

## **Policies and Procedures**

Reliv has established rules, regulations, policies and procedures to ensure all Independent Reliv Distributors are treated equally and fairly, as well as to maintain the integrity of the marketing plan and to ensure compliance with all applicable laws and regulations governing network marketing.

It is your responsibility as a Reliv Distributor to study, understand and abide by the policies and procedures as laid out in this manual and other Distributor materials, including the Distributor Agreement. Please note that Reliv reserves the right to amend these regulations at any time, and that those amendments will be effective when published.

We strongly encourage you to review the information in this Policies & Procedures section regularly to ensure you are conducting your business in the expected manner. Should you have any questions, please contact your Master Affiliate upline or Distributor Relations at Reliv.

#### A. PROFESSIONAL ETHICS

The Reliv Professional Code

I will be honest and fair in all my dealings while acting as an Independent Distributor of Reliv products.

I will perform all my professional activities in a manner that will enhance my reputation and the positive reputation established by Reliv.

I will be courteous and respectful to every person contacted in the course of my Reliv business.

I will fulfill my leadership responsibilities as a Sponsor; including training and supporting the Distributors in my Downline Organization.

I will not misrepresent the Reliv Products or Compensation Plan, nor will I engage in any deceptive or illegal practice.

I will make no claims for any Reliv Product that is not contained in official Reliv literature.

I will make no diagnostic or prescriptive claims for any of the Reliv Products, nor will I represent my personal experiences with Reliv Products as indicative of the experience that others may expect.

Except as specifically authorized in writing by Reliv, I will make no statement as to income potential of the Reliv Compensation Plan, nor will I make any statement as to specific income or revenue figures that can be earned by a Distributor.

I understand and agree that I am solely responsible for all financial and/or legal obligations incurred by me in the course of my business as an Independent Reliv Distributor.

I will not solicit from the proprietary rolls, data bases or 'genealogical' print outs of other network mar-keting companies. I will not use sales materials or professional associations that may be regarded as proprietary by other companies. I will conduct my Independent Reliv business in a way that respects the products and professionalism of other companies.

I will not represent that the Compensation Plan is the same or similar to any compensation plan of any other network or multilevel marketing company.

## B. DISTRIBUTOR STATUS

# B.1 Becoming a Distributor

An applicant becomes a Distributor when the following requirements are completed:

- a) The applicant purchases a Distributor Kit; and
- b) The applicant's completed Distributor Application Form has been received and accepted by the Reliv home office. *NOTE: Reliv reserves the right to decline any application for Reliv Distributorship.*

# **B.2** No Purchase Required

No person is required to purchase any Reliv Product or service, except the Reliv Distributor Kit, in order to become a Reliv Distributor. Any statement or suggestion to the contrary by a Distributor is strictly prohibited.

## B.3 Legal Age and Status

Distributors must be of legal age. Distributors which are corporations must be properly incorporated and registered with the Securities and Exchange Commission.

## **B.4** Married or Cohabiting Couples

Married or cohabiting couples or same sex couples and their dependent children must share a single Distributor entity. In the case of couples, both applicants must sign the Distributor Application Form. The tax identification number (TIN) of the first listed applicant is used for tax reporting purposes. Single Distributors who marry or cohabit may elect to maintain separate Distributor status unless one is the direct sponsor of the other, in which case their Distributor entities must be consolidated.

### **B.5** Simultaneous Interests

Individuals may not have simultaneous beneficial interests in more than one Distributor entity without the prior written consent of Reliv. For example, a shareholder of a corporation that is a Reliv Distributor may not become a Distributor individually.

# **B.6** Corporations and Partnerships

Corporations and Partnerships (and other entities as approved by Reliv) may be Distributors subject to the following rules and conditions:

- a) A Distributor Application Form must be submitted in the name of the Corporation or Partnership utilizing the Supplement to Distributor Application and Distributor Agreement for Corporate/Partnership Form (available in the Reliv website). The Application must be filled out completely and signed on behalf of the Corporation or Partnership by an authorized officer or partner, and must be signed individually by each of the shareholders of the Corporation or Partners of the Partnership.
- b) By executing the Application and Agreement, each shareholder of the Corporation and each partner of the Partnership will be bound, individually, by the terms of the Distributor Agreement and these Policies and Procedures. In addition, each shareholder of the Corporation and each partner of the Partnership certifies and agrees that, except with the written consent of Reliv, he or she will be active in the conduct of the business of the Corporation or Partnership as a Distributor of Reliv.

- c) Reliv is entitled to terminate the Distributor Agreement of any Corporation or Partnership if, without the express prior written consent of Reliv:
  - i. The entity sells or issues any shares of common stock or partnership interest to any person not included on, and signing, the original application, or
  - ii. There is a transfer of shares of common stock or partnership interest in the Corporation or Partnership. No shareholder of a Corporation or partner of a Partnership, because of the transfer of interest to a third party, will be relieved of any obligation under the Distributor Agreement.
- d) A person may be shareholder, officer, or partner of only one Reliv Distributorship
- e) A Reliv Distributor may assign that Distributorship to a Corporation or Partnership by completing a Distributor Application and Agreement in the name of the entity and assigning the Distributorship to the entity in the form approved by Reliv. Changes in the form, structure or name of entity may be made only with the consent of Reliv.

#### B.7 Assumed Names

A person or entity may apply under a legally assumed name, if the application includes the signatures of all persons acting or holding an interest in the assumed name.

# **B.8** Term of Agreement

The term of the Distributor Agreemnt is ongoing. If a Distributor does not place an order in a 12-month period, they may be removed from mailing lists. The Distributor will be reactivated when they place an order.

## **B.9** Independent Contractor Status

All Distributors are independent contractors with Reliv. They are not franchisees, joint ventures, partners, employees, or agents of Reliv. Distributors have no authority to make any representation, agreement or commitment of any kind for or on behalf of Reliv or to bind Reliv in any manner. Reliv does not control the time, location or amount of work which a Reliv Distributor performs and Distributors are not restricted from being employed by others, conducting other businesses or providing services to others.

## **B.10** Indemnity Agreement

Every Distributor agrees to indemnify and hold harmless Reliv, its officers, agents and directors against any claim, demand, liability, loss, cost, or expense including, but not limited to, attorney's fees, arising or alleged to arise in connection with the conduct of the Distributor's business.

Each Distributor waives and releases any claims which he or she may have against Reliv or any of its affiliate organizations and each of their respective officers, directors, employees and agents arising out of any act, omission, statement or representation of a Distributor related to his Reliv business. In no event will Reliv be liable to a Distributor (or anyone claiming through a Distributor) for any consequential or special damages.

