a bonus.

CHAIRMAN'S BONUS INCENTIVE PROGRAMME

General Requirements for all levels (January 1 through December 31)

- 4.53. **Core Requirements For All Levels.** The following requirements must ALL be achieved either in the domestic country, or the qualifying country. They cannot be combined from different countries.
- 4.54 Be an active Recognised Manager with 4 active Case Credits every month during the incentive period; or, if a Distributor qualifies as a Recognised Manager during the incentive period, they must be active every full month thereafter.
- 4.55 Be Leadership Bonus qualified every month during the incentive period; or, if a Distributor qualifies as a Recognised Manager during the incentive period, they must be Leadership Bonus qualified every full month thereafter.
- 4.56 The following requirements may be achieved in any Participating Country:
- Be qualified for the Earned Incentive Programme.
 - Purchase products as required only after 75% of prior product inventory has been utilised.
 - Build the Forever business according to correct MLM principles and Company Policies.
 - Attend and support Company sponsored events.
- 4.57. Final acceptance into the Chairman's Bonus Incentive is subject to approval by the Executive Committee.
- 4.58. **Chairman's Bonus Level 1** *In addition to the General Requirements:* the following must be achieved in the qualifying country, unless otherwise noted:
- Accumulate 700 personal and non-Manager Case Credits during the incentive period after becoming a Recognised Manager...
 - ...of which a minimum of 150 Case Credits must come from newly sponsored Distributors during the incentive period. These 150 "new" Case Credits may be generated and combined in any country. Any "new" Case Credits generated outside the qualifying country will not count toward the calculation of the Incentive Shares.
 - The remaining personal and non-Manager Case Credits must be generated in the qualifying country.
 - Develop one of the following in any generation:
 - A Downline Recognised Manager in your qualifying country that accumulates 600 or more total group Case Credits during the incentive period after becoming a Recognised Manager. This Manager may be an existing Manager or newly developed during the incentive period.
 - Or,
 - A Downline Chairman's Bonus Manager in any participating country.
 - The 600 CC Manager's Case Credits will not be included when calculating the Incentive Shares.
 - Only Case Credits for the months the 600 CC Manager qualifies as active will count for this requirement.
 - Re-sponsored Distributors do not count toward the 150 CC requirement.

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- 4.59. **Chairman's Bonus Manager Level 2** *In addition to the General Requirements:*
the following must be achieved in the qualifying country, unless otherwise noted:
- Accumulate 600 personal and non-Manager Case Credits during the incentive period after becoming a Recognised Manager...
 - ...Of which a minimum of 100 Case Credits must come from newly sponsored Distributors during the incentive period. These 100 "new" Case Credits may be generated and combined in any country. Any "new" Case Credits generated outside the qualifying country will not count toward the calculation of the Incentive Shares.
 - The remaining personal and non-Manager Case Credits must be generated in the qualifying country.
 - Develop 3 Chairman's Bonus Managers in any generation, each in separate Downlines, in any participating country.
 - Re-sponsored Distributors do not count toward the 100 CC requirement.
- 4.60. **Chairman's Bonus Manager Level 3** *In addition to the General Requirements:*
the following must be achieved in the qualifying country, unless otherwise noted:
- Accumulate 500 personal and non-Manager Case Credits during the incentive period after becoming a Recognised Manager...
 - ...Of which a minimum of 100 Case Credits must come from newly sponsored Distributors during the incentive period. These 100 "new" Case Credits may be generated and combined in any country. Any "new" Case Credits generated outside the qualifying country will not count toward the calculation of the Incentive Shares.
 - The remaining personal and non-Manager Case Credits must be generated in the qualifying country.
 - Develop 6 Chairman's Bonus Managers in any generation, each in separate Downlines, in any participating country.
 - Re-sponsored Distributors do not count toward the 100 CC requirement.
- 4.61. **Chairman's Bonus Incentive Calculation**
- A global bonus pool will be determined and then allocated as follows:
 - One half of the pool will be paid to those who qualify in Level 1.
 - One third of the pool will be paid to those who qualify in Level 2.
 - One sixth of the pool will be paid to those who qualify in Level 3.
 - The qualifying Distributor will be awarded one Incentive Share for each of their Total Case Credits generated in their qualifying country (but not including the "new" Case Credits generated outside of their qualifying country), plus the Incentive Shares generated by the first Chairman's Bonus Manager in each of their sponsorship lines in any participating country.
 - Each pool division will be divided by the grand total Incentive Shares of all Distributors who qualified for that pool division to determine the money factor for that division. This money factor will be multiplied by the Incentive Shares of each individual Distributor to arrive at the payment amount of the Incentive.
- 4.62. When a Distributor combines new non-Manager Case Credits from various countries, those Case Credits may count for the overall non-Manager Case Credit requirement (700, 600, 500) in only one country. In all remaining countries in which the Distributor desires to qualify, the overall non-Manager Case Credit requirement must be satisfied without counting the new non-Manager Case Credits that they used to qualify in the first country.
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For example, if a Distributor had a total of 200 new non-Manager Case Credits worldwide, and used 150 of them to qualify in the first country, they cannot use those 150 to count toward the overall non-Manager Case Credit requirement in the 2nd country. However, they can use the remaining 50 new non-Manager Case Credits to count toward the overall non-Manager Case Credit requirement in the 2nd country.

4.62.1.A Manager who is re-qualifying to receive Leadership Bonus (see 4.47 of the Policy Manual) will only be able to count Case Credits for the Chairman's Bonus after the three months of re-qualification have been completed. For example, if a Manager is re-qualifying for Leadership Bonus during December, January and February, the Case Credits for the Chairman's Bonus qualification will start to count effective 1 March. However, the Manager is considered active and Leadership Bonus qualified during those months, hence allowing them to be eligible to participate in Chairman's Bonus.

4.62.2 Chairman's Bonus Global Rally Award

Unless they qualify for a 1,500 CC or higher Global Rally Award, Chairman's Bonus Managers will be awarded a trip to the Forever Global Rally to be recognised and receive their bonus. This trip for two includes:

- Airfare, lodging, meals for 5 days and 4 nights.
- \$250 spending cash.
- \$200 activity allowance.

EARNED INCENTIVE PROGRAMME

4.63. All domestic active Distributors are eligible to participate in the Earned Incentive Programme.

4.64. The Earned Incentive amount may be used by the Distributor to purchase or lease an asset in his/her own name (for example a car, a house, a boat or other asset).

4.65. Three levels of incentives are available :

- Level 1: The Company will pay a maximum of £263/€400 p.m. for a maximum of 36 months
- Level 2: The Company will pay a maximum of £394/€600 p.m. for a maximum of 36 months
- Level 3: The Company will pay a maximum of £525/€800 p.m. for a maximum of 36 months

4.66. Performance is measured over 3 consecutive calendar months for qualification.

4.67. Qualification for the respective levels of the programme is detailed in the following table:

	Level 1	Level 2	Level 3
CC requirement Month 1	50	75	100
CC requirement Month 2	100	150	200
CC requirement Month 3	150	225	300

4.68. After qualification, the third month volume must be maintained. If a Distributor's Group CC Volume drops below the case requirement in any given month, the monthly Earned Incentive bonus will only reflect the amount earned based on £1.75/€2.66 per CC for the Distributor's group volume.

- 4.69. If the qualifying Distributor's group CCs drop below 50 CCs in any given month, the Earned Incentive Bonus, for that month, will not be paid. If, in the subsequent months, the qualifying Distributors increase their group volume to 50 CCs or more, the Earned Incentive will be paid as set out in 4.74
- 4.70. Group CC volume is based on:
- personal Accredited Sales,
 - non-Manager Downline Accredited Sales and,
 - the Accredited Sales of Downline Managers' groups as specified in paragraph 4.41 (namely 40% of the group cases for any first-generation Managers, plus 20% of the group cases for any second-generation Managers, plus 10% of the group cases for any third-generation Managers).
- 4.71. All Managers who have 5 personally-sponsored active first-generation Recognised Managers during the third qualification month and all subsequent months during the 36 month period will only be required to have a volume of 110, 175 or 240 CCs, for Levels 1, 2 and 3 respectively. For every 5 additional personally-sponsored active first-generation Recognised Managers during the third qualification month, and all subsequent months during the 36 month period, the CCs will be reduced by an additional 40 CCs for Level 1, 50 CCs for Level 2 and 60 CCs for Level 3. When a Manager has 25 or more personally sponsored active first-generation Recognised Managers, the CC requirement for his/her Earned Incentive will be waived. These requirements are summarised in the following table:

First-generation Recognised Managers	5	10	15	20	25
Level 1 CC requirement	110	70	30	-	-
Level 2 CC requirement	175	125	75	25	-
Level 3 CC requirement	240	180	120	60	-

- 4.72. After completing the third qualifying month for an Earned Incentive, a Manager may qualify for a higher Incentive at any time starting with the very next month. For example, if a Manager qualifies for level 1 in January, February, and March with 50, 100, and 150 CC, and then generates 225 CC in April, their Level 1 payment period would be replaced with a new 36-Month payment period for Level 2..
- 4.73. At the end of the 36 month period, a Distributor may re-qualify for a new Earned Incentive using the same qualifications as outlined above. This re-qualification can be achieved during any three consecutive calendar months during the 6 month period immediately prior to the end of the original 36 month period.

QUALIFYING FOR THE GLOBAL RALLY

- 4.74. A Distributor can qualify for an all-expense-paid trip for two, to attend the annual Forever Global Rally, by accumulating 1,500 or more total Case Credits from 1 January thru 31 December of each year. In order to receive the benefits of this incentive, the qualifying Distributor must attend the training and motivational meetings of the first Global Rally after the qualifying period.
- 4.75. In order to achieve the 1,500 Case Credit and higher Global Rally awards, a Distributor may combine Case Credits from all the countries where they have a group. It is the Distributor's responsibility to provide to their Domestic Home Office by 31 January the proof of Case Credits earned in other countries.

