



# **Policies & Procedures**



# Introduction

Reliv Australia Pty. Ltd. and New Zealand Ltd. (hereinafter referred to as “Reliv” or the “Company”) establishes the following rules, regulations, policies and procedures which apply to all Independent Reliv Distributors who have signed a Distributor Application and Agreement (“Distributor Agreement”) with Reliv. The purpose of these policies and procedures is to provide consistent standards for all Distributors of Reliv, to maintain the integrity of the marketing plan and to promote compliance by Reliv and all Distributors with applicable federal, state and local laws and regulations affecting network marketing. Separate policies and procedures are issued by each of the other operating subsidiaries of Reliv International, Inc. for application to the Distributors of each of the other subsidiaries in the countries in which they operate.

It is your responsibility as a Reliv Distributor to study, understand and abide by the most current version of these Policies and Procedures 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. Reliv may publish amendments to these Policies and Procedures by using any one of the following means, including but not limited to, the Company internet website, periodic publications to Distributors, email messages, and/or mailing a notice of amendment to Distributors at the addresses on record with the Company. Inconsistencies or conflicts between these Policies and Procedures and a Distributor Agreement shall be resolved in favour of these Policies and Procedures, as amended from time to time. When sponsoring a new Distributor, it is your responsibility to provide the most current version of the Distributor Agreement and Policies and Procedures, prior to the applicant enrolling with the Company. Additional copies of these Policies and Procedures can be obtained from the Company or viewed on the Company’s website: [www.reliv.com](http://www.reliv.com) under the Distributor heading. We strongly encourage you to review the information in these Policies and Procedures regularly to ensure you are conducting your business in the expected manner. By signing up as a Distributor, you declare and acknowledge that all of these Policies and Procedures have been read, completely understood and accepted prior to becoming a Distributor. Should you have any questions, please contact your Master Affiliate, upline leader or the Reliv office.

## **A. PROFESSIONAL ETHICS**

### **The Reliv Professional Code of Ethics**

I will be honest and fair in all my dealings while acting as a 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 otherwise supporting the Distributors in my sales organisation.

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 are not contained in official Reliv literature.

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

Except as specifically authorised 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 a Distributor of Reliv products and/or services.

I will not solicit from the proprietary rolls or "genealogical" printouts of other network marketing companies. I will not use sales materials or professional associations that may be regarded as proprietary by other companies.

I will conduct my Reliv business in a way that respects the products and professionalism of other companies.

## **B. DISTRIBUTOR STATUS**

### **B.1 Becoming a Distributor:**

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

- a) The applicant purchases a Reliv Distributor Kit; and
- b) The applicant's completed and signed Distributor Agreement has been received and accepted by the Reliv home office.

**Reliv reserves the right to decline any applicant in its sole and absolute discretion.**

### **B.2 No Purchase is Required:**

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

### **B.3 Legal Age:**

Distributors must be of legal age in the state or country of their residence.

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

Married couples and their dependent children must share a single Distributorship. Applicants who will be actively participating in the business must sign the Distributor Agreement. Single Distributors who thereafter marry may elect to maintain separate Distributorships unless one is the direct sponsor of the other, in which case their Distributorships must be consolidated, except as otherwise authorised by Reliv.

### **B.5 Actions of Household Members and Others:**

Distributors are responsible for the actions of household members and if any action taken by a household member violates these Policies and Procedures, then such violation will be deemed a violation by the Distributor. Similarly, if any other family member, friend, associate or acquaintance of a Distributor is taking any action with the knowledge of the Distributor, or of which the Distributor is made aware and fails to take corrective action, that is a violation of these Policies and Procedures, then such violation will be deemed a violation by the Distributor.

## **B.6 Simultaneous Interests:**

Individuals may not have simultaneous beneficial interests in more than one Distributor entity without the prior written consent of Reliv or as otherwise provided in Section C.12. For example, a shareholder of a corporation that is a Reliv Distributor may not become a Reliv Distributor individually.