### **B.11** Taxation

Each Distributor is responsible for complying with all tax and social security laws and regulations, including but not limited to the filing of their own income and other tax returns. Distributors are not, and will not be treated as, employees, franchisees, joint ventures, partners or agents with respect to any tax, social security or unemployment law, or any other statute, ordinance, rule or regulation.

Hence for taxation purposes, all Distributors are required to secure for themselves and submit to Reliv their individual Tax Identification Numbers (TIN).

Distributors are required to apply for official receipts with the Bureau of Internal Revenue and issue the same upon sale to retail customers.

# **B.12** Legal Compliance

Distributors shall comply with all laws, regulations, and local ordinances concerning the operation of their businesses. Distributors are responsible for their own managerial decisions and expenditures and Reliv shall not be responsible or liable for any damage or injury to Distributor or to any third person with respect to the management or operation by the Distributor of the Distributor's business.

The Distributor Agreement, which incorporates these Policies and Procedures, was created as guide for the relationship between the Company and its Distributors. Violations of the Distributor Agreement or any illegal, fraudulent, deceptive, improper, threatening or unethical business conduct by a Distributor may result in Reliv's sole and absolute discretion, in one or more corrective measures, including but not limited to (1) issuance of a written warning letter, (2) suspension of Distributor's status, (3) suspension or loss of rights to bonus or commission checks, (4) involuntary termination of the Distributor Agreement, (5) legal proceedings for monetary and/or equitable relief, or (6) any combination of the above.

#### **B.13** Identification Numbers

Reliv will issue a Record Control Number (RCN) as your international Reliv Identification Number. Always include your RCN in your correspondence with Reliv. Failure to do so may result in unnecessary delay of your requests, including delay of commissions and/or overrides.

#### **B.14** No Exclusive Territories

There are no exclusive territories for marketing or sponsoring purposes, nor shall any Distributor imply or state that she or he does have an exclusive territory. There are no geographical limitations on Distributor's sponsoring within any country in which Reliv or an affiliate conducts business.

### **B.15** Confidential Information

Each Distributor acknowledges and agrees that all information concerning Reliv Distributors, whether compiled or stated individually (hereinafter "Confidential Information"), was obtained by Reliv at great effort and expense, is of great value to Reliv and is maintained by Reliv as confidential and proprietary information. Confidential Information includes, without limitation: names, addresses, telephone numbers, genealogies and other information relating to Reliv Distributors.

Each Distributor further acknowledges and agrees that Confidential Information received or obtained, whether in the form of lists prepared by Reliv or otherwise, is received in confidence and on the condition and agreement that such information will be kept confidential. Each Distributor also agrees that he or she will not disclose Confidential Information to anyone except when authorized in writing by Reliv and will not use Confidential Information for any purpose other than the performance of functions and duties as a Reliv Distributor.

# **B.16** Other Business Activities

Reliv Distributors are not restricted from being employed by, or providing services to, other business entities, or from engaging in other business activities. A Distributor is prohibited, however, from using the name "Reliv" or the names of Reliv Products in connection with any other business activity. Each Distributor

agrees that, while being a Distributor and for a period of eighteen (18) months from the expiration or termination of the Distributor relationship, he or she will not:

- a) Directly or indirectly, solicit, recommend, suggest, or induce any Reliv Distributor to become a distributor for, or associate with, any person or entity (other than Reliv) engaged in marketing or selling any product or service by means of direct sales, network marketing or multi-level marketing method or organization, or
- b) Solicit for the sale, or sell, any product or service to a Reliv Distributor the same or similar to any product or service offered by Reliv, other than products or services sold by Reliv

Each Distributor also acknowledges and agrees that these provisions are reasonable and necessary to protect the interest of Reliv and the Distributors in the Confidential Information and the associated valuable business relationships. All rights and obligations of this section shall survive any expiration or termination of a Distributor's Distributorship.

# **B.17** International Reliv Business and Sponsoring

Reliv Distributors may only sponsor other Distributors in countries where Reliv International, Inc. or an affiliate conducts business and where such sponsoring is authorized. Reliv announces these approved and officially opened countries from time to time.

- a) Approved company products and sales materials:
  Distributors may offer for sale and distribution only company products and sales materials approved by Reliv for the given market. The local affiliated Reliv company is the exclusive distributor of said products and sales materials in the market or territory.
- b) In conducting business internationally in officially opened and authorized (registered) countries or territories:
  - 1. A Distributor should promote Reliv Products and the business opportunity through personal contact to ensure proper product orientation and customer service.
  - 2. A Foreign Distributor may only promote and/or train with sales materials that have been approved and distributed by the affiliated Reliv office within the country.
  - 3. Distributors in good standing have the right to sponsor in all countries where Reliv has an established business which has been officially opened for product sales.
  - 4. The Distributor is responsible for discovering and complying with all applicable laws, regulations, rules, tax requirements, and other due demands of the country, including the country-specific policies and procedures.
  - 5. The Distributor accepts sole responsibility for conducting his or her independent business lawfully within the country. The Distributor also agrees to fully indemnify and hold harmless Reliv and any affiliated company and its officers of any claim, action or liability asserted that arises out of his or her actions, omissions or representations in sponsoring or conducting his or her independent business in the country.
- c. No business or promotional activities may occur in a country before it is officially opened and affiliated Reliv offices are established. A Distributor must refrain from the following in unauthorized countries:
  - 1. Selling or distributing in any manner Company products or product samples, and
  - 2. Promoting the Reliv business opportunity in an unauthorized country, including but not limited to:

- i. Placing telephone listings that advertise an independent Distributorship, products manufactured and/or distributed by the Reliv Group or the Reliv business opportunity.
- ii. Promoting or conducting any type of business opportunity, product or training meeting with any number of individuals.
- iii. Establishing a business office or renting a facility for promoting company products or the business opportunity.
- iv. Establishing an agent or agents to promote the business opportunity and/or company products,
- v. Soliciting or negotiating a contract or other formal or informal agreement for committing a potential Distributor to the business opportunity, specific sponsor or line,
- vi. Accepting money or other consideration, or being involved in any financial transactions with any person, either personally or by agent, before the official corporate opening for business.
- 3. Signing up a potential Distributor in an unauthorized country under a Distributor Agreement in an authorized country.
- 4. Holding meetings in an authorized country or territory with potential Distributors from unauthorized countries or prematurely training or promoting the business opportunity or products in unauthorized countries.
- 5. Representing that he or she is the sole agent for the company or has the exclusive Distributor rights in any country,
- 6. Promoting or conducting any type of activity that the company, in its sole discretion, deems to be contradictory to the Company business.
- d) In general, it is the intention of Reliv International, Inc. that the compensation system will be substantially the same among all countries in which Reliv conducts business and that a Distributor who has sponsored another Distributor in a country other than the Distributor's residence will receive compensation for volume generated by the other Distributor in the same manner as volume generated in the Distributor's home country. However, there are differences among countries in the Retail Value of Reliv products that do affect compensation and qualifications, and currency translations will also affect levels of compensation. Reliv reserves the right to make such adjustments and apply such terms and methods to international transactions as it deems appropriate relating to Distributor compensation and qualifications.