- 4.76. Non-Manager Case Credits generated during any month that a Distributor is not active, and Leadership Case Credits generated during any month that a Manager is not Leadership Bonus Qualified, will not count for the Global Rally awards; however, any total active Case Credits generated by the Distributor will count regardless of activity status.
- 4.77. A Distributor qualifies by generating total Case Credits, and receives Global Rally Awards, as outlined below. Each qualifying Distributor will receive either meals provided by the Company or a meal allowance proportionate to their qualification. The Distributor must attend the Rally to receive the Awards.
- 1,500 Total Case Credits:
- Airfare, lodging and meals for 6 days and 5 nights
 - \$500 spending cash
 - \$300 activity allowance
- 2,500 Total Case Credits:
- Airfare, lodging and meals for 8 days and 7 nights
 - \$1,000 spending cash
 - \$500 activity allowance
- 5,000 Total Case Credits:
- Airfare, lodging and meals for 9 days and 8 nights
 - \$2,000 spending cash
 - \$500 activity allowance
 - Use of the VIP checkout in the Rally shopping area
- 7,500 Total Case Credits:
- Airfare, lodging and meals for 9 days and 8 nights
 - \$3,000 spending cash
 - \$600 activity allowance
 - Use of the VIP checkout in the Rally shopping area
- 10,000 Total Case Credits:
- Airfare, lodging and meals for 9 days and 8 nights
 - Business Class flight accommodations to/from the Rally
 - \$3,000 spending cash
 - \$600 activity allowance
 - Use of the VIP checkout in the Rally shopping area
- 12,500 Total Case Credits:
- Airfare, lodging and meals for 9 days and 8 nights
 - Business Class flight accommodations to/from the Rally
 - \$12,500 spending cash
 - \$600 activity allowance
 - Use of the VIP checkout in the Rally shopping area

- 4.77.1 The Global Rally event is an 'Earned Trip', and therefore, will be awarded to two people. Therefore if your spouse is unable to attend, or you are an individual Distributorship, the company will allow another individual, who is of age and otherwise eligible to be sponsored as a Distributor, to attend with the qualifying individual. This trip is non-transferable. Earned Trips are limited to the following: 1,500 CC and above Global Rally, Eagle Manager Retreat, Sapphire, Diamond Sapphire, Diamond, Double-Diamond, and Triple-Diamond trips.

OTHER SALES INCENTIVES

- 4.78. From time to time, the Company offers other incentives to Distributors based on their sales performance. Details and rules of such incentives, which are established and monitored by the Executive Committee, will be published in the Company's monthly magazine or announced at a Success Showcase. The Company may withdraw these other incentives at any time.

CONDITIONS

- 4.79. The Company reserves the right to alter the qualifying targets for any of its events. Any alterations will be notified to Distributors through the Company's monthly magazine and/or at the monthly Success Showcase prior to the qualification period beginning.
- 4.80. Distributors qualifying for tickets for Company events will only receive tickets for those named on the Distributor Application Form which was approved by Head Office. If a legally married spouse is not named on the form, an extra ticket may be awarded at the Company's discretion. Room allocations, etc. will be made on the basis that Distributors named on the same Distributor Application Form will share. Single Distributors will be expected to share a twin room with another single Distributor of the same sex. Distributors wishing single occupancy will be asked to pay a supplement.
- 4.81. Contest points and prizes will be awarded only to the Distributor(s) named on the Distributor Application Form approved by Head Office and only to those who qualify by building their business in accordance with the Company's policies.
- 4.82. Your qualification will now only be valid on the basis you continue to support and attend the Company's Success Showcase trainings and other related events throughout the year and on an on-going basis.

Anyone not seen to be actively building their business and encouraging their team to attend Company events with themselves will waive their entitlement to attend these events.

5. Obtaining Products from the Company

<i>PLACING ORDERS</i>

- 5.0.1 All Distributors order directly from the Company. All those at Distributor level will be required to purchase at NDP (NDP = 15% discount off of retail price). After a Distributor (regardless of level) personally purchases at least 2 CC of product within any two consecutive-month period, they then purchase at the wholesale price. The difference between the NDP and the wholesale price will be paid to the immediate Sponsor.
- 5.1. “Stacking” ie the buying of Product from the Company under another Distributor’s ID and “Buying-In” ie buying in quantities which exceed the amount required to meet immediate sales needs, are prohibited and evidence of such may result in loss of bonus, awards and revised qualifications in respect of incentive programmes or termination of the distributorship. Orders for a Product should not be placed until 75% of the Distributor’s stock of that Product has been sold. Further, by placing a re-order for the same Product a Distributor is certifying that he/she has used or sold 75% or more of the previous batch ordered.
- 5.2. Any Distributor may order Product and Literature directly from any of the Company’s Product Centres, which are based at some Area Centres.
- 5.3. Distributors cannot purchase more than 25 CC on their own id in any single month without prior permission from Head Office.
- 5.4. The Company will only recognise orders placed at one of its Product Centres in person, or through the Head Office, by telephone, facsimile, post, or email or via the Company’s website at www.foreverliving.com.
- 5.5. If a Distributor asks a third party to place and collect orders for them, it is the Distributor’s responsibility to obtain proof that the order has been correctly placed. The Company’s responsibility is to ensure that all orders received are allocated and fulfilled as they are presented.
- 5.6. The minimum value of any first order of Product is £100 inclusive of VAT at the wholesale price. The minimum value of all subsequent orders is £50 inclusive of VAT at the wholesale price. Note: this does not apply to Ireland, where the minimum value of all orders is £50/€65.
- 5.6.1 “Bonus Buying” is strictly prohibited. Bonus Buying includes:
- the enrolment of individuals without the knowledge of and/or execution of an Independent Distributor Application and Agreement by such individuals;
 - the fraudulent enrolment of an individual as a Distributor;
 - the enrolment or attempted enrolment of non-existent individuals as Distributor or Customer (“phantoms”) to qualify for commissions or bonuses;
 - any other mechanism by which strategic purchases are made to maximise omissions or bonuses when a Distributor does not have a bona fide use for the products purchased.

PAYING FOR ORDERS

- 5.7. All orders with appropriate payments must be received and processed by the Company by the close of the last business day of the applicable month to qualify for a bonus generated for that month. All Distributors are encouraged to place their order in sufficient time for any deadline to avoid disappointment. The Company will not be liable for any order that is received too late to be processed before close of business on the last qualifying day.
- 5.8. Any orders placed at a Product Centre should be checked upon receipt and the Product Centre Supervisor notified immediately of any discrepancy or damage. Sales are considered final once the Distributor has made or approved payment and left the Product Centre. Where an order is received via a courier the Head Office should be notified within 24 hours of receipt if there are shortages or breakages.
- 5.9. No refunds shall be made to Distributors, unless their Distributorship is to be terminated (see Section 10, Terminating a Distributor Agreement).
- 5.10. Each order must be paid for on or before collection by the Distributor placing it, using his/her own funds.
- 5.11. All orders must be paid for at time of ordering. The only acceptable methods of payment for such orders are:
- Credit or Charge cards (Visa, Mastercard, American Express) or,
 - Debit cards (Delta or Electron).
- Note: Internet orders: only acceptable methods of payment are Visa, Mastercard or American Express.
- 5.12. Any order posted to Distributor Support at Head Office or placed at Product Centres, can be paid for by postal order, Banker's Draft or Building Society Counter cheque payable to "Forever Living Products (UK) Ltd" or "Forever Living Products Ireland Ltd" as applicable. Please note that personal cheques will NOT be accepted as payment for such orders except in Ireland.

PLEASE NOTE:

- **CASH IS NOT ACCEPTABLE,**
- **THE FULL VALUE OF THE ORDER MUST BE COVERED BY ONE PAYMENT METHOD,**
- **PAYING MONEY DIRECTLY INTO THE COMPANY'S BANK ACCOUNT IS NOT ACCEPTABLE AND,**
- **THE USE OF A CREDIT OR DEBIT CARD BELONGING TO A THIRD PARTY IS NOT ACCEPTABLE.**

- 5.13. In the unlikely event that a payment is not honoured, the Company reserves the right to pass on all additional expenses incurred. These include a bank charge (currently £10/€15.00) for each unsatisfactory presentation of a cheque.
- 5.14. Any payments which have been declined will result in any bonuses generated by those orders being held at the discretion of the Company and reductions to the bonuses in subsequent months to the value of the uncleared payments (and associated bank charges) being made. Any balance owed after these deductions will be forwarded to the Distributor as soon as is reasonable.
- 5.15. Where a payment for orders upon which bonuses have been paid is not made good following a declined payment, the bonuses paid to the Distributor's Upline will be recovered at the earliest possible time by making a deduction from future bonus payments to the Upline.

<p><i>PRICE AND/OR CC CHANGES</i></p>

- 5.16. The Company undertakes to give notice of at least one calendar month of impending price or CC changes. This notice will be published in the Company's monthly magazine.
- 5.17. In the event of such changes, the Company will not exchange Literature, except at the sole discretion of the Executive Committee.

6. Retailing Products to Customers

60-DAY SATISFACTION GUARANTEE

- 6.1. The Company fully guarantees Products purchased by retail customers and those purchased by Distributors, for a period of 60 days in accordance with Company Policies. The Company requires Distributors to offer a similar guarantee to their retail customers. Any Distributor who is dissatisfied with a Product they have bought will be given a like for like Product. Please Note: the Company will not offer a refund, exchange or credit note. Where a retail Customer is dissatisfied with a Product, the Distributor who originally sold the Product shall give the retail Customer either a full 100% cash refund or refund their credit, debit or charge card. 'Products' are those items that carry a Case Credit value. This excludes Literature items, which are therefore not covered by the 60-day guarantee. The Company reserves the right to reject repetitive returns.
- 6.2. Distributors must issue retail receipts in the form provided by the Company, indicating the date of the Customer's purchase, and the guarantee then extends for sixty (60) days from that date. Statutory rights are not affected.
- 6.3. The Distributor who originally sold the Products, and who thereby received the proceeds of the sale, shall be responsible for refunding 100% of their retail Customers' purchase price for any Product sold by them within the previous 60 days if a Customer is not satisfied with the Product. Customers must be able to prove that they purchased the Product originally by returning the retail sales receipt and any remaining Product and packaging (including empty containers) with which they are dissatisfied (this will not affect their statutory rights).
- 6.4. Any partially used or otherwise unmarketable Products (or empty containers) should be returned by the Distributor to Head Office or to a Product Centre, within 120 days of its original purchase from the Company, supported by retail receipts or other proof of purchase. The Company will then replace the Product. The Company will not exchange it for other goods, offer a credit note nor will it refund the purchase price paid.
- 6.5. If a Distributor fails to honour the Guarantee referred to in paragraph 6.1, their retail Customers may contact the Company directly, furnishing proof of purchase within the preceding 60 days. Upon receipt of such proof and any remaining Product and packaging, the Company will, at its discretion, replace the Product or refund the purchase price paid.
- 6.6. When Distributors fail to compensate any retail Customer under the terms of the 60-day guarantee, and the Company subsequently refunds the Customer, the Company reserves the right to deduct from that Distributor's bonus cheque, the amount of refund paid to the Customer in satisfying his/her claim. However, the Company will use its best endeavours to address and resolve such claims through the Distributor.