## **B.7 Corporations and Partnerships:**

A Partnership or Corporation and other entities approved by Reliv, may be a Distributor according to the following rules and conditions:

A) A Distributor Agreement must be submitted in the name of the Corporation or Partnership accompanied by the Supplement form for Corporations and Partnerships. The Distributor Agreement must be filled out completely and signed on behalf of the Corporation or Partnership by an officer authorised to contract for and on behalf of the Corporation or the Partnership. In addition, the Supplement for Corporation/Partnership Form must be signed individually by each of the shareholders and Directors of the Corporation or each of the partners of the Partnership.

B) By executing the Supplement, each shareholder of the Corporation and each partner of the Partnership shall be bound individually by the terms of the Distributor Agreement and these Policies and Procedures. In addition, each shareholder of the Corporation or partner of the Partnership guarantees the performance of the Company or Partnership as the case may be. Further, each shareholder of the Corporation and each partner of the Partnership certifies and agrees that 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 or partnership interest to any person not included on, and signing, the original Distributor Agreement and Supplement, or (ii) there is a transfer of shares in the Company or Partnership interest (except as transferred pursuant to Section C.11). No shareholder of a Corporation or partner of a Partnership, by reason of the transfer of such interest to a third party, shall be relieved of any obligation under the Distributor Agreement.

D) Except as otherwise expressly set forth in these Policies and Procedures, a person may be a shareholder, director, secretary or officer of a Corporation or member of a Partnership of only one Reliv Distributorship and that person may not also be a Reliv Distributor individually.

E) A Reliv Distributor may assign his/her Distributorship to a Corporation or Partnership by completing a Distributor 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 a name of an entity of a Reliv Distributor may be made only with the prior written consent of Reliv.

F) For the purpose of awards, invitations to participate in incentive programs etc., the Corporate or Partnership must nominate two shareholders or partners to receive any such entitlement when submitting the Corporation/Partnership Form.

G) Reliv reserves the right in its absolute discretion to approve or disapprove a Distributor's change of business name, entity and establishment of trust for planning or limited liability purposes. In the event that a trust is established by a Distributor, Reliv may require such additional details as it may determine from time to time including evidence of the power of the trustee to apply for and operate a Distributorship.

H) If any individual (including spouses) associated with a Corporation or Partnership violates the Distributor agreement, which incorporates the Policies and Procedures, such action will be considered a violation by the entity and Reliv may take such disciplinary action as it deems appropriate in its sole and absolute discretion.

**B.8 Assumed Names:**

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

**B.9 Annual Renewal:**

To remain a distributor, you must renew your Distributorship annually. The annual renewal fee is due on the anniversary of your enrollment date. This fee entitles Distributors to a one-year subscription to Reliv's newsletter, as well as Distributor support services.

Although it is each Distributor's responsibility to renew his or her Distributorship, Reliv reminds Distributors when their renewal fee is due. For those Distributors who receive wholesale or commission earnings, Reliv will automatically renew your account and include a "renewal deduction" under the adjustment portion of your statement for your renewal fee. If you do not renew your Reliv Distributor status by the required deadline, you voluntarily terminate (see Section C.5) your Distributorship with Reliv, and forfeit all sponsorship rights, position earned, and corresponding compensation.

**B.10 Independent Contractor Status:**

All Distributors are independent contractors of Reliv. They are not franchisees, joint venturers, 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 that a Reliv Distributor performs. Reliv Distributors are not restricted from being employed by others, conducting other businesses or providing services to others.

**B.11 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, legal fees, arising or alleged to arise in connection with the conduct of the Distributor.

Each Distributor waives and releases any claims which he or she may have against Reliv or any of its affiliate organisations 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 or her 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.12 Compliance:**

Distributors shall comply with all statutes and regulations and local ordinances and regulations concerning the operation of their businesses. Distributors are responsible for their own managerial decisions and expenditures, including all taxes.