#### C. DISTRIBUTOR OPERATIONS

## C.1 Sponsoring

Integrity and ethical conduct have always been a central element of the Reliv system and have played a significant role in our success. We all know that one of the reasons people are attracted to our Company, and remain with us, is that we do maintain high standards of personal and business conduct.

As a Reliv Distributor, you are entitled to sponsor other Distributors into the Reliv program. You will not be compensated for enrolling new Distributors. You will, however, be compensated under the Reliv Compensation Plan based on the volume of product sales.

There are no assurances or guarantees of any compensation or commissions. Compensation will be based upon sales volume of Reliv products as described in the Reliv Compensation Plan manual.

## C.2 Multiple Applications

If one applicant submits multiple Distributor Application and Agreement Form listing multiple Sponsors, only the first completed form received by Reliv will be accepted.

# **C.3** Training Support

It is recommended that Distributors who sponsor new Distributors are properly trained with respect to the Reliv Distributor Guide, the Distributor Agreement, including these Policies and Procedures, and the Compensation Plan.

# C.4 Changing Sponsorship

Transfer of sponsorship is rarely permitted and is actively discouraged. Maintaining the integrity of sponsorship is absolutely mandatory for the success of the overall organisation. When transferring sponsorship, a Distributor will not be able to bring his downline organization with him. Any transfer of sponsorship is subject to final approval of Reliv.

A Distributor may change sponsorship upon written request to Reliv, accompanied by signed letters of approval from all five immediate upline Master Affiliates and any distributors between you and your first upline Master Affiliate. The form must state clearly that all parties involved understand the consequences of the sponsorship transfer. The form must also be accompanied by a fee equal to the current cost of a Distributor Kit.

Alternatively, a Distributor may change sponsorship by voluntarily terminating his or her existing Distributorship and maintaining no activity for a period of six months. The Distributor may then enroll as a new Distributor under any sponsor he or she chooses.

# C.5 Voluntarily Termination

A Distributor may voluntarily terminate his or her Distributor status at any time by sending written notice to Reliv. Voluntary termination is effective upon receipt of such notice by the Reliv home office. A Distributor who voluntarily terminates a Distributorship Agreement must wait 6 months before being eligible to sign a New Distributor Agreement.

# **C.6** Involuntary Termination or Suspension

Reliv may involuntarily terminate or suspend the status of any Distributor for cause. "Cause" means and includes:

- a) Any violation of the Distributor Agreement which incorporates these Policies and Procedures, all of which may be amended from time to time,
- b) Any wrongful taking of any property from Reliv or a Reliv Distributor,
- c) Any act of dishonesty regarding Reliv or a Reliv Distributor,
- d) The use or sale of illegal drugs or the excessive use of alcohol or other personal conduct which, in the reasonable opinion of Reliv, may reflect adversely on Reliv,

Each Distributor acknowledges that Reliv has a legitimate and substantial interest in requiring high standards of integrity and responsibility from its Distributors. In addition, Reliv may terminate the status of any Distributor in its sole and absolute discretion without cause by giving thirty (30) days written notice to the Distributor.

## C.7 Effect of Suspension

If a Distributor is suspended for a cause:

- a) The Distributor shall not be entitled to act as or receive any of the benefits of a Distributor for the term of the suspension,
- b) The Distributor shall not be entitled to receive any compensation as a Distributor during suspension period, including without limitation any commissions or overrides (except payments that may have been due for periods prior to the suspension).
- c) The Distributor's sponsored downline organization, for the period of suspension, will be moved up to the next sponsor in the suspended Distributor's upline and will remain there during the term of suspension. Suspension is effective the first day of the month in which notice is given.

## C.8 Effect of Termination

Voluntary or involuntary termination results in the Distributor's loss of rights to his or her sponsored downline organization, which then moves up to the next sponsor in the terminating Distributor's upline and remains there whether or not the terminating Distributor subsequently re-enrolls as a Distributor following the six-month waiting period.

Termination is retroactive to the beginning of the month in which the termination is effective. Thus, payment of commissions and overrides will be made only for business completed during the last full calendar month prior to termination. No terminated Distributor shall represent himself or herself as a Distributor of Reliv. In addition, voluntary or involuntary termination of a Distributorship will result in the loss of proprietorship of the Distributor's customers.

# C.9 Solicitation of Prospects

Distributors should not solicit a person to sponsor under them as a Distributor with the knowledge that the person has already been in contact with another Reliv Distributor for that purpose. Reliv considers such conduct to be in violation of its code of ethics and may take disciplinary action in Reliv's discretion with respect to such violations. Generally, the first Reliv Distributor to contact a prospect concerning Reliv should be the prospect's sponsor.

Reliv and its Distributor organization seek to foster an "open" system in which prospective customers and Distributors may attend and participate in Reliv Distributor functions in any geographic area — whether or not the Reliv Distributor who has initially contacted the prospect will participate or be present. We believe that mutual support by Reliv Distributors of the efforts of other Reliv Distributors provides a source of strength for the growth of our organization as a whole. The "open" system depends heavily on ethical conduct by all Reliv

Distributors, and in particular relies on the understanding among them not to solicit the prospects of another Distributor. Ordinarily, Reliv corporate will not become involved in, or attempt to resolve, a dispute over the proper sponsorship of a new Distributor. We encourage Distributors to resolve conflicts over proper sponsorship by agreement, respecting the policy stated here. However, Reliv reserves the right in circumstances Reliv deems appropriate to make the determination of proper sponsorship which determination will be binding on all parties. Distributors who are unable to resolve a dispute regarding sponsorship by agreement may request arbitration of the matter as is provided in Section H.7 of these Policies and Procedures.

# C.10 Sale, Assignment, or Transfer of Reliv Distributorships

No sale, assignment or transfer of a distributorship shall be valid without the prior express written approval of Reliv, which approval may be granted or withheld in Reliv's sole and absolute discretion. A Distributor desiring to acquire any interest in another Distributor's business must relinquish his or her existing Distributorship before becoming eligible for such a purchase. If you should have any questions related thereto, please contact Reliv for further information and procedures to effect a sale, assignment or transfer.