METHODS OF RETAILING

- 6.7. Distributors must familiarise themselves with the advertising guidelines set out in Section 12.

- 6.7.1 In addition to their retail activities, Distributors may only sell product to their personally-sponsored Distributors, but at no less than wholesale price. Any other sale to other Distributors, either directly or indirectly, is a prohibited transaction for both the selling and the buying Distributors. The equivalent Case Credit of such a prohibited sale shall not be allowed for purposes of meeting the active requirement or qualification requirement for any other benefits within the Marketing Plan. Resulting adjustments shall be made for this non-compliance. In addition, the participating Distributors engaging in such prohibited activity are subject to termination.
- 6.8. Products must not be decanted, re-packaged or re-labelled or in any other way dealt with prior to resale.
- 6.9. Distributors shall not permit Company Products or Literature to be sold, supplied or displayed in or at any retail outlet (which includes, amongst others, Health Food Shops, Pet Shops, Chemist/Pharmacies, Markets, Car Boot Sales or Wholesale Distribution Centres). This applies irrespective of the proprietor/manager being a bona fida Distributor of the Company. Clarification in respect of such outlets should be sought from Head Office. However, exhibitions for a period of less than two weeks in a twelve month period at the same venue are considered temporary and are therefore permitted after receiving approval from Head Office. Distributors may also sell via workplaces (even if not an employee) provided they have obtained the relevant permission. Except as herein provided, no Distributor is to sell or market our Forever brand product except that it be in its original packaging.
- 6.10. If a proprietor and/or manager of such an establishment is a Distributor, they may only continue to retail the Company's Products away from the establishment and in accordance with Company Policies. Furthermore, the Company will consider the Sponsor of any such Distributor to be responsible for ensuring that Company Policies are upheld on this point.
- 6.11. The Company's Products may not be offered for sale in mail order catalogues or on web sites operated by third parties (i.e. not Distributors of the Company). Distributors wishing to create their own catalogue or web site should ensure that they conform to Company policy (see 'Advertising Guidelines' in Section 12) and any relevant statutory requirements.
- 6.12. Distributors must not sell or display Forever products or literature on E-commerce vehicles such as eBay or auction sites or any third party site.
- 6.13. 'Service-orientated' establishments, such as hairdressers, beauty salons, health clubs, doctors surgeries, therapists, dentists, etc. can be exceptions to the rule on retail outlets. However, the Products being sold should be relevant to or be used in connection with the service provided. Clarification in respect of such outlets should be sought from Head Office. Where approved, such establishments will be allowed to display and sell Products only within the section of their premises where the service is supplied (e.g. treatment room).
- 6.14. The Aloe drinks, Forever Lite, Aloe Blossom Tea and Fast Break Energy Bars may be promoted and served in restaurants by the glass or portion.

- 6.15. Distributors have a duty of care not to make claims, suggest applications or dispense advice for which they are not competent or authorised to do. The Company cannot accept liability for situations in which a Distributor has made claims for the efficacy of Products outside the statements published in Customer Literature printed by the Company (see also paragraphs 8.20-8.21).
- 6.16. Company Products do not have a medicinal product licence. It is illegal therefore to make any representation about Company Products that include medicinal claims. This means that Company Products must not be presented as being suitable for treating or preventing disease in human beings or animals for example: "shown to be effective on arthritis". Nor should Company Products be presented as being capable of correcting or modifying normal physiological functions in human beings or animals for example: "increases metabolic rate".
- 6.17. Distributors must respect the Customers' right to privacy and also their right to end any contact with the Distributor and never exploit Customers in any way.
- 6.18. Distributors must act with integrity ensuring that they never use misleading, deceptive or unfair sales practices. No attributes may be ascribed to the products unless those attributes are set out in the Company's official literature. All Products must be described truthfully and accurately and any Customer's questions must be answered clearly and honestly. Any information given relating to prices or any aftersale service must be clear and accurate.
- 6.19. Distributors must keep accurate records of monthly sales to their Customers; such records must be made available to the Company for inspection upon request and upon being given reasonable notice.
- 6.20. When making any approach to a prospective Customer, the Distributor must immediately identify him/herself and explain the purpose of any approach made and also the identity of the Company and the Products sold.
- 6.21. If a Distributor invites prospective Distributors or retail Customers to a meeting, he/she should ensure that the invitation to that meeting specifies the purpose of the meeting and explains that those invited to the meeting are under no obligation to purchase anything. Invitees must be given details of a named contact person and telephone/fax number or email address of that person.
- 6.22. Distributors must be aware that products should only be used in ways recommended by the Company. If a Distributor recommends a product for use, not sanctioned by the Company, and this results in the Customer seeking redress through litigation, the Company would not indemnify that Distributor i.e. they would be personally liable. Distributors are therefore advised against this practice.

However, products are sometimes used in 'unofficial' ways and with good results, but in such cases it is advisable to make the Customer sign a disclaimer that they understand that they are doing so at their own risk having had the situation fully explained to them.

- 6.23. Before taking any of our Products please consult your doctor. Our Products are not medicines and do not carry medicinal licences.

7. Building a Business Overseas

- 7.1. All Distributors who are Assistant Supervisors or above in the Marketing Plan are eligible to expand their business into any or all of the countries around the world where Forever Living Products has an established office.
- 7.2. Distributors may not retail Products or develop networks in any foreign country which does not have an official Forever Living Products sales operation or network structure. Distributors can supply Products to those countries only for their own use or that of family and friends. Distributors are responsible for any import duties, taxes or customs documentation required in such situations. Forever Living Products (UK/Ireland) Limited will not ship Products to Distributors or their Customers in foreign countries.
- 7.3. To become a Distributor in another country a UK/Ireland Distributor must communicate their request to Head Office either by completing an International Sponsoring form or by notifying head office via email, fax, or telephone (please include: full name, address and Distributor ID number). On receiving notification Head Office will register the Distributor for their International Sponsoring Waiver and forward notification to the Head Office in the chosen foreign country.
- 7.4. You will be registered into a foreign country at your current sales level.
 - 7.4.1 Case Credits generated in one Operating Company cannot be combined with those generated in another Operating Company to achieve sales level advancements or Eagle Manager, or to qualify for bonus or earned Incentive payments.
- 7.5. Your original domestic Upline Sponsorship in your country of residence will remain intact except in the event a Sponsor in your Upline has been sponsored into another line prior to the Effective Date of this Procedure. In that event, the original domestic Upline will remain intact up to and including such previously sponsored Distributor, and will, from that point on, follow the foreign sponsorship line.
- 7.6. If the Distributor is a Manager in their domestic country and qualifies for Volume/Leadership Bonus, they will have this qualification waived for the following month in all foreign countries.
- 7.7. Distributors below the level of Manager in the UK or Ireland must achieve active status in the foreign country to receive bonus payments on the sales of their Downline in that country.
- 7.8. If a Distributor is “pushed up” to Manager in the foreign country, that level will be applied in all other countries where the Distributor is sponsored. However normal rules apply for ‘Recognised’ and ‘Unrecognised’ Managers. Thus to become a ‘Recognised’ Manager in the UK/Ireland, the Distributor must have achieved 25 CCs of sales from another line in the UK/Ireland in the month of move up (see the Marketing Plan paragraphs 4.9 to 4.11).
- 7.9. Any Managers who are sponsored into a foreign country are considered to be Transferred Managers of the Sponsor (rather than Sponsored Managers). Once this Transferred Manager’s local group does 120 CCs in two consecutive months, then that Manager’s status would be changed to Sponsored (see also paragraph 4.36).

- 7.9.1. In the event that the Downlines of a Distributor sponsor into a foreign country and they have not previously been sponsored into that country, the Distributor will be automatically sponsored into that foreign country and agree to the prevailing policies and local laws of that foreign country and agree to be bound by the dispute resolution policies set forth herein. Any Managers who are sponsored into a foreign country are considered to be Transferred Managers of the Sponsor (rather than Sponsored Managers). Once this Transferred Manager's local group does 120 CCs in two consecutive months, then that Manager's status would be changed to Sponsored. Transferred Managers do not count toward Gem Manager Status, qualification for Gem Bonus, case reduction for the Earned Incentive Programme, nor for any other programme.
- 7.10. Any Distributor retailing Product or Literature overseas must do so in accordance with legislation relating to direct selling in that country and all codes of practice of the local DSA (whether or not Forever Living Products is a member of that Association). If there is no local DSA, then Distributors must abide by the provisions of the World Federation of Direct Selling Association's Codes.
- 7.10.1. The procedures and policies for International Sponsoring are as follows:
- The Distributor must contact the Head Office of their Home Country, and request to be internationally sponsored into the desired country.
 - The Distributor's original ID number will be used in all countries into which they are internationally sponsored.
 - The Distributor's sponsor will be the person who appears as the sponsor on their very first application form accepted by Forever.
 - The Distributor will automatically start at their current attained Sales Level in all countries into which they are internationally sponsored.
- 7.10.2 Case Credits generated in one Operating Company cannot be combined with those generated in another Operating Company to achieve Sales Level advancements or to qualify for Bonus or Earned Incentive payments. However, they may be combined to qualify for the 1,500 CC+ levels of the Global Rally incentive, and the new case credit requirements of the Chairman's Bonus and Eagle Manager programmes.
- 7.11. Should you change your domestic residence, the original country needs to be notified in writing and will make the change in their database. Any Distributor at Manager level who changes their domestic residence would automatically receive a volume waiver in the original home country in the process month the change takes place, provided they were active in that country the month prior. If they were qualified for Leadership Bonus in the month prior in their original home country they would receive a Leadership waiver as well.
- 7.12. You must qualify for Volume and Leadership Bonus in your domestic country. (You cannot qualify for Leadership Bonus in the UK/Ireland unless you are a domestic Distributor in this country).
- 7.13. Participating in the international sponsoring programme is a privilege that gives each Distributor the chance to benefit from Forever Living Products international network of companies. The international sponsoring programme is monitored from Forever Living Products home office in Maricopa County, Arizona. A Distributor participating in the international sponsoring programme agrees and consents to any disputes arising out of or relating to the Distributor relationship or Forever Living Products, involving any of the Forever Living Products affiliated companies, shall be resolved through binding arbitration in Maricopa County, Arizona, pursuant to FLP-US and Forever Living Products

International Inc.'s current dispute resolution policies as set forth above and stated on Forever Living Product's home office website at www.foreverliving.com.