The Distributor Agreement, which incorporates these Policies and Procedures, was created as a guide for the relationship between the Company and its Distributors. Violations of the Distributor Agreement or any illegal, fraudulent, deceptive, improper, threatening or unethical

cal 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 cheques; (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:**

On the Distributor Application and Agreement Form, your Reliv identification number consists of country code, then insert the first three letters of surname/partnership name/corporation name and the last four spaces with numbers selected by you. You will also be notified by Reliv of your Record Control Number (RCN). Always include your RCN in correspondence with Reliv. Failure to do so will result in unnecessary delay of your requests, including delays of commissions and/or overrides.

**B.14 No Exclusive Territories:**

There are no exclusive territories for marketing or recruiting purposes, nor shall any Distributor imply or state that he or she does have an exclusive territory. A Distributor may conduct the Distributor's Reliv business in any state, country or territory in which Reliv has an established business, subject to the laws and regulations of each country.

**B.15 Confidential Information:**

Each Distributor acknowledges and agrees that all information concerning Reliv Distributors, including, but not limited to, customer and Distributor lists, 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 trade secret information. This includes 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 authorised 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. From time to time, the Company may furnish data reports to a Distributor that provides information related to the Distributor's downline organisation, sales volume, compensation, etc. These reports and the information provided therein are confidential and constitute trade secret

information of the Company. These reports are provided to a Distributor solely for the development of his or her Reliv business. Distributors are prohibited from directly or indirectly disclosing the information contained in these reports to any third party; using the information to compete with the Company; or soliciting or recruiting any Distributor on the report to alter their relationship with the Company.

The obligations of this Section shall survive any expiration or termination of a Distributor's Distributor Agreement for a period of five years.

**B.16 Non-Solicitation/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, any trademarks of Reliv or the names of Reliv products in connection with any other business activity. Each Distributor agrees that, while a Distributor, and for a period of 18 months from the expiration or termination of the Distributorship, he or she will not, directly or indirectly, (i) solicit 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 organisation, or (ii) solicit for the sale, or sell, any product or service to a Reliv Distributor, other than products or services sold by Reliv or (iii) alter in any way a Reliv Distributor's relationship with the Company. The term "solicit" includes any actual or attempted promotion, recruitment, recommendation, encouragement, suggestion, inducement, or effort to influence in any other way, either directly or through a third-party, another Reliv Distributor or customer to enroll or participate in another multi-level marketing or direct selling opportunity. "Solicit" also includes actions that are in response to an inquiry by another Reliv Distributor or customer. Each Distributor also acknowledges and agrees that these provisions are reasonable and necessary to protect the interest of Reliv and its Distributors in the Confidential Information and the associated valuable business relationships. All rights and obligations of this Section will survive any expiration or termination of a Distributor's Distributorship.

#### **B.17 International Sponsoring:**

Reliv Distributors may only sponsor other Distributors in countries where Reliv has an established business. The countries in which Reliv has an established business have been announced by the Company. A) Approved Company products and sales materials:

Distributors may offer for sale and distribution only the Company products and sales materials registered for, or authorised for sale in, the given market. Generally, products authorised for sale in a particular country or market are offered for sale to Reliv Distributors by the Reliv International affiliate operating in that country or market.

B) In conducting business internationally in officially opened and authorised countries or territories:

1. A Distributor should promote Company products and the business opportunity through personal contact to ensure proper product orientation and customer service.
2. Distributors in good standing have the right to sponsor in all countries where an affiliate of Reliv International has established operations and sponsoring is authorised.
3. Each 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.
4. Each Distributor accepts sole responsibility for conducting his or her independent business lawfully within the country. The Distributor also agrees to indemnify and hold harmless Reliv and any affiliated company 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. A Distributor must refrain from the following in unauthorised countries:

1. Selling or distributing in any manner Company products or product samples.

2. Promoting the Reliv business opportunity in an unauthorised country, including but not limited to:
  - a. Placing telephone listings that advertise an independent Distributorship, Company products or the business opportunity;
  - b. Promoting or conducting any type of business opportunity, product or training meeting with any number of individuals;
  - c. Establishing a business office or renting a facility for promoting Company products or the business opportunity;
  - d. Establishing an agent or agents to promote the business opportunity and/or Company products;
  - e. Soliciting or negotiating a contract or other formal or informal agreement for committing a potential Distributor to the business opportunity, specific sponsor or line, and
  - f. Accepting money or other consideration, or being involved in any financial transactions with any person, either personally or by agent, before the official opening for business.
3. Signing up a potential Distributor in an unauthorised country under a Distributor Agreement in an authorised country.
4. Holding meetings in an authorised country or territory with potential Distributors from unauthorised countries or prematurely training or promoting the business opportunity or products in unauthorised 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 or inconsistent with the Company business.