#### C.11 Succession

Upon the death of a Distributor, the Distributor entity will pass to his or her successors in interest as provided by law. However, Reliv shall not recognize such a transfer until the successor submits a new Distributor Application or Supplement with certified copies of the death certificate and will, trust or other instrument. The successor will then be entitled to all the rights and subject to the obligations of a Reliv Distributor.

If a Distributorship is be queathed or transferred to or for the benefit of more than one person, the distributorship must be held by, or transferred to, an Entity, as otherwise permitted in these Policies and Procedures. Thereafter, bonuses and commissions for a Distributorship transferred pursuant to this section will be issued to the Entity.

A successor who is currently a Distributor may elect to maintain two separate Distributorships and may possess an interest in two Distributorships.

# C.12 Agreements among Distributors

The relationship between Distributors shall be governed by the Reliv Distributor Agreement and this Distributor Manual, with respect to compensation, payment of commissions and overrides, and all other facets of a Distributor's Reliv business. No agreement between Distributors relating to the conduct of their business as Distributors or the allocation of compensation from their business will be recognized or enforced by Reliv, unless Reliv consents to the agreement in writing.

# C.13 Reliv Distributor Genealogies

- a) Each Distributor agrees:
  - i. To hold confidential and not disclose any genealogy (downline Distributor list) or portion thereof to any third person, including but not limited to, existing Distributors, competitors and the general public.
  - ii. To limit use of genealogies to the intended scope of the genealogy and in furthering a Distributor's Reliv business.
  - iii. That any intended or unintended use or disclosure of a genealogy other than as authorized herein, or for the benefit of any third person, constitutes misuse, misappropriation, and a violation of the Distributor Agreement, which may cause irreparable harm to Reliv.
  - iv. That, upon any violation under this section, Reliv is entitled to appropriate injunctive relief, enjoining such use under applicable law and to the recovery of all genealogies previously provided to the Distributor.
  - v. That misuse of a genealogy is cause for termination of a Distributorship, whether or not such misuse causes irreparable harm to Reliv or one of its Distributors.

- vi. That the obligations under this section will survive the termination of the Distributor Agreement.
- b) Reliv reserves the right to pursue all appropriate remedies under applicable laws to protect its rights to the genealogies as proprietary information of Reliv; any failure to pursue such remedies will not constitute a waiver of the rights.

# C.14 Dissolution or Division of a Distributorship

- a) Reliv acknowledges that Distributorships involving more than one person may be dissolved or divided by divorce or dissolution of a marriage or Entity whether by agreement or in the course of a legal proceeding for a divorce or dissolution. Reliv requires that the parties to or beneficiaries of such a Distributorship, in connection with and during the course of such division or dissolution, conduct themselves in accordance with these rules and in a manner which will not adversely affect Reliv or the interests, business or income of sponsored downline Distributorships or upline sponsors. During the course of any proceeding for a divorce or dissolution affecting a Distributorship, the parties are restricted from engaging or involving Reliv or Reliv Distributors in any controversy or dispute among them. Violation of this provision shall be deemed personal conduct which may reflect adversely on Reliv and may result in disciplinary action including Distributorship termination.
- b) While a divorce or dissolution of an Entity is pending, the parties must adopt one of the following methods of operation:
  - i. If one of the parties is willing to relinquish his or her right and interest in the Distributorship, thereby leaving his or her spouse or fellow partners, members or shareholders to carry on the business, he or she may do so by executing an Assignment form which is available from Reliv. When the Assignment is signed by the withdrawing party and filed with Reliv, Reliv's records will be changed to show ownership of the Distributorship in the sole name(s) of the remaining Distributor or partners, members or shareholders.
  - ii. If both spouses in a divorce situation agree that, despite their domestic difficulties, they can continue to operate the Distributorship jointly on a "business-as-usual" basis while the divorce action is pending, they may do so. In this case, all compensation will continue to be paid in the joint names of the Distributors involved.
  - iii. If all owners of an Entity agree that, despite their desire to dissolve the Entity, they can continue to operate the Distributorship jointly on a temporary basis, they may do so, provided they continue to perform all the responsibilities of a Distributor. All compensation will continue to be paid in the name of the Entity pending the final agreement of dissolution.
  - iv. If the parties in a divorce action or in an Entity dissolution are not agreeable to operate under alternatives 1, 2, or 3, then they must make arrangements to have their Distributorship operated by a third party until divorce or Entity dissolution is completed. Their sponsor, another Distributor or a third party acceptable to all may be selected to act as a receiver while the divorce or dissolution action is pending. The parties must reasonable compensate the "receiver" for handling the Distributorship during this time.
- c) While a divorce is pending, neither party may operate or participate in the operation of any other Distributorship. Section B.4 of the Policies and Procedures provides that if a husband and wife both wish to be Distributors of Reliv products, they must be sponsored together as a single Distributorship in the same line. They may not sponsor each other. The one exception being when single Distributors marry, provided neither is the direct sponsor of the other as set forth in Section B.4. This policy applies until the parties are no longer husband and wife as determined by a Final Order or Judgment entered by a court of law, or they are no longer living together. The restriction against husband and wife operating separate Distributorships does not end until a court of competent jurisdiction has entered Final Decree or Judgment of Divorce and certified copy of the Decree Judgment has been filed with Reliv.

- d) Divorcing parties or parties dissolving an Entity may, after Final Decree or Judgment of Divorce or final dissolution, operate as a single Distributorship or separate Distributorships in accordance with the following provisions:
  - i. Divorcing parties may agree to continue to operate their business in the form of an Entity even though they are no longer husband and wife. In such a case, however, they must enter into a new Distributor Agreement and Supplement that defines their respective rights and obligations and file an executed copy with Reliv.
  - ii. The parties may split their Distributorship into two or more separate Distributorships, which are then sponsored by their original sponsor. A new Distributor Agreement must be completed for each new Distributorship. In the event of dividing a Distributorship into two or more separate Distributorships, the existing lines of sponsorship beneath the original Distributorship must remain intact.
    - The parties can only reallocate among them their first-level, personally sponsored Distributors.
    - iib. This notification must be supplied in writing to Reliv no later than 30 days from receipt of written notice from the upline that they wish to divide the Distributorship.
  - iii. One former spouse or owner(s) of an Entity may completely relinquish all rights in the original Distributorship, including all sponsored Distributors, to the other parties. At this time, the withdrawing party is free to (a) sign as a Distributor under his or her former Distributorship, (b) sign as a Distributor under his or her original sponsor, or (c) sign as a Distributor in a completely different line of sponsorship of his or her choosing.