8. Your Relationship with the Company

BEING AN INDEPENDENT DISTRIBUTOR

- 8.1. The Distributor's relationship with the Company is one of a contractual nature, principal to principal. All Distributors are self employed Independent Distributors, they are not agents, representatives or employees of the Company. They are to conduct their business within their own time and by any means, method or manner of operation they may choose, provided the same are in conformity with the terms of the Distributor Application Form (which includes the current Company Policies), English Law and any other applicable regulations or codes of practice.
 - 8.1.1. Distributors shall not make claims as to the therapeutic, safety or curative properties of the products. Only such statements or claims that are officially approved by Forever Living Products may be made or used. No Distributor may make any claims that Forever Living Products are useful in the treatment, prevention, diagnosis or cure of any disease. Medical claims regarding Forever Living Products are strictly prohibited. Distributors should recommend to any Customer who is currently under a physician's care or any medical treatment, that they seek the advice of their healthcare provider before altering their nutritional regime.
- 8.2. Only adult persons can contract with the Company to be Distributors. Companies and organisations cannot be Distributors.
- 8.3. A Distributor must only describe him/herself as an 'Independent Distributor of Forever Living Products' (no other titles are permitted) and use approved Company logos on business cards and other personal stationery and in advertisements. They must not present themselves as representatives, agents or employees of Forever Living Products (UK/Ireland) Limited or use the full Company name (i.e. 'UK/Ireland Limited') on their stationery or in their advertisements.
- 8.4. Independent Distributors must ensure that any supplier providing goods and/or services to them is informed that they are dealing with an independent Distributor of Forever Living Products, and that the Distributor is solely responsible for all payments of any goods/services supplied. All supplier invoices must be sent to the Distributor's usual business address and not to the Company. Under no circumstances will the Company be responsible for any debt incurred or monies owed by an Independent Distributor to a supplier.
 - 8.4.1. Forever Living Products Distributors must not disparage other Distributors, Forever Living Product's products/services, the Marketing and Compensation Plan, or Forever Living Product's employees to other Distributors or third-parties. Any questions, suggestions or comments regarding these issues should be directed in writing to Forever Living Products Head Office only.
- 8.5. A Distributor may not, under existing legislation, set up bank accounts in the name of Forever Living Products, or by any other means 'pass themselves off' as Forever Living Products.

- 8.6. Distributors who sponsor (or attempt to sponsor) persons who have been introduced to the Company and invited to join by another Distributor are poaching. These are regarded as serious violations of Company Policy (see paragraph 10.10).
- 8.7. The Company, by approving and processing a Distributor Application Form, agrees to sell its Products to such Distributor and pay them bonuses as described in the Profit Plan and detailed in this Policy Handbook, provided the Distributor is not in violation of their contract with the Company. The Company also agrees to sell Literature to that Distributor.
- 8.8. Each Distributor, upon signing the Distributor Application Form, agrees to abide by the policy decisions of the Company. Buying Products from the Company is a reaffirmation of such commitment to abide by the Company Policies.
- 8.9. When two people sign up on the same Distributor Application Form (referred to as “Joint Distributors”), the Company shall at all times send all correspondence and payments to the first-named Distributor, at the address given on the Distributor Application Form. Joint Distributors shall accept joint and several liability for and shall be bound by any act or omission of either of them and any payment by the Company to one Joint Distributor shall be deemed as payment to both. Any correspondence or notices served on the address given on the Distributor Application Form is deemed to be received by both Joint Distributors.
- 8.10. Every Distributor must read, digest and act on any directions and/or guidance given by the Company relating to any changes in legislation, regulations or Company Policies, these may be published in any of the means set out in paragraph 11.1.
- 8.11. It is every Distributor’s responsibility to keep up-to-date with any changes to the Company Policy and / or guidance given by the Company.
- 8.11.1. If a Distributor has questions about or believes any errors have been made regarding bonuses, downline activity reports, charges, or changes, the Distributor must notify Forever Living Products within 60 days of the date of the purported error or incident in question. Forever Living Products is not responsible for any errors, omissions or problems not reported within 60 days.
- 8.12. A Distributor is an Independent Distributor and not an agent, legal representative or employee of the Company. As such he/she is solely responsible for all aspects of his/her business including all taxes, income tax, VAT, National Insurance Contributions and any other fees or licences that are payable or required to conduct his/her business. A Distributor is responsible for all expenses incurred in running his/her business. As a self-employed business person the Distributor, except to the extent that it is contrary to the terms of the Distributor Agreement or current Company Policies, may conduct his/her business as an Independent Distributor of Forever Living Products in the manner and at the time of his/her choosing and may carry out such other activities in addition to the Distributor’s Forever Living Products’ Distributorship as he/she considers appropriate. As an independent trader the Distributor is entitled to arrange for such assistance in the conduct of his/her business as he/she considers appropriate, to be provided to him/her by such persons as he/she chooses, and to delegate the performance of the Distributor’s obligations to those persons. The Distributor is responsible for the expense of engaging or employing those persons.

- 8.13. The Distributor agrees that the names, addresses and contact details of Forever Living Products' Independent Distributors, and all other information provided to the Distributor relating to his/her Sponsored Group, are the Company's confidential proprietary information and may only be used by the Distributor for the purposes of his/her Forever Living Products' business. In particular, that information may not be used to promote any other business of the Distributor or of any other person, company or organisation.
- 8.14. If the Distributor achieves the position of Manager in the Marketing Plan, the Distributor agrees that during, and for six months after the termination, of his/her Distributorship he/she will not encourage, persuade or recruit any person he/she knows to be a Forever Living Products' Distributor to market or sell the products of any other person, company or organisation.
- 8.15. Company Policy does not allow a Distributor to sponsor and build an organisation in the name of another person.
- 8.15.1. Unless Forever Living Product's prior written approval is obtained, projections of income earnings and potentially misleading income representations are strictly prohibited. The financial success of a Distributor depends entirely upon that Distributor's individual effort, dedication, and the training and supervision the Distributor provides.

REPORTS

- 8.15.2.(a) Downline reports and all other reports and genealogical information, including, but not limited to, Downline sales organisation information and commission recap statements, are private, proprietary and confidential to Forever Living Products.
- (b) Every Independent Distributor who is provided with such information must treat it as private and confidential and take care to maintain its secrecy and refrain from making any use thereof for any purpose other than the management of his or her Downline sales organisation.
- (c) As a result of your Forever Living Products Distributorship, you may have access to private and confidential information which you acknowledge to be proprietary, highly sensitive and valuable to Forever Living Products business. This information is being made available to you solely and exclusively for purposes of furthering the sale of Forever Living Products and prospecting, training and sponsorship of third parties who may desire to become Forever Living Products Independent Distributors and to further build and promote your Forever Living Products business.
- (d) "Trade Secret" or "Confidential Information" shall also mean information, including a formula, pattern, compilation, programme, device, method, technique or process, that:
- (1) derives independent economic value, actual or potential, from not being generally known to other persons who can obtain economic value from its disclosure or use; and
 - (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

CONFIDENTIAL INFORMATION

- 8.15.3.(a) Whenever Forever Living Products makes available to the Independent Forever Living Products Distributor information, it shall be for the sole purpose of conducting Forever Living Products business.
- (b) Distributors shall not use, disclose, duplicate or otherwise make any Trade Secret or Confidential Information available to anyone other than Forever Living Products Independent Distributors, without the prior written consent of Forever Living Products.
- (c) Distributors shall not directly or indirectly use, capitalise upon or exploit any Trade Secret or Confidential Information for its own benefit, or for the benefit of anyone else, other than for the purpose of conducting its business for Forever Living Products.
- (d) Distributors shall maintain the confidentiality and security of the Trade Secret and Confidential Information in its possession and to protect against disclosure, misuse, misappropriation or any other action inconsistent with Forever Living Products rights.

FURTHER RESTRICTIVE COVENANTS

- 8.15.4. In consideration to Forever Living Products for the receipt of Trade Secret or Confidential Information, the Distributor inherently agrees that for the term of the Forever Living Products Distributorship, Distributors shall not take or encourage any action, the purpose or effect of which would be to circumvent, breach, interfere with or diminish the value or benefit of Forever Living Products contractual relationships with any Forever Living Products Distributor. Without limiting the generality of the foregoing, for the term of the Distributorship, Distributor agrees not to directly or indirectly, contact, solicit, persuade, enrol, sponsor or accept any Forever Living Products Distributor, Forever Living Products Customer or anyone who has been an Forever Living Products Distributor or Customer for the last twelve months, into, or to encourage any such person in any way to promote, opportunities in marketing programmes of any direct sales company other than Forever Living Products.
- 8.15.5. The agreements contained in the "Confidential Information" section of these policies shall remain forever and in perpetuity. The agreements contained in the "Further Restrictive Covenants" section of these policies shall remain in full force and effect during the term of the previously executed Distributorship Agreement between Forever Living Products and the Distributor, and thereafter until the later of one year from the latest receipt of any Confidential Information or twelve months after the expiration and termination of such Distributorship Agreement.