D) Reliv endeavors to sustain a seamless operation from one country to another. However, differences can occur in areas such as RV, BV, PV, Promotional Requirements in the Road to Presidential, and in country currency. To respond to these differences:

1. Reliv pays each Distributor in the currency of his application or "home country."
2. For purposes of determining business volume, for a particular distributor whose downline includes Distributors of a different country ("Foreign Distributors"), all business volume of the Foreign Distributors is converted to volume in the Distributor's country.

## **C. DISTRIBUTOR OPERATIONS**

### **C.1 Sponsoring:**

A Reliv Distributor is entitled to sponsor other Distributors into the Reliv program. A Distributor will not be compensated for enrolling new Distributors. However, he or she will 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.

## **C.2 Multiple Applications:**

If one applicant submits multiple Distributor Agreements listing multiple sponsors, only the first completed form received by Reliv will be accepted.

## **C.3 Training Support:**

Distributors who sponsor new Distributors are required to ensure that they 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. Any change of sponsorship is subject to final approval by 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 thirty-six months. The Distributor may then enroll as a new Distributor under any sponsor he or she chooses.

If the annual renewal has expired and a period of thirty-six months has lapsed with no activity, the Distributor may enroll as a new Distributor under the sponsor of his or her choice.

## **C.5 Voluntary Termination:**

A Distributor may voluntarily terminate his or her Distributor Agreement at any time by sending written notice to Reliv. Voluntary termination is effective upon receipt of such notice by Reliv. A Distributor who voluntarily terminates a Distributorship Agreement must wait thirty-six months before being eligible to sign a new Distributor Agreement.

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

Reliv may immediately terminate or suspend the status of any Distributor for cause. "Cause" means and includes (i) any violation of the Distributor Agreement which incorporates these Policies and Procedures, all of which may be amended from time to time, (ii) any wrongful taking of property from Reliv or a Reliv Distributor, (iii) any act of dishonesty regarding Reliv or a Reliv Distributor, (iv) the commission of a felony or act of moral turpitude, or (v) 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 the cause being provided by giving 30 days written notice to the Distributor.

## **C.7 Effect of Suspension:**

If a Distributor is suspended for cause, (i) the Distributor shall not be entitled to act as or receive any of the benefits of a Distributor for Reliv for the term of the suspension, (ii) the Distributor

shall not be entitled to receive any compensation as a Distributor during the suspension period, including without limitation any commissions or overrides (except payments that may have been due for periods prior to the suspension), (iii) the Distributor's sponsored downline organisation, 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. The suspension of a Distributor shall be 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 organisation, 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 thirty-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.

#### **C.9 Solicitation of Prospects:**

Distributors should not solicit a person to sponsor under them as a Reliv 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 organisation 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 organisation 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.8 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 an individual Distributor or any shareholder, partner, member, trustee or beneficiary of an Entity that is a Distributor, the decedent's interest in the Distributorship will pass to his or her successors in interest as provided by law, will or other instrument. However, Reliv will not recognise the transfer until the successor submits a new Distributor Agreement 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 the decedent.

If a Distributorship is bequeathed 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 will be governed by the Distributor Agreement, of which these Policies and Procedures are a part, with respect to compensation, sponsoring, 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 Reliv business or the allocation of compensation from their business shall be effective, unless Reliv consents to the agreement in writing.