# C.15 Addition of Co-Applicants

If a Distributor (either an individual or Entity) wants to add a co-applicant to an existing Distributorship, the Company requires a written request and a new Distributor Agreement with all applicants' signatures and information. If the co-applicant is currently a Distributor, he or she must voluntarily terminate his or her existing Distributorship. The original applicant must remain a party to the Distributorship. If the original applicant wants to terminate his or her relationship with the Company, he or she must follow the procedure in Section C.10. If the above procedure is not followed, the distributorship shall be terminated upon withdrawal of the original applicant.

# C.16 Change of Information for Entity or Multiple Individual Distributorships

Where a Distributor is an Entity or where more than one individual (e.g., spouses) are parties to a Distributor Agreement, Reliv will not change any account information or other information in Reliv's records without the appropriate form or written request signed by all individuals that are parties to the Distributor Agreement and/or Supplement.

#### D. LITERATURE AND ADVERTISING

#### D.1 Trademarks

The name "Reliv" and logo of Reliv and the names of all Reliv products are trademarks of Reliv. Only Reliv is authorized to produce and market products and literature under these trademarks. Use of the name Reliv or the names of Reliv products, in any way not provided for within the Reliv Distributor Agreement and Policies and Procedures Manual is strictly prohibited.

#### D.2 Reliv Literature

Only official Reliv literature may be used in representing Reliv Products and /or the Reliv Compensation Plan:

- 1. Distributors may use the instructions provided by Reliv to order business cards, letterhead and stationery bearing the Reliv name and logo. These items may be reproduced by local suppliers of the Distributor's choice, adhering strictly to the printing guidelines provided by Reliv.
- 2. Reliv literature, brochures, inserts, or other sales aid items available from Reliv may not be reproduced, duplicated or reprinted without the prior permission of Reliv.

# D.3 Print Advertising

Reliv approved material shall be used in the placement of any advertising in any print media. No one may use the Reliv product names, logos, trademarks or copyrighted material in advertising not produced by Reliv or in a manner prescribed by Reliv.

### D.4 Cheque Accounts

Distributors who have a separate cheque account for their Reliv business should have their name or business name printed on the cheques. Naming your business "Reliv" is not permitted. The account title should be your name and Reliv Independent Distributor Account

#### **D.5A** Distributor Websites

Distributors may utilize the Internet to promote their business with the prior approval of Reliv International, Inc. Proposed content should be submitted to your local Reliv office for review before it is made available online. Allow at least seven (7) to ten (10) working days for the review and approval process. Distributors understand and acknowledge that Reliv, in its sole and absolute discretion, may require changes to a website's content before granting approval. After initial approval of the website is granted, the Distributor may not change or modify the content without submitting the requested modifications to Reliv for additional approval.

The following are requirements when developing a website:

- a. Distributors must prominently place the phrase "Independent Reliv Distributor" in the banner at the top of the Distributor's homepage. The phrase must also appear on every web page on which a Reliv logo or trademark appears and following the Distributor's name where contact information is provided.
- b. On the Distributor's homepage and any other web page that displays the Distributor's contact information, the Distributor must include a statement that viewers who have heard of Reliv from another Reliv Distributor should contact that Distributor for further information. It is the responsibility of every Distributor with a website to ensure that all new customers and Distributors have not been previously contacted by another Reliv Distributor.

- c. Distributors may not utilize a shopping cart or any other means to make sales directly from their website.
- d. Distributors are strictly prohibited from using any Reliv trademark in a website's domain name.

The following are general guidelines to follow while developing site content:

- a) Distributors may use material found in Reliv's content library, consisting of images, video, etc. (available under the "My Business" tab of your portal page).
- b) Subject to Reliv's review and approval, Distributors may include a personal testimonial and the testimonial of a limited number of other Distributors or customers who have provided Reliv with written permission for the use of their testimonial on the website (please refer to Sections H.1 and H.2 of Reliv's Policies and Procedures and Reliv's advertising guidelines available under the "My Business" tab of your portal page.
- c) Distributors may link to the Reliv corporate home page or any other website produced and maintained by Reliv. A Distributor may not link to any third party website without the prior approval of Reliv.
- d) From time to time Reliv may provide, or authorize an approved vendor to provide, Distributors the opportunity to utilize replicating websites to promote their business. The availability of such sites and the terms and conditions of their use will be displayed on Reliv's website at such time, if any, that Reliv determines to make replicating websites available to Distributors.

As required by these Policies and Procedures, a Reliv Distributor that sponsors another Distributor through use of his, her or its website is required to provide adequate training and support to the sponsored Distributor with respect to the Reliv business opportunity. If Reliv, in its sole and absolute discretion, determines that a Distributor has refused or failed to provide the necessary support and training to a sponsored Distributor, Reliv may re-assign the sponsored Distributor to a new sponsor at Reliv's discretion.

Distributors should be aware that when using blogs, chat rooms, social networks or other online methods to communicate information about Reliv's products or business opportunity that those communications may be regarded as advertising. To the extent those methods of communication are used, the Distributor is responsible for ensuring the content complies with Reliv's Policies and Procedures and any other applicable laws and regulations.

Subject to prior approval by Reliv, Distributors may feature Reliv advertisements on non-Reliv websites so long as, in Reliv's sole and absolute discretion, the applicable website(s):

- a) Is unconnected to any religious or political organization;
- b) Does not damage or impugn the name or reputation of Reliv, its products or its Distributors;
- c) Does not misuse Reliv's trademarks, product names, or other intellectual property; and
- d) Does not directly or indirectly promote any other direct selling or network marketing companies (regardless of products offered) or any products which are competitive with those sold by Reliv (including, but not limited to nutritional supplements and skin care products).

Reliv periodically conducts Internet searches to confirm Distributors are operating in accordance with this Section D.5A. In case of violation, Reliv may require the offending Distributor to immediately remove the advertisement, website and/or information which is in violation of Reliv Policies and Procedures. If a Distributor fails to remedy a violation in strict accordance with Reliv's request or repeatedly violates this Section D.5A, Reliv may take any other disciplinary actions deemed appropriate against the offending Distributor, including suspension or termination of the Distributor.

#### D.5B Social Media

Distributors may utilize social networking sites e.g. Facebook, Twitter, LinkedIn, blogs, forums and chat rooms or other social shared interest sites to communicate information about the Reliv products and business opportunity.