VAT

- 8.16. When retailing goods to a third party, a VAT receipt can only be provided if the Distributor is VAT registered.
- 8.17 It is the Distributor's responsibility to notify Head Office when he/she becomes VAT Registered or if he/she is registered when joining the Company. A Distributor will become liable to become VAT Registered when the Distributor's retail turnover and bonus income exceeds the VAT Registration limit laid down by Revenue & Customs Authorities. The Distributor will notify the Company if he/she de-registers for VAT and indemnifies the Company against any loss which results from the Distributor failing to do so.
- 8.18. Upon registering or, if applicable, upon joining the Company, the Distributor should provide a copy of his/her VAT Registration Certificate to Head Office and commence invoicing the Company for VAT on his/her monthly bonus.

INSURANCE

- 8.19. The Company displays a Certificate of Public Liability Insurance at each location that is owned and operated by the Company. This includes Head Office (Longbridge Manor and Magheramorne House), the Distribution Centre and all Area Centres. This insurance provides cover in the event of a member of staff or a visitor suffering an accident at a Company site. It does not cover individual Distributors carrying out their business at other sites, such as Customers' homes, exhibition halls, etc. Distributors should satisfy themselves and the Company strongly recommends, that they maintain adequate public liability insurance. Details of a low-premium insurance policy negotiated with a leading insurance company specifically for Distributors are available at www.1st.com/foreverlivingproducts (for UK Distributors ONLY not Forever Ireland Distributors).
- 8.20. The Company has Product Liability Insurance, which indemnifies it against the unlikely event of faulty Products reaching the Customer and causing illness or other adverse reactions following consumption or use. The Company does not market any Products, which are known to cause adverse side effects or reactions. Occasionally, an individual customer may unpredictably experience an adverse reaction to a particular Product, which is not faulty. In such instances, the Distributor should advise the Customer to stop using the Product immediately and consult his/her doctor.
- 8.21. A Distributor has a duty of care not to make claims, suggest applications or dispense advice (medical or otherwise) for which they are not competent or authorised to do. The Company cannot accept liability for situations in which a Distributor has made claims for the efficacy of Products outside the statements published in Customer Literature printed by the Company (see section 6, Retailing Products to Customers).
- 8.22. All Distributors are responsible for ensuring that any vehicle used by them in the course of their business is sufficiently covered by their motor insurance policy. The Company cannot be held responsible for Distributors invalidating the conditions of their motor insurance policies by using their private vehicles to conduct their business.

9. Making Changes to Distributorships

GENERAL CHANGES AND TRANSFERS

- 9.1. A Distributorship cannot be sold to a third party. Any Distributor wishing otherwise to transfer or convey their distributorship must first obtain the prior written consent of the Executive Committee subject to paragraph 9.2 below.
- 9.2. Any transfers of Distributorship to another person during the life of a Distributor are restricted. Such transfers are subject to the review of all the facts and circumstances by the Executive Committee and may only take effect after their approval is granted in writing (and which they may, in their absolute discretion, withhold). Such transfers, if approved, can only be granted to adult persons.
- 9.3. Any request to add or remove a name from an existing Distributorship must be received in writing at Head Office with the original signatures of both parties affected by the change. No changes can be considered without both original signatures and all requests are subject to the approval of the Executive Committee (see also paragraphs 9.20-9.23).
- 9.4. It is against Company Policy for any Distributor to change Sponsor through any means, other than by 'Responsoring' (see below). If, in an attempt to change Sponsor, a Distributor submits more than one Distributor Application Form, the Company will only consider the first Application received by Head Office as valid, provided it conforms with Company Policies. The remaining Distributor Application Forms will be disregarded. A Distributor cannot be sponsored under two different Distributor ID numbers.
- 9.4.1. Any changes to a Distributorship such as change of name, bank details, address change etc. can only be made by sending a letter to Head Office signed by the person or persons registered under that Distributorship.

RESPONSORING

- 9.5. An existing Distributor can re-sponsor under a different Sponsor provided that, during the preceding 24 months, they have:
- Been a Distributor, and
 - Not purchased or received any Forever products, either from the Company or from any other source, and
 - Not received payments of any kind from an Forever Distributor, and
 - Not sponsored any other individuals into the Forever business.
 - Not sold any products
- 9.6. Distributors wishing to responsor, must complete a Responsoring Affidavit (available from Head Office), in the presence of and duly witnessed by, a solicitor or Commissioner of Oaths.
- 9.6.1 A Distributor who does not achieve the level of Assistant Supervisor within six full months after joining the Company, will become eligible to choose a new Sponsor. If a new Sponsor is chosen the Distributor will lose any Downline or accumulated move-up Case

Credits to choose a new Sponsor, the Distributor must first notify Head Office before filling out a new application as they will keep their current Distributor ID number.

- 9.7. The completed Responsoring Affidavit must be submitted to Head Office along with a new Distributor Application Form, for verification and approval by the Executive Committee.
- 9.8. When the application to responsor has been verified and approved by Head Office and an acknowledgement sent, Product/Literature orders will then be accepted.
- 9.9. A re-sponsored Distributor begins again at the Distributor level and purchase at New Distributor Price under their new Sponsor. They lose any Downline acquired to that point in all countries into which they were previously sponsored, and will not count toward the sponsoring requirements under the Chairman's Bonus Incentive Programme. However, they will count toward the sponsoring requirements under the Eagle Manager Incentive.

TRANSFERS AFTER DEATH

- 9.10. The inheritable rights to a Distributorship are limited and are subject to the following conditions:
 - Written confirmation from a legal body must be sent to Head Office detailing who the heir is in accordance with any will or probate decision.
 - The heir must be someone who has been, or can be, registered as a Distributor.
- 9.11. Since the heir must be an adult individual, a trust or guardianship may have to be established for multiple heirs or minor children. In the event a trust is established, a copy must be placed on file at Head Office and its terms must clearly allow the trustee to act as a Distributor. In this case, the Distributor may be a corporation, if acting as the trustee for such multiple heirs or minor children. However, the Executive Committee must approve the corporate officer assigned to represent the trust. In the event a guardian is appointed for minors, such a person must qualify as a Distributor. The guardian must be appointed by the court of proper jurisdiction and receive specific approval to be a Distributor on behalf of the minors.
- 9.12. A trustee or guardian shall retain the Distributor status provided the Distributorship agreement is not violated and until the beneficiaries have attained the age of majority, and an heir accepts the responsibility of operating the Distributorship with prior approval of the court of the trust document.
- 9.13. A trustee, guardian, spouse or other representative-type Distributor shall be responsible for the actions of the beneficiary, ward, or their spouse for purposes of complying with Company Policy. A violation of Company policies by any of the above individuals may result in termination of the Distributorship.
- 9.14. The inheritable Distributorship position within the Company Marketing Plan is limited to recognition at no higher than that of Manager. However, bonuses shall be paid at the same levels and requirements as held by the deceased. Distributorship positions below Manager shall be inherited at that level. Heirs who inherit a Manager position will be considered Inherited and would have to re-qualify to receive Gem Manager status.

- 9.16. All heirs who qualify to inherit a Distributorship shall be required to maintain the status of an Active Distributor to qualify for bonuses, incentives, prizes and other respective programmes. However, the Company shall waive such requirement either for three months after death or until the estate administrator has administered the estate whichever shall occur first.
- 9.17. The Company recognises Joint Tenancy with Right of Survivorship and use of Grantor Trusts as legal means of holding an Forever Distributorship and in the event of a Distributor's death, a means of transferring the Distributorship to the Survivor or named beneficiary respectively without having to go through probate proceeding to get the property to the intended heir.

Within six (6) months following the date of Distributor's death, the surviving Distributor, trustee or estate representative shall provide notification of such death to their Distributor's Domestic Home Office of Forever. Such notice is to include a certified copy of the death certificate, a certified copy of the Will or Grantor's Trust, or Court Order, authorizing the transfer of Distributorship to a qualified successor. After six (6) months from the date of death, Forever may remove the deceased Distributor from the Distributorship. Giving timely notification and providing the required documentation for a successor's interest, will be required to prevent a suspension and/or termination of the Distributorship. If based on valid reasons. A request for a reasonable extension of time to provide transfer documents may be submitted to the deceased distributor's Forever Domestic Home Office prior to the end of the six (6) month period. Forever reserves the right to make payments to the joint survivor, trustee or legally authorized personal representative of the estate of a deceased Distributor pending the timely submission of appropriate legal documentation.

TRANSFERS DUE TO MARRIAGE

- 9.19. If a Distributor marries a non-Distributor and they decide to operate the Distributorship jointly, then the Distributor should submit a written request signed by his/her spouse indicating the new spouse's interest in the Distributorship. This request will then be considered and if successful, approved and processed by Head Office. Regardless of whether such a request, signed by the spouse, is submitted by the Distributor, the existing Distributor expressly agrees and understands that his/her Distributorship may be terminated for any actions taken by his/her spouse which would violate Company Policies as if that new spouse were a Distributor of the Company.

TRANSFERS DUE TO DIVORCE

- 9.20. Couples, married or not shall be sponsored together on the same application form. Couples cannot sponsor each other. Distributors who marry another Distributor may maintain separate Distributorships which were in existence prior to their marriage.
- 9.21. During a pending divorce or negotiation of a property settlement, Forever Living Products will continue to disburse payments to the registered Distributor as was done prior to the pending action.
- 9.22. In the event of divorce or a legal separation, a legally enforceable property settlement agreement may decree the Distributorship be granted to one spouse or the other. The Distributorship cannot, however, be partitioned. Only one adult individual will be entitled

to retain the current downline of this Distributorship. The other spouse may choose to establish their own Distributorship at the same level of the Marketing Plan as established with the ex-spouse. Such other spouse must use the same sponsor. The other spouse's new Distributorship shall be treated by the sponsor as Inherited until requalified.