### **C.14 Reliv Distributor Genealogies:**

A) Each Distributor agrees:

- 1) 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.
- 2) To limit use of genealogies to the intended scope of the genealogy and in furthering a Distributor's Reliv business.
- 3) 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.
- 4) 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.
- 5) 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.
- 6) 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 down-line 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 partnership or corporate dissolution is pending, the parties must adopt one of the following methods of operation:

- 1) 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.
- 2) 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.
- 3) If all parties to a partnership or shareholders of a corporation agree that, despite their desire to dissolve the partnership or corporation, 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 partnership or corporation pending the final agreement of dissolution.
- 4) If the parties in a divorce action or in a partnership or corporate 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 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 reasonably 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 a partnership or corporation 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.

a) The parties can only reallocate among them their first-level, personally-sponsored Distributors.

b) 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 the name of all Reliv products are trademarks of Reliv. Only Reliv is authorised 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 Distributor Guide (as provided in the Distributor Kit) and these Policies and Procedures is strictly PROHIBITED.

## **D.2 Reliv Literature:**

Only official Reliv literature may be used in representing Reliv products and/or the Reliv Compensation Plan: a) You may use 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 your choice, adhering strictly to the enclosed printing guidelines. b) Reliv literature, brochures, inserts or other sales aid items available from Reliv may not be reproduced, duplicated or reprinted.

## **D.3 Print Advertising:**

Only Reliv approved materials may be used in the placement of print advertising. 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 Telephone Directories:**

A Distributor who has achieved the position of Master Affiliate and has actively participated in building his or her Distributorship for a minimum of six months may list in the white pages of the telephone directory. This listing must indicate the Distributor's name followed by "Independent Reliv Distributor." No other elaboration is allowed. In order to advertise in the Yellow Pages, or establish a toll-free business number, a Distributor must acquire written permission from Reliv.

## **D.5 Cheque Accounts:**

Distributors using a separate cheque account for their Reliv business should print their own name or business name on the cheques. It is not permissible to name a business "Reliv". The account title should be 'Distributor Name, Independent Reliv Distributor Account'.

## **D.6**

### **D.6A Distributor Websites**

Distributors may utilise 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 utilise 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 authorise an approved vendor to provide, Distributors the opportunity to utilise 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 organisation;
- (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 accor-

dance with this Section D.6A. 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.6A, Reliv may take any other disciplinary actions deemed appropriate against the offending Distributor, including suspension or termination of the Distributor.

## **D.6B Social Media**

Distributors may utilise 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. 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. For those Distributors who have existing fan pages, group names that include the Reliv trademark, product names or company logos they will need to change or delete this information in accordance to 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:

1. 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.
2. Add value with your posts and comments. Provide meaningful information. What you publish may reflect on not only you and your personal organisation but also Reliv as a whole.
3. 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.
4. 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 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 or guidance set forth by the relevant authorities.

#### **D.7 Ebay and Internet Sales:**

Except for orders of Reliv products made through use of the Reliv corporate website, Distributors are strictly prohibited from marketing or selling Reliv products through use of Internet auctions, websites or other means utilising the Internet as a means to complete a sale. For example, any sales of products through eBay 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. Accordingly, any violation of this Policy and Procedure may result in immediate termination of the offending Distributor.

#### **D.8 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.9 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 authorised 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.10 Radio and Television:**

Reliv Distributors are prohibited from using live radio advertising to publicise Reliv or its products. Pre-recorded 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 publicise Reliv or its products.

#### **D.11 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 clas-

sified 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.12 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 organisation, income, etc. The violating Distributor may also be liable for damages resulting from unauthorised use of Reliv copyrights, trademarks and materials.

**D.13 Repackaging Prohibited:**

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

**D.14 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.15 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.16 "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.17 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.18 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, health food stores, flea markets, pharmacies and shopping centre 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 authorisation to participate in the event if the forum is not deemed suitable for promotion of the Reliv products or business opportunity.

#### **D.19 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 when both the Distributor's and his or her sponsor's Distributor 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. NOTE: ALL ORDERS MUST BE IN-HOUSE NO LATER THAN 12:00 MIDNIGHT AUSTRALIAN EASTERN STANDARD TIME OR AUSTRALIAN EASTERN DAYLIGHT SAVINGS TIME ON THE LAST PHYSICAL DAY OF THE MONTH (UNLESS OTHERWISE INDICATED BY RELIV).