The following are requirements when using any form of social networking or Social Media:

- a) Distributors must include their name and clearly identify themselves as an "Independent Reliv Distributor" on all posts or profiles generated in any social community where the individual mentions or discusses Reliv.
- b) Distributors are prohibited from using any Reliv trademark, product name or logo in their user name, profile photo, blog name or fan/group pages of any social community. Reliv Distributors may use the approved "Independent Distributor Logo" approved for social media from the content library. This is the only approved logo for social media use.
- c) Those Distributors who have existing fan pages, group names that include the Reliv trademark, product names or company logos will need to change or delete this information in accordance with Reliv's Policy and Procedures. Reliv is aware that some sites such as Facebook do not allow users to change existing fan pages or groups. For this reason, users with existing sites will need to create a new page or site and redirect users accordingly.
- d) Distributors are personally responsible for the content they publish in the social community. In addition, as the site administrator, owner, or moderator, you are responsible for the content posted by others including personal testimonies.
- e) Distributors must make it clear that they are speaking for themselves and not on behalf of Reliv International, Inc. Visitors to any Distributor's blog site, fan page, group, tweets or any other form of social networking should not be left with the impression that the content is being published by or on behalf of Reliv International, Inc.

The following are guidelines to follow when using social media and social networking:

- a) Respect your audience. Do not make ethnic slurs, personal insults, use obscenity or engage in any conduct that would not be acceptable to Reliv. Distributors should also show proper consideration for other's privacy and for topics that may be considered objectionable.
- b) value with your posts and comments. Provide meaningful information. What you publish may reflect on not only you and your personal organization but also Reliv as a whole.
- c) Distributors may link to the Reliv corporate home page or any other website produced and maintained by Reliv. A Distributor may not link to any third party website in connection with the promotion or discussion of the Reliv products or business opportunity.
- d) When in doubt do not publish it. Remember that there are always consequences to what you publish. You have sole responsibility for what you post and what is published on your blog, profile, or in any form of online social media.

As required by these Policies and Procedures, a Reliv Distributor that sponsors another Distributor through the use of his/her social media site is required to provide adequate training and support to the sponsored Distributor with respect to the Reliv business opportunity. If Reliv, in its sole and absolute discretion, determines that a Distributor has refused or failed to provide the necessary support and training to a sponsored Distributor, Reliv may re-assign the sponsored Distributor to a new sponsor at Reliv's discretion.

Distributors should be aware that when using blogs, chat rooms, forums, social networks or other online methods to communicate information about Reliv's products or business opportunity, those communications may be regarded as advertising. To the extent those methods of communication are used, the Distributor is responsible for ensuring the content complies with Reliv's Policies and Procedures and any other applicable laws and regulations or guidance set forth by the relevant authorities.

In case of violation, Reliv requires the offending Distributor to immediately remove the advertisement and/or information which is in violation of Reliv Policies and Procedures, and reserves the right to take any other disciplinary actions deemed appropriate against the offending Distributor.

# D.6 Ebay and Internet Sales

Distributors are strictly prohibited from marketing or selling Reliv products through use of internet auctions, websites or other means utilizing the Internet as a means to complete a sale. For example, any sales of products through eBay, Shopee, Lazada or a website (other than Reliv's corporate website) containing a shopping cart or similar capabilities are prohibited. Such sales divert potential customers from Reliv Distributors and threaten the integrity of the Reliv business model.

#### **Violation of clause D.6:**

Violation of clause D.6 will result in the following action:

- a) The offending Distributorship and their upline President's Team Member or Ambassador will be notified of the policy violation and the offending Distributorship given 72 hours (or 3 days) in which to comply. By complying within 72 hours, the case will be considered resolved.
- b) For non-compliance within 72 hours or violation of the same policy (D.6), Reliv will issue a written warning to demand policy compliance within 24 hours. Failure to comply within 24 hours will result in the offending Distributorship receiving a one-month suspension subject to Effect of Suspension clause C.7.
- c) For continued non-compliance or repeated violations of clause D.6, the offending Distributorship will be terminated and subject to Effect of Termination clause C.8.

## **D.7** Domain Names

Distributors are prohibited from using or registering any of Reliv's names, trademarks, product names, service marks, or anything confusingly similar to these names or marks, for any Internet domain name, display banner, URL, forum, blog or chat room name, etc.

#### D.8 Media

Occasionally, Distributors may be contacted by media representatives requesting interviews or comments on the Reliv products and business opportunity. However, Distributors may not represent Reliv in public arenas or in response to any media request. Only authorized Reliv representatives are allowed to correspond with the media on Reliv's behalf. Distributors are advised not to intentionally invite members of the media to Reliv functions. All inquiries from media (radio, television, newspapers, magazines or any other periodicals or media) are to be referred to Reliv. This will ensure that consistent and accurate information is provided to the public.

#### D.9 Radio and Television

Reliv Distributors are prohibited from using live radio advertising to publicize Reliv or its products. Prerecorded radio advertising is permitted, subject to the prior written approval of Reliv. Scripts should be submitted to Reliv prior to booking time or committing to programming. Reliv Distributors are strictly prohibited from using television and cable television to publicize Reliv or its products.

# D.10 Advertising and Sales Support Material Approvals

In general, Distributor-created advertising is discouraged. Reliv provides classified and display advertising slicks for Distributor use. Unless you are using Reliv designed and approved classified or display ads, you must submit for approval in writing all advertising to Reliv before placing it or arranging for placement.

All advertising on electronic media (Internet and radio) must also be approved by Reliv prior to placement.

Please mail or fax written copies of language and layout for all Distributor-created advertising to Reliv, allowing 7 to 10 working days for approval. Keep records of the Reliv Approval Number assigned to your ad. We encourage you to print the approval number on your ads.

Distributors may not reproduce Reliv created brochures or portions of brochures including, but not limited to, layout and pictures.

# D.11 Liability

Violation of these Policies and Procedures is subject to disciplinary action by Reliv. Disciplinary action may include, but is not limited to, termination of the Distributorship and loss of Distributorship privileges, including downline organization, income, etc. The violating Distributor may also be liable for damages resulting from unauthorised use of Reliv copyrights, trademarks and materials.

# **D.12** Repackaging Prohibited

Distributors may not open and repackage the consumable contents of Reliv products for sample or resale in any way.

## D.13 Recordings

Distributors may not produce for distribution or sale any recorded company events or speeches, nor may Distributors reproduce for distribution, sale or personal use any recording of company-produced audio or video tape representations.

## **D.14** Telephone Answering

Distributors may not answer the telephone by saying "Reliv," or in any manner that would lead the caller to believe he or she has reached the corporate offices of Reliv. They may, however, state that they are an Independent Reliv Distributor. This restriction also applies to greetings on telephone answering machines, voice mail and other voice messaging services.

## D.15 "1800" and "0800" Telephone Listings

Distributors are prohibited from listing their "1800" and "0800" toll-free telephone numbers under the Company's name or in a manner that could indicate the listing is for the Company.

# D.16 Independent Distributor Telephone Solicitation

The Reliv name or copyright materials may not be used with automatic calling devices either to solicit Distributors or retail customers.