- 9.23. To the extent permitted by law, FLP, its directors, officers, shareholder, employees, assigns and agents (collectively referred to as "Associates") shall not be liable for, and the Distributors release FLP and its Associates from and waives all claims, for any loss of profits, indirect, direct, special or consequential damages, and for any other losses incurred or suffered by Distributors as a result of:

- (a) Distributor's breach of their FLP Distributorship Agreement of FLP company Policies and Procedures;
- (b) the promotion or operation of the Distributor's FLP Distributorship and Distributor's activities related to it;
- (c) Distributor's incorrect or wrong data or information provided to FLP or its Associates; or
- (d) the Distributor's failure to provide any information or data necessary for FLP to operate its business, including without limitation, Distributor's enrollment and acceptance into the FLP Marketing Plan and the payment of volume bonuses.

EACH DISTRIBUTOR AGREES THAT THE ENTIRE LIABILITY OF FLP AND ITS ASSOCIATES FOR ANY CLAIM WHATSOEVER RELATED TO THE RELATIONSHIP OF FLP INCLUDING, BUT NOT LIMITED TO, ANY CAUSE OF ACTION SOUNDING IN CONTRACT, TORT, OR EQUITY, SHALL NOT EXCEED, AND SHALL BE LIMITED TO, THE AMOUNT OF PRODUCTS DISTRIBUTOR HAS PURCHASED FROM FLP THAT ARE IN RESALABLE CONDITION.

CEASING JOINT DISTRIBUTORSHIPS

- 9.24. Where Joint Distributors wish to end the joint Distributorship for any reason, they should notify Head Office in writing. Such notification must be signed by both Joint Distributors, and will be taken, as an acknowledgement that one nominated Distributor has resigned and the Distributorship and all Distributors sponsored by the Joint Distributorship shall be regarded as having been transferred to the remaining Distributor and he or she shall be solely entitled to all the bonuses and other payments or benefits relating to the Distributor.
- 9.25. The nominated Distributor who has resigned will have the opportunity to re-register, under the same (original) sponsor only, and retain the same level in the Marketing Plan held prior to the deemed resignation, provided he/she was part of the Distributorship when the current level was obtained and provided such is done within a period of 180 days of the date when the application to end the Joint Distributorship is approved and processed by Head Office.
- 9.26. Where Joint Distributors previously operated individual Distributorships and then relinquished one of the Downline Sponsored Groups to operate a Joint Distributorship, following the subsequent cessation of the Joint Distributorship, the second-named Distributor will only have the option to re-register under their original Sponsor. Creating and then severing joint Distributorships is not permitted as a means of changing Sponsor.

10. Terminating a Distributor Agreement

TERMINATION BY THE DISTRIBUTOR

- 10.1. If a Distributor wishes to terminate their Distributorship, they may do so at any time by giving 14 days written notice to the Company at its Head Office; in the case of a joint Distributorship, the written notice must be signed by both parties. The period of notice of the termination shall start to run from the day when such notice is posted by first class post to the Company at its Head Office. The effective date of termination is the date on which the Head Office approves and processes the termination request.
- 10.2. The terminating Distributor forfeits the current sales level and all downlines, including those in foreign countries, established at the time. Following termination his/her Downlines are transferred to his/her Sponsor in the existing generation sequence. Once a Distributor terminates, their spouse/partner (if applicable) is also considered terminated, regardless of whether or not the spouse/partner was the original signatory of the Distributor Application Form or whether the spouse/partner was active in the Distributorship.
- 10.3. A Distributor who terminates their Distributorship may re-register after two years only, by completing a new Distributor Application Form and if registering under a different Sponsor a responsoring affidavit, subject to Head Office approval. The Distributor would enter at the New Distributor level and will not have the previous Downline organisation restored.
- 10.4. The Company reserves the right to reclaim from Distributors who terminate their Distributorship, and all their affected Upline, all bonuses and Case Credits received for the products returned. If the product returned by a terminating Distributor was purchased at New Distributor Price, the NDP profit will be deducted from the immediate Upline Sponsor and, if the product returned is greater than 1 CC, all bonuses and Case Credits received by the terminating Distributor's Upline for the products returned will be deducted from the Upline. If the Case Credits were used for any level move-ups of the Distributor or Upline, those move-ups may be re-calculated after deducting the Case Credits to determine if the move-ups should remain in force.
- 10.4.1 If the product returned by a terminating Distributor was purchased at New Distributor Price, the NDP profit will be deducted from the immediate Upline Sponsor and, if the product returned is greater than 1 CC, all bonuses and Case Credits received by the terminating Distributor's Upline for the products returned, will be deducted from the Upline. If the Case Credits were used for any level move-ups of the Distributor or Upline, those move-ups may be re-calculated after deducting the Case Credits to determine if the move-ups should remain in force.

TERMINATION OR SUSPENSION BY THE COMPANY

- 10.5. The Company reserves the right to terminate a Distributorship by giving 14 days written notice to the address detailed on the Distributor Application Form. The period of notice of the termination shall start to run from the day when such notice is posted by first class post to the address shown on the Distributor Application Form.
- 10.6. The Company reserves the right to terminate any Distributorship as a result of conduct or actions by a Distributor or his/her spouse that are consistently in violation of the policies described in this Company Policy Handbook. Where the Company or its staff become

aware of such conduct, a written warning will be sent to the address stated on the Distributor Application Form, asking the Distributor or his/her spouse to cease and desist from such conduct. If the Distributor does not heed this warning and respond to Head Office with a written undertaking to cease and desist, then the Company reserves the right to terminate the Distributorship Agreement with immediate effect.

- 10.7. Termination of a Distributorship by the Company means a severance of all privileges and contractual rights available to a Distributor, including the privilege to distribute the Company's products and literature and the privilege to qualify for any bonuses and other incentives.
- 10.8. In cases of gross misconduct or actions that seriously violate the interests of the Company or its Distributors, the Company reserves the right to terminate the Distributorship immediately without any prior warning or notice.
- 10.9. In all situations where termination is being considered, the Executive Committee will arbitrate on the matter, and their decision will be final and binding.
- 10.10. Grounds for termination by the Company include (but are not restricted to):
 - poaching of another Distributor's prospects,
 - poaching of Distributors from another direct selling company,
 - printing, reproducing, distributing or using unauthorised promotional materials,
 - misrepresenting the use or benefits of the Company's products (see section 6, Retailing Products to Customers) or what a person may earn as a Distributor,
 - ordering products in quantities that are excessive (in the opinion of the Company) and out of line with existing products on hand or reasonably expected sales,
 - engaging in such activities that involve the soliciting of any person whom a Distributor knows (or would reasonably have reason to know) is a Distributor of the Company to sell other products of any nature, by or through another multi-level marketing plan, or attempting (in the opinion of the Company) to build or establish a business that would cause a detrimental effect to or be at the expense of other Distributors, their group or the Company,
 - appearing in, being referenced in or allowing the Distributors name or likeness to be featured or referenced in any promotional, recruiting or solicitation materials for another direct sales company.
 - permitting Company literature or products to be sold or displayed in retail stores unless one of the exemptions detailed in paragraphs 6.13 and 6.14 are applicable,
 - selling unauthorised items in Company Product Centres or at Company meetings,
 - engaging in any conduct (whether directly or indirectly) which is prejudicial to the Company's business or which may bring the Company or the Marketing Plan into disrepute,
 - permitting the decanting, repackaging or re-labelling of Company products,
 - any breach of any of the terms and conditions of Company Policies.

FOLLOWING TERMINATION OR CANCELLATION

- 10.11. Following termination, such terminated Distributor shall, upon demand by the Company, be liable to repay, return or compensate the Company for any prizes, inventories, or bonuses received from the Company from and after the date of the activities causing such termination. Where the Distributor has qualified for such prizes or bonuses but not received them prior to termination, they shall be forfeited upon termination. Forfeited bonuses, caused by such termination, shall be paid to the next Distributor up the line who is not in violation of the contract terms unless such bonuses were payable in respect of goods returned to the Company in accordance with paragraphs 10.13 and 10.14.
- 10.11.1 Suspension is a temporary status that prohibits a Distributor from placing orders, receiving profit and bonus payments, and sponsoring other Distributors.
- 10.11.2 The profits and bonuses of a Suspended Distributor shall be held until the Distributor is either reinstated or terminated. If reinstated, the withheld payments shall be paid to the Distributor; otherwise they shall be disbursed in accordance to the Marketing Plan.
- 10.12. A Distributor whose Distributorship has been terminated by the Company may re-register after two years has expired from the date of termination, by completing a new Distributor Application Form and, if registering under a different sponsor a responsoring affidavit. The Executive Committee will consider such application.
- 10.13. If a Distributor terminates their Distributorship after 14 days of entering into it, or if the Company terminates it, then the Distributor shall have no further contractual obligations as a Distributor to the Company and if they wish they may cancel any unfulfilled personal orders and immediately receive a full refund of any prepayment. The Distributor may also return to the Company's Head Office (at the Company's expense) within 21 days of termination of their appointment any products (this does not include any literature purchased), which they have purchased from the Company within the previous twelve months prior to such termination. If the products are returned in the condition in which they were supplied (except their external packaging (where applicable) may be broken), the Company will give the Distributor a full refund on the return of the products less a 10% handling charge (which will not be levied if the Company terminates the Distributorship) and less, if the returned products have deteriorated due to an act or default on the Distributor's part, an amount equal to the diminution in their value resulting from such deterioration (which will not be levied if the Company terminates the Distributorship). If the product returned by a terminating Distributor is greater than 4 CC, all bonuses, New Distributor Profit and Case Credits received by the terminating Distributor's Upline for the products returned, may be deducted from the Upline. If the Case Credits were used for any level move-ups of the Distributor or Upline, those move-ups may be re-calculated after deducting the Case Credits to determine if the move-ups should remain in force. Any refund on terminations does not apply to literature.
- 10.14. Any monies payable under the above provisions shall be paid upon return of the goods sold to the Distributor to Head Office. It is the responsibility of the terminating Distributor to return the products. Products must be returned to Head Office and not a Product Centre. If such goods are already held by the Company at its Head Office, then the monies will be payable immediately.