#### **E.3 Payment Date:**

Commission cheques are paid and mailed on or about the 15th day of the month following the month in which those commissions were earned. For example, commissions based on sales made in January are paid on February 15th. If the 15th falls on Saturday or Sunday, commissions will be paid the business day immediately preceding the 15th.

### **F. PRODUCT SALES**

#### **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 down-line, and for personal use and consumption. Purchase of products in excess of the amounts reasonably necessary and appropriate for such purposes is strictly prohibited, as well as suggesting, encouraging or inducing any other Distributor to make excessive purchases of Reliv products. The 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 Retail Pricing:**

Reliv provides a list of suggested retail prices. This list forms the basis for the discounted purchase price at which you may purchase products from Reliv and may assist you in product pricing for retail sales.

## **F.4 Goods and Services Tax (GST):**

Reliv Distributors must comply with all regulations and licensing and taxation requirements which govern the sale of Reliv products, which products, services and sales aids 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.

## **G. GUARANTEE POLICY**

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

Reliv offers and requires each Reliv Distributor to offer a 100% unconditional money-back guarantee to all retail customers. Every Reliv Distributor is required to honour this guarantee. If your retail customer is dissatisfied with a Reliv product for any reason, the customer may return the product to you within 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 days after the product is returned to you, Reliv receives the following:

- a) A signed Customer Request for Refund form identifying the reasons for return;
- 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 of Product:**

Reliv will replace any product within 60 days of purchase for reasons of substandard quality. 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 proof of payment and a copy of the Purchase Order form or packing slip. Product returned without prior authorisation 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 12 months immediately preceding the Distributor's termination date for the purchase price paid less a 10% restocking fee. A Distributor will not receive a refund of the original shipping and handling charges. The amount refunded will be less any discounts or commissions you received relating to the purchase of the products, subject to the following terms:

- a) You 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.
- b) 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 weeks.
- c) If the upline does not purchase the goods, the Distributor shall return the products to the location specified by Reliv.
- d) All products to be repurchased must be unopened and in reasonably resalable and reusable condition. 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:
  - 1) 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 or reusable condition; and
  - 2) In general, any consumable product which was purchased more than 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.
- e) Terminating Distributors have two 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 weeks from the end of such offer period, to arrange for return of products to Reliv for a refund.
- f) Reliv will repurchase Distributor Kits and Sales Aids returned to Reliv in reasonably resalable or reusable condition at the Distributor's cost less a 10% restocking fee.
- g) Reliv shall have the right to recover from Distributors upline to 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.

The terminating Distributor will be responsible for returning the product to Reliv. Upon receipt and inspection of the 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 Buyer's Right to Cancel:**

If an agreement is made at a customer's home or place of employment, the Distributor must ensure that they comply with all local regulations which may require you to give additional notices to the customer which are not contained in the Retail Sales Receipt. The customer is

entitled to cancel the agreement at any time up to 10 days from the date of placing the order or signing the agreement. If a cancellation occurs within this 10 day period, the customer is entitled to a full refund of all monies paid in respect of that sale or agreement upon the return of the product in satisfactory condition.

#### **G.5 Distributor's Responsibility:**

If a customer mails or delivers to you a valid notice of cancellation prior to midnight on the tenth business day after ordering or purchasing the product, it must be honoured. If the buyer has received any products, they must be returned with the notice in substantially as good condition as when delivered. Within 10 business days after receiving the notice, you must refund all payments made under the contract of sale.

### **H. GENERAL PROVISIONS**

#### **H.1 Product Claims:**

You acknowledge that Reliv products are not represented as drugs and that you are not authorised to make any diagnosis of any medical condition, make drug-type claims for, or otherwise indicate that Reliv products diagnose, prevent, treat or cure any disease or condition. Distributors may not use words such as: cures, heals, therapy, promotes healing, or any other medical claims for specific ailments. When selling products, you also acknowledge that you are not authorised to use, quote from or summarise (in any written or graphic form) any materials or to make any product claim or representation not authorised in writing by Reliv. Distributors may make claims about the Company's products that have been approved by the Company and provided in sales and training materials. The Company assumes no responsibility or liability for any written or oral claims made by its Distributors.