## D.17 Sales Forums/Retail Outlets

Products and promotional materials for Reliv cannot be sold or displayed for public (casual foot traffic) view in retail outlets. Two general exceptions to this rule are: 1) Private clubs, such as health spas and fitness salons; and 2) "Appointment only" businesses, such as doctor's offices and beauty salons.

In any case, Reliv products cannot be publicly displayed, as in display windows, but only in a manner visible to clientele inside the place of business. Examples of businesses through which the sale of Reliv products is prohibited include: supermarkets, convenience and sari-sari stores, ships or military stores, health food stores, flea markets, pharmacies and shopping center booths.

This policy does not prohibit a store owner, for example, from being a Distributor. Meetings may be held in retail outlets after the close of regular business hours, and Reliv products may be sold at these meetings. Distributors may display the Company's products at certain trade shows and professional expositions at the sole discretion of the Company. Distributors must contact Reliv for approval prior to the event. The Company may refuse authorization to participate in the event if the forum is not deemed suitable for promotion of the Reliv products or business opportunity.

# D.18 Use of Distributor Name, Likeness and Image

Each Distributor consents to Reliv's use of his or her name, testimonial (or other statements relating to his or her experiences as a Reliv Distributor in printed, electronic or recorded form, including translations and paraphrases of the same) and image or likeness (as produced or recorded in any form of media) in connection with the advertisement and promotion of Reliv, its products, business opportunity or any Reliv-related or sponsored events and materials.

#### E. COMMISSIONS

## **E.1** Application and Agreement

Commissions are paid once both the Distributor's and his or her sponsor's Distributor Application and Agreement are received and accepted by Reliv and monthly requirements are fulfilled.

## E.2 Calendar Month

Commissions and achievement levels are calculated on a calendar month basis. If the last day of the calendar month falls on a weekend or legal holiday, the preceding regular business day shall be considered the last day of the calendar month. The first day of the calendar month is the first business day following the last day of the preceding calendar month.

Note: All orders must be received at the Reliv office no later than the last business day of the month.

# E.3 Payment Date

Commission checks are paid on or about the 18th of the month following the month in which those commissions were earned. For example, commissions based on sales made in January are paid on or about February 18.

#### F. PRODUCT SALE RULES

# F.1 Excessive Purchases Prohibited

Reliv Distributors may purchase Reliv Products from Reliv (or from other Reliv Distributors) in amounts which are reasonably necessary and appropriate to establish and maintain an inventory of products for resale to retail customers, to other Reliv Distributors in their downline, and for personal use and consumption.

Purchase of products in excess of the amounts reasonably necessary and appropriate for such purposes is prohibited and Distributors are strictly prohibited from suggesting, encouraging or inducing any other Distributor to make excessive purchases of Reliv Products. Purchase of Reliv products, or encouragement of such purchases, in excess of reasonable amounts for appropriate uses, for the purpose of qualification or advancement under the Reliv Compensation Plan, or for qualification for any bonus or award is also strictly prohibited and may result in disciplinary action including suspension or termination.

#### F.2 Prices of Reliv Products

Reliv reserves the right to change the prices for any or all of its products at any time without prior notice.

#### F.3 Taxes

Reliv Distributors must comply with all regulations and licensing and taxation requirements which govern the sale of Reliv products, services and sales aids that are now or which may at any future date be subject to sales tax, goods and services tax or any like or similar tax charge.

# F.4 Retail Pricing

Reliv provides a list of suggested retail prices. This list forms the basis for the discounted purchase price at which Distributors may purchase products from Reliv and may assist Distributors in product pricing for retail sales. These prices are suggested retail prices only. Distributors may sell Reliv products above suggested retail prices but are strictly prohibited from selling products to customers at a discount. Violation of this provision may result to disciplinary action including suspension and termination.

# F.5 Retail Sales Permitted Only by Philippine Citizens and Residents

In accordance with Philippine law, non-Filipinos (persons who are not citizens of the Philippines) are prohibited from engaging in retail trade in the Philippines. Accordingly, Reliv Distributors, whether as Distributors of Reliv Philippines, Inc. or any other affiliate of Reliv International, Inc. who are not citizens of the Philippines are expressly prohibited from engaging in the retail trade of Reliv products in the Philippines.

A natural-born citizen of the Philippines who has lost his Philippine citizenship but who resides in the Philippines is allowed to engage in retail trade in the Philippines. Foreign corporations are allowed in certain circumstances to engage in retail trade in the Philippines if they comply with all the requirements of Republic Act No. 8762.

### G. GUARANTEE AND REFUND POLICY

### **G.1** Customer Returns

Reliv offers, and requires each Distributor, to 100% unconditional money-back guarantee to all retail customers. Every Reliv Distributor is required to honor this guarantee. If your retail customer is dissatisfied with a Reliv product for any reason, the customer may return the product to you within thirty (30) days for either a replacement or a full refund of the purchase price.

Reliv will replace the returned product to the Distributor, if within seven (7) days after the product is returned to you, Reliv receives the following:

- a) A signed statement from the retail customer identifying the reasons for return, and
- b) A copy of the original Customer Order form; and
- c) The unused portion of the product.

Reliv will not refund the purchase price to any Reliv Distributor on customer returns.

# **G.2** Quality Control

Reliv will replace any product within thirty (30) days from the date of purchase for reasons of quality control. Prior written request to the Reliv home office is required before any exchange will be made. The following procedures must be completed before a refund or replacement will be issued:

- a) A written replacement request must be submitted, stating the reason for the request and accompanied by a proof of payment and a copy of the Purchase Order form or packing slip. Product returned without prior authorization will be returned to the Distributor.
- b) Reliv will instruct you where to ship the product for inspection. Upon receipt and verification of the product, Reliv will send a replacement.

### **G.3** Termination Returns

Reliv will repurchase from a Distributor who terminates his or her Distributorship all products that were purchased from Reliv within the twelve (12) months immediately preceding the Distributor's termination date at 90% of the purchase price paid. A Distributor will not receive a refund of the original shipping and handling charges. The amount refunded will be less any discounts or commissions the Distributor received relating to the purchase of the products, subject to the following terms:

- 1. The Distributor must submit to Reliv a written request terminating the Distributorship, including a request for refund, and accompanied by proof of payment and a copy of the Purchase Order form or packing slip for the product to be returned.
- 2. Reliv reserves the right to offer the upline of the terminating Distributor the opportunity to purchase the products directly for a period not to exceed two (2) weeks.
- 3. If the upline does not purchase the goods, the Distributor shall return the products to the location specified by Reliv. Reliv will then reverse the upline's succeeding commissions to compensate for the returned goods.
- 4. All products to be repurchased must be unopened and in reasonably resalable and reusable condition provided. Reliv reserves the right to inspect all returned product and to determine whether such product is in reasonably resalable and reusable condition. With respect to consumable products:
  - a) Any product which, at the time it is returned is beyond the indicated or established period of shelf-life for the product will not be deemed in reasonably resalable and reusable condition.
  - b) In general, any consumable product which was purchased more than ninety (90) days prior to the time it is returned will be carefully inspected to determine whether the product is fresh and in resalable condition. No refund will be paid unless the product is determined by Reliv to be in such condition.
  - c) Terminating Distributors have two (2) weeks from the date of notification of termination, or in the event Reliv offers the Distributor's upline the opportunity to purchase the products two (2) weeks from the end of such offer period, to return products at their own expense to Reliv for a refund.
  - d) Reliv will repurchase Distributor Kits, including the Distributor Manual, returned to Reliv in reasonably resalable or reusable condition at 90% of the Distributor's cost.