- 10.15. A Distributorship, and any resulting downline, created or operated by proxy, either intentionally or inadvertently, is not allowed, and shall be adjusted for compliance with Company Policies by the Executive Committee. The Executive Committee's decision to terminate a Distributorship or to disallow, realign or adjust bonuses, Case Credits, compensation or any incentive awards for an Distributor's involvement in activities or omissions that are not in conformance with Company Policies shall be final. Intentional acts of omission and disregard for the Company Policies by a Distributor shall be severely dealt with which may include termination and legal action for damages.
- 10.16. In addition to their retail activities, Distributors may only sell product to their personally-sponsored Distributors, but at not less than wholesale price. Any other sale to other Distributors, either directly or indirectly, is a prohibited transaction for both the selling and the buying Distributors. The equivalent Case Credit of such a prohibited sale shall not be allowed for purposes of meeting the Active requirement or qualification requirement for any other benefits within the Marketing program. Resulting adjustments shall be made for this noncompliance. In addition, the participating Distributors engaging in such prohibited activity are subject to termination.
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11. Miscellaneous

- 11.1. The Company uses a number of methods to disseminate information to its Distributors. Distributors are encouraged to make full use of each method.
- The Company's monthly magazine which is posted to every Distributor who purchases Products during the month of publication.
 - A voicemail system enabling Distributors who subscribe to it to exchange messages and information with Head Office and other subscribers.
 - The Company's corporate website, which can be found at: <http://www.foreverliving.com>.
 - An email system is used by Head Office to communicate relevant information regarding case credits, products and events.
 - This Company Policy Handbook, and other Company-approved Literature items which are available from all Company Product Centres and at Head Office.
- 11.2. Distributors with questions should initially address such queries to their Sponsor or Upline Manager. If they cannot resolve the matter, they will make direct contact with Head Office for assistance or instructions.
- 11.3. These Company Policies shall be subject to and interpreted in accordance with the Laws of England/Ireland, where applicable.

12. Advertising Guidelines

GENERAL ADVICE

- 12.1. The information contained in the whole of this Section applies to all forms of advertising including advertisements on the Internet.
- 12.2. All advertisements must be legal, decent, honest, truthful and accurate. It is a requirement of the Company's membership of the Direct Selling Association (DSA), that advertisements utilised by Distributors include the wording "Forever Living Products is a member of the Direct Selling Association", unless space is extremely limited.
- 12.2.1. The name "Forever Living Products" and symbols of FLP and other names as may be adopted by FLP including FLP Product names are proprietary trade names and/or trademarks of the Company.

LIMITED LICENSE TO USE COMPANY MARKS

- 12.2.2 (a) Each Distributor is hereby licensed by FLP to use FLP's registered trademarks, service marks, and other marks (hereinafter collectively referred to as "Marks"), in conjunction with the performance of the Distributor duties and obligations under the Distributorship Agreement and the corresponding policies and procedures. All Marks are and shall remain the exclusive property of "FLP". The Marks may only be used as authorised by the Distributor Agreement and the FLP's corresponding policies and procedures. The license granted herein shall be effective only as long as the Distributor is in good standing and in full compliance with the FLP's policies and procedures. However, it is prohibited for a Distributor to claim any ownership of FLP's Marks (i.e. registering for a domain name using the name "FLP", "Forever Living", or any other FLP Mark in any way, shape or form) unless it has been approved in writing by FLP.

(b) These Marks are of great value to FLP and are supplied to each Distributor for each Distributor's use in an expressly authorised manner only. Distributors are not to advertise FLP products in any way other than through the advertising or promotional materials made available to Distributors by FLP and materials pre-approved by an authorised officer of FLP. Distributors agree not to use any written, printed, recorded or any other material in advertising, promoting or describing the product or FLP marketing program, or in any other manner, any material which has not been copyrighted and supplied by FLP, unless such material has been submitted to FLP and approved in writing by FLP before being disseminated, published or displayed. FLP Distributors hereby agree to make no disparaging representations about FLP, the products, the FLP compensation plan or income potentials.
- 12.3 A Distributor must only describe him/herself as an 'Independent Distributor of Forever Living Products' (no other titles are permitted) and use approved Company logos on business cards and other personal stationery and in advertisements. They must not present themselves as representatives, agents or employees of Forever Living Products (UK/Ireland) Limited or use the full Company name (i.e. '(UK/Ireland) Limited' or '(UK/Ireland) Limited') on their stationery or in their advertisements.

- 12.4. Distributors are not to promote or endorse any of their own literature, sales tools or websites to any Distributors outside their own teams.
- 12.5. Advertising (including 'leaflet drops') can be expensive and time-consuming, and may not yield much response. Distributors should consider whether the time and effort of such methods is a worthwhile investment. Successful Forever Living Products Distributors find that 'word of mouth' is the most fruitful means of building a retail business.
- 12.6. Distributors who decide to advertise must use Company approved text and images. This applies to all advertising media, including the Internet.
- 12.7. Should Distributors wish to draft their own advertisements, these must be submitted by email, facsimile or post to the Marketing Department at Head Office for approval. If approval is given then a code will be issued; this must be included in the advertisement when it is published. Distributors must ensure that such material complies with these Advertising Guidelines before sending it to the Marketing Department. Five working days should be allowed for review. Approval will only be granted to the Distributor who applied for it. An Ad Pack is available from the Marketing Department at Head Office with pre-approved advertisements, should you so wish.
- 12.7.1. A Forever Living Products Distributor may develop his or her own marketing techniques, so long as they are not in violation of any Company, state, federal or jurisdictional rules, regulations or statutes. Unless the Company's prior written approval is received, the use, production or sale of any sales aid or materials, other than those provided by or approved in writing by Forever Living Products to other Forever Living Products Distributors for use in promoting Forever Living Products, is prohibited.
- 12.8. Any Distributor using advertising that has not been approved in writing by the Company will bear sole liability for any prosecution arising from their advertising.
- 12.9. The Company has a number of approved advertisements that are available upon request for Distributors to use (Ad Pack).
- 12.10. The Company reserves the right to make approved advertisements available for all Distributors to use.
- 12.11. Exterior signs or window displays advertising the Company or its Products will not be permitted at any location, excepting that window stickers in cars are permitted (also see 12.15).
- 12.12. The Marketing Department only approves advertisements. It is your responsibility to ensure that all other promotional material complies with both Company Policy and UK/Irish Regulations in force at the time (including Trading Schemes Regulations 1997).
- 12.13. Distributors with queries on the above should contact the Marketing Department at Head Office.
- 12.14. Forever Living Products (UK) Ltd has been awarded the Investor In People logo. This is for Head Office use only and must not be used by Distributors.
- 12.15. Notice boards may display discreet adverts for business opportunity or products.

RETAILING PRODUCTS

12.16. Advertisements may include photographs of the Products.

RECRUITING NEW DISTRIBUTORS

- 12.17. Company Products do not have a medicinal product licence. It is illegal therefore to make any representation about Company Products that include medicinal claims. This means that Company Products must not be presented as being suitable for treating or preventing disease in human beings or animals for example: “shown to be effective on arthritis”. Nor should Company Products be presented as being capable of correcting or modifying normal physiological functions in human beings or animals for example: “increases metabolic rate”.
- 12.18. The inclusion of ‘disclaimers’ such as “We make no claims”, etc. does not change the requirements of paragraph 12.17.
- 12.19. Testimonials and newspaper quotations may not be used to advertise Company Products if they contain medicinal claims, even though they do not refer explicitly to Company Products. If testimonials make non-medicinal claims there must be sufficient evidence to support such claims.
- 12.20. The content and suitability for publication of editorial articles are the sole responsibility of the editor of the publication in which they are to appear. The Company does not vet or approve such items. The Company will endeavour, within the availability of its resources, to provide information about products when asked. Distributors should be aware that if they offer any payment for the publication of editorials, they are effectively advertising and therefore the same rules apply as stated in this Section (12). Distributors cannot use text from Company literature, without prior permission from the Marketing Department.
- 12.21. Where an editorial article makes medicinal claims for substances contained in Company Products, provided the article has been instigated solely by the publication concerned, a Distributor may pay for the placement of an advertisement of Company Products (using Company approved wording) in the same publication.
- 12.22. Although it is permitted for Distributors to advertise for others to join their business, it is generally accepted that this is not the best way and Distributors should be aware that there are statutory controls on such advertising.
- 12.23. When advertising for new Distributors, Distributors must at all times:
- Promote the opportunity as a business relationship with the Company and not as an offer of employment.
 - Refrain from making unrepresentative or exaggerated earnings claims, these could be challenged in law.
 - Ensure that any earnings claims relate to actual earnings of an identifiable person and be capable of verification.

- Ensure that they never imply that income claims are easily or quickly achievable and state how the income is achieved for example through bonus payments and retail sales.
 - Refrain from using misleading, deceptive or unfair recruiting methods.
 - Never promote the business as an opportunity solely to recruit others. All presentations, advertisements etc must promote the business as one where Distributors sell Products to Customers.
- 12.24. Distributors may belong to another network but must not entice or solicit direct sellers from any other direct selling company.
- 12.25. The following information is based on one of the statutory controls; Section 3 of the Trading Schemes Regulations 1997 and, by law, Distributors must comply.
- 12.26. As a general rule, all advertisements of whatever nature (including internet websites, audio or video tapes) should be legal, decent, honest, truthful and accurate.
- 12.27. Further rules apply when Distributors seek, directly or indirectly, to recruit New Distributors except where the advertisements form part of newspapers or magazines or radio or television broadcasts.
- 12.28. Where advertisements fall within paragraph 12.26 above, the advertisements must show clearly the name of the Company and what is sold by the Company (health and beauty products). These advertisements must include the following statutory warnings;

It is illegal for a promoter or a participant in a trading scheme to persuade anyone to make a payment by promising benefits from getting others to join a scheme.

Do not be misled by claims that high earnings are easily achieved.

- 12.29. The information that follows is for your guidance only. Please note Forever Living Products do not give advice or approval codes for 'excuse me' cards, interest generators or business cards. Should Distributors wish to use Excuse Me cards or other such 'interest generators' which promote joining a trading scheme and contain financial claims, they must ensure that such material contains the following information:
- the name and address of the promoter (i.e. Forever Living Products (UK) Limited, Longbridge Manor, Warwick, CV34 6RB);
 - a description of the goods or services acquired or supplied under the trading scheme (i.e. health and beauty products); and
 - the following warning:

It is illegal for a promoter or participant in a trading scheme to persuade anyone to make a payment by promising benefits from getting others to join a scheme.