#### **H.2 Income Claims:**

Except as specifically authorised by Reliv in writing, you may make no statements or claims concerning the sales or income, or potential sales or income, of being or becoming a Reliv Distributor. You must not misstate or overstate the actual sales or earnings of Reliv or Reliv Distributors. Any statement you make regarding sales must be truthful, accurate and capable of substantiation, and must be made only in accordance with applicable federal, state and local laws and regulations. No statement should be made that earnings are easily achieved or can be attained without effort. Reliv believes firmly that the income potential of a Reliv Distributor is highly attractive in reality without resorting to artificial or unrealistic claims.

#### **H.3 Record Keeping:**

Reliv encourages all Distributors to keep complete and accurate records of all their business dealings to assist in their obligations to submit Income Tax Returns.

#### **H.4 Governmental Endorsement:**

Regulatory agencies do not approve or endorse direct selling programs. Therefore, you may not represent or imply, directly or indirectly, that the Reliv program has been approved or endorsed by any governmental agency.

#### **H.5 Amendments:**

Reliv reserves the right to amend the Distributor Agreement, including these Policies and Procedures, its wholesale or suggested retail prices, product availability and formulations, the

Compensation Plan, and any other published materials and forms as it deems appropriate. Amendments will be communicated to Distributors through an appropriate Reliv publication or other means, including the methods stated in the Introduction above. Amendments are effective and binding on all Distributors when issued. The continuation of a Distributor's Reliv business or a Distributor's acceptance of compensation (commissions, bonuses) constitutes acceptance of any and all amendments.

#### **H.6 Non-Waiver Provision:**

Reliv has the right to exercise any power under these Policies and Procedures or to insist upon your strict compliance with any obligation or provision herein. 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 effected only in writing by an authorised 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.

#### **H.7 Severability:**

If any provision of the Distributor Agreement which incorporates 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 provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, shall not be affected thereby and each provision 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.

#### **H.8 Entire Agreement:**

These Policies and Procedures are incorporated into the Distributor Agreement and together these documents, along with any corresponding supplements, constitute the entire agreement of the parties regarding their business relationship.

#### **H.9 Arbitration:**

##### **Australian Distributors Only — Governing Law/Arbitration**

The Distributor Agreement, which incorporates the Distributor Guide Book and these Policies and Procedures, shall be governed by and constructed in accordance with laws of the State of New South Wales. If any dispute or difference whatsoever shall arise between the parties with respect to or arising out of the Distributor Agreement or any part of it with respect to its construction or its effect or any matter connected with it or arising out of it or with respect to its operation or determination or the rights or duties of any party in connection with it then the Distributor and Reliv agree to use their best endeavours to resolve such dispute in the spirit of goodwill to preserve a harmonious commercial business relationship between them.

**Agreement to Mediate:** In the event of any dispute arising between the Distributor and Reliv which cannot be resolved in the manner prescribed in the above clause within 15 working days after receipt of a notice of dispute from either party, the parties agree to submit such dispute or difference to mediation. The Distributor and Reliv shall endeavour to agree on a mediator and shall submit the matter in dispute to the mediator. The mediator shall discuss the matter with the Distributor and Reliv (separately or jointly in the discretion of the mediator) and endeavour to resolve it by their agreement. All discussions in the mediation shall be without prejudice and shall not be referred to in any later proceedings. The Distributor and Reliv shall bear their own costs in the mediation and shall each pay half the costs of the mediator.

**Arbitration:** If the Distributor and Reliv have agreed upon mediation but have been unable within 10 working days of such agreement to agree upon a mediator; or no agreement has been reached in mediation within two months of the service of the notice of dispute, or within such further time as the Distributor and Reliv may agree; then in any case the same shall be submitted