- e) Reliv shall have the right to recover from the uplines of a terminating Distributor all commissions paid to such upline Distributors with respect to product repurchased by Reliv from the terminating Distributors. Reliv shall be entitled to recover such commissions by deducting the amounts from commissions that become due after the date of repurchase from the terminating Distributor.
- f) The Distributor will be responsible for all shipping expenses incurred in returning products to Reliv. Upon receipt and inspection of products returned, Reliv will make a refund payment. Any products returned which are not found to be in resalable or reusable condition will be returned to you at your request, or destroyed.

# G.4 14 Day Cooling-Off Period

Reliv offers a 14 day cooling-off period to all new Distributors. If for any reason a new Distributor wants to cancel his Distributorship within 14 days from the date his Distributor Application was processed, he may return the Distributor Kit to his sponsor for a full refund of the purchase price.

The sponsoring Distributor can request for a replacement of the returned Distributor Kit by submitting it to the Reliv office together with a signed statement from the new Distributor identifying the reasons for return.

Reliv will not refund the Distributor Kit purchase price to any sponsoring Reliv Distributor on the 14 day cooling-off period returns.

#### H. GENERAL PROVISIONS

## H1. Product Claims

Reliv Products may not be represented as drugs and Distributors are not authorized to make any diagnosis of any medical condition, make therapeutic claims for, or prescribe Reliv Products to treat or cure any disease or condition. When selling Reliv Products, you also acknowledge that you are not authorized to use, quote from or summarize (in any written or graphic form) any materials or to make any product claim or representation not authorized in writing by Reliv.

#### H2. Income Claims

Except as specifically authorized by Reliv in writing, Distributors may make no statements or claims concerning the sales or income, of being or becoming a Reliv Distributor. A Distributor must not misuse or overstate the actual sales or earnings of Reliv or any Reliv Distributor. Any statement made by a Distributor regarding sales or income must be truthful, accurate and based on fact.

No statement should be made to the effect that earnings are easily achieved or can be attained without effort. Reliv believes firmly that the income potential of a Distributor is highly attractive in reality without resorting to artificial or unrealistic projections.

#### H3. Amendments

Reliv reserves the amend these Policies and Procedures, its wholesale or suggested retail prices, product availability and formulations, and terms of the Compensation Plan as it deems appropriate. Amendments will be communicated directly to all Distributors through an appropriate Reliv publication or other means. Amendments are effective and binding on all Distributors when issued.

#### H4. Non-Waiver Provision

Reliv has the right to exercise any right or power under these Policies and Procedures, or to insist upon strict compliance with any obligation or provision herein by the Distributor. No custom or practice of the parties at variance with these Policies and Procedures will constitute a waiver of Reliv's right to demand exact compliance with these Policies and Procedures. Waiver by Reliv can be affected only in writing by an authorized officer of Reliv.

The company's waiver of any particular default by a Distributor will not affect or impair Reliv's rights with respect to any subsequent default, nor will it affect in any way the rights or obligations of any other Distributor. Nor will any delay or omission by Reliv to exercise any right arising from default affect or impair Reliv's rights as to that or any subsequent default.

# H5. Severability

If any provision of the Distributor Application and Agreement which incorporates the Distributor Manual, including these Policies and Procedures, or any part thereof or application thereof to any person or circumstance shall be finally determined, in arbitration or by a court of competent jurisdiction, to be invalid or unenforceable to any extent, the remainder of such document or the remainder of such provision or the application of such document shall remain in full force and effect to the fullest extent permitted by law. The parties also agree that all provisions of the document will be interpreted and construed to the fullest extent possible so as to be valid and enforceable. Further, the parties agree that, if any portion of the document, or any part or application to any person or circumstance is determined by arbitration or by a court of competent jurisdiction to be invalid or unenforceable to any extent, the arbitrator(s) or any court may so modify the objectionable provision so as to make it valid, reasonable and enforceable.

# **H6.** Entire Agreement

This statement of Policies and Procedures and the Distributor Manual is incorporated into the Distributor Application and Agreement and together constitutes the entire agreement of the parties regarding their business relationship.

## H7. Arbitration

Any and all disputes arising out of or relating to these documents will be resolved and determined by arbitration in accordance with existing government rules and regulations. The exclusive location for such arbitration shall be Metro Manila.

The decision of the arbitrator(s) will be final and binding on all parties. Demands for arbitration must be filed by the Distributor within six (6) months of the occurrence of the event or action which is the subject of the dispute. Failure to make a demand for arbitration within this period will result in the waiver and loss of all claims by the Distributor with respect to the dispute. Reliv has the right to bring suit in a court of competent jurisdiction to seek an injunction, temporary or permanent, or other equitable relief, to prevent or enjoin a breach of a Distributor's obligations and will be entitle to include in this action any and all claims it may have.

#### I. FIELD ENFORCEMENT PROCEDURES

This is a step-by-step summary of the methods by which Reliv Distributors may deal with observed violations of Reliv's rules and regulations:

- Step 1: If you learn of or observe a violation, your first duty is to inform the offending Distributor of the rule being violated. Often a misunderstanding of the Policies and Procedures can be reconciled in the field through amicable communication. If this is the case, the problem is considered solved and does not need to be referred to the Corporate Office although your Master Affiliate or group leader should still be notified.
- Step 2: In cases where the offender refuses to comply with the rules, or believes that he or she is in compliance, a detailed letter must be forwarded to Distributor Relations. Names, places, events and any pertinent documentation should be included. Maintain communication with the offender both before and after contacting Reliv. Be sure you have a strong foundation for the complaint as false reporting of violations are also serious offenses.
- Step 3: Once the complaint is received by Reliv, the Company will take all measures deemed necessary to correct any transgressions. No action will be taken until all available information can be reviewed. Reasonable opportunity for explanation and appeal will be extended to the offender. Decisions in these matters rest ultimately with Reliv.