Do not be misled by claims that high earnings are easily achieved.

12.30. WE RECOMMEND YOU OBTAIN AN AD PACK FOR MORE DETAILS. These are available from the Marketing Department, free of charge. Please email your request, wherever possible to: marketing@flpuk.net/customerservices@flpireland.com

13. Code of Conduct

DISTRIBUTORS' CODE OF CONDUCT

13.1. You must be signed up as a Distributor to sell the Products.

All Distributors are expected to:

- 13.2. Have a good working knowledge of the Company Policy Handbook.
- 13.3. Ensure that they understand and implement the terms of the 60-day satisfaction guarantee.
- 13.4. Be honest and conduct themselves with integrity at all times, so as to bring credit to the Company, all other Distributors and the Network Marketing industry in general.
- 13.5. Display a positive attitude to all Distributors, in a spirit of co-operation and teamwork.
- 13.6. Be loyal to the Company, its staff, its representatives, Area Development Directors, Managers and all other Distributors at all times, avoiding gossip, criticism and internal 'politics'.
- 13.7. Display a courteous attitude in speech and behaviour at all times towards staff, representatives of the Company, Area Development Directors and all other Distributors.
- 13.8. Act with integrity when prospecting, by not making exaggerated claims about the Company, its products or the rewards available within its Marketing Plan.
- 13.9. Act with integrity towards those who join their front-line and encourage them to carry product inventory appropriate to their needs only and to avoid excessive buying.
- 13.10. Be aware of, and comply with, the DSA Consumer Code of Practice and the DSA Code of Business Conduct. See website dsa.org.uk/dsa-ireland.org.
- 13.11. It is the Distributors responsibility to maintain an up-to-date knowledge of Company Policy.
- 13.12. Refrain from soliciting other Distributors' meeting guests ('poaching') and all other bad practices (such as excessive product stock purchasing).
- 13.13. Be smartly dressed at all Company trainings and Success Showcases. Local events, subject to any dress code requested by the event organiser, may be smart/casual. Jeans, trainers and tracksuits are never acceptable at business trainings.
- 13.14. Company Policy does not allow a Distributor to sponsor and build an organisation in the name of another person.
- 13.15. Distributors who have attained the level of Manager or above in the Marketing Plan are also expected to:

<i>MANAGERS' CODE OF CONDUCT</i>

- 13.16. Lead by example in monitoring and achieving their own 4 CCs each month and qualifying as Leadership Managers every month.
- 13.17. Lead by example in sponsoring new Distributors every month.
- 13.18. Teach their Downline Distributors and teams good principles of networking and personal conduct and discourage their Downline Distributors from soliciting other Distributors' meeting guests ('poaching') and all other bad practices such as excessive product stock purchasing and long-distance sponsoring in the absence of a commitment to support their new Distributors.
- 13.19. Understand the administrative systems used at Head Office and in Product Centres. This includes the correct completion of all of the Company's forms.
- 13.20. Teach their Downline teams to have a good working knowledge of the Company Policy Handbook.
- 13.21. Ensure that the 60-day satisfaction guarantee is understood and implemented within their teams.
- 13.22. Encourage members of their groups to use proper lines of communication, namely Distributor – Sponsor – Upline Manager.
- 13.23. Teach their team members that all queries relating to their business should be resolved within the UK/Ireland and not referred to Forever Living Products International Inc in Arizona or Aloe Vera of America in Texas.
- 13.24. Attend (and be seen in attendance at) all local Business Briefings, Trainings and Success Showcases. Managers are expected to attend a large majority of other Company events and to promote Company events to their teams.
- 13.25. Take responsibility for teaching and ensuring that all literature or advertising used by members of their group has received approval from the Marketing Department at Head Office.
- 13.26. Recognise the fact that they are role models to their Downlines and to other teams and to act accordingly.
- 13.27. Be willing to help their team as well as give support to their Area Development Directors and to cross-line Distributors.
- 13.28. Be aware that challenges and problems should always be dealt with personally, taken Upline or to Head Office, never shared with their teams.

14. Data Protection

- 14.1. Distributors who collect and retain personal information relating to third parties, must be aware of and comply with the laws of England and the Data Protection Act 1998 (“the Act”) concerning the processing of personal data. This applies to personal information:
- held manually, for example in a filing cabinet and/or on a personal computer, for example on a database, and
 - which may relate for example to retail customers, prospective Distributors or Downline Distributors, and
 - from which such persons can be identified.
- 14.2. Processing data includes: the obtaining, recording, holding, organising, adapting, altering, retrieving, consulting, disclosing, alignment, combination, blocking, erasing or destructing of the information or data.
- 14.3. Distributors, who process personal data must also consider whether they are required to notify the Office of the Information Commissioner of their data processing activities. Guidance can be found on the Information Commissioner’s web site: www.icos.gov.uk. General information is available on the following web site: www.dataprotection.gov.uk or through their information telephone line: 01625 545745, or by e-mail mail@dataprotection.gov.uk.

<p><i>THE COMPANY AS DATA CONTROLLER</i></p>
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- 14.4. The Company, as Data Controller, has duly notified the Office of the Information Commissioner of the purposes of its data processing.
- 14.5. Distributors agree that the Company may retain and process all personal information given to the Company by the Distributor for purposes including marketing, business creation and development, management reporting, bonuses payable and awards. The Company may record this information both manually and/or on a computer database and will be the Data Controller for this information.
- 14.6. The Distributor agrees that the Company may disclose and transfer this personal information to his/her Upline Sponsor and to other members of the Company’s group situated outside the European Economic Area under which the Distributor may not have rights under data protection law and to other persons for the purpose of the Company’s business.

15. The Corporate Website

- 15.1. Forever Living Products Inc has a corporate website at www.foreverliving.com. The Company's UK Web Pages are contained within the corporate web site.
- 15.2. The UK Web Pages are governed by English Law.
- 15.3. Distributors must be aware of and comply with the policies contained in the UK Web Pages.
- 15.4. The Corporate Website and the UK Web Pages will from time to time be revised, modified and expanded.
- 15.5. Distributors are permitted to build their own websites through one of the official Forever websites at www.foreverliving.com or www.foreverknowledge.info. There is a monthly fee for this facility, collected from Distributors credit, charge or debit card.

16. Internet Policies

<i>TEMPLATED WEBSITES CREATED BY FOREVER</i>
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- 16.1. Each Forever Living Products (Forever) Independent Distributor will be offered the opportunity to purchase an approved templated website, created by Forever through either Foreverliving.com (MyFLPBiz) or Forever Knowledge. This will allow the Distributor to build a website for marketing, promoting, advertising and selling products online. All retail online orders made through these websites will be processed by Forever, with the CC and profit going to that Distributor. In order to maintain the integrity of Forever's brand name, product line and to safeguard the interest of the Customer and for the purposes of consumer protection, Distributors may only sell, promote, market and advertise Forever's brand products online through these websites or social media sites subject to compliance and approval (see social media section). Any amendments or additions made to these websites must comply with Company Policies and be approved by the Company.

<i>WEBSITES CREATED BY DISTRIBUTORS</i>

- 16.2. Websites created by Distributors promoting the sponsoring of Distributors, recruitment of new Distributors or advertising the Business Opportunity, but which do not contain or market, advertise or promote, or sell the Company's products will be permitted, so long as they comply with or are modified to comply with Forever's Company Policies in accordance with clause 16.1.
- 16.3. Websites created by Distributors promoting and advertising Forever's Business Opportunity are permitted so long as they do not contain misleading claims and statements, contain the Company approved description of goods and legally required text, do not post product pricing or links to shop and comply with or are modified to comply with Company Policies. These must be approved by the Company and will be allowed for the recruitment of new Distributors or advertising the Business Opportunity only, in order to protect and enhance the name, brand and goodwill attached to Forever and for consumer protection.
- 16.4. Distributors may not mislead or confuse the user into thinking the Distributor's website or social media site is that of Forever or any of its official affiliates. Forever's product names and trademarks are strictly proprietary to Forever and cannot be used by any Distributor as a website or social media title, URL, sponsored link or for any other unauthorised use. This includes use of the name "Forever Living Products" or any of its trademarks, trade names, product names, domain name (URL) or copy, or use of any Forever materials from any source.
- 16.5. Websites and social media sites created by Distributors must clearly state that they, the individual, are an Independent Forever Living Products Distributor, who is self-employed and not an employee of Forever or any of its worldwide affiliates.

SELLING VIA THIRD PARTY WEBSITES

- 16.6. The sales, advertising, promotion or marketing of the products through online marketing media, third party websites, online malls, or auction sites, such as, but not limited to eBay or Amazon.com, are prohibited, in order to further safeguard the interests of consumers. Distributors may not sell Forever's products to anyone for the purpose of resale nor entrust others to sell Forever's products. Failure to comply with this will result in the termination of the Distributor ID.

ONLINE ADVERTS

- 16.7. All product related online banners, display adverts or links to shop from third party websites are not allowed.
- 16.8. Online adverts about the Business Opportunity are allowed as long as they comply with Company Policy rules, legal requirements, and have Head Office approval prior to posting and do not contain links to shop.

SOCIAL MEDIA SITES

- 16.9. Product promotion is permitted on social media websites such as Facebook, Twitter, Youtube, Pinterest. However these sites/pages must not make any medical claims, financial claims or mislead a user/customer into believing it is a Head Office site. It must clearly state it is an Independent Distributor's page/site and must comply with all advertising rules. An individual's social media page/site can link to the Forever shop as long as it is compliant. It can also be used to advertise the Business Opportunity as long as it complies with legal requirements i.e. displays the statutory wealth warning or links to a page that displays this warning.
- 16.10. It is the responsibility of the Distributor who creates/updates these sites to ensure that all posts made by themselves and others comply. Any posts made that do not comply must be removed immediately.
- 16.11. Adverts on social media sites (such as Facebook adverts that appear on a number of other pages/sites) will only be permitted on the Business Opportunity – see section 16.9)

FOREVER 
The Aloe Vera Company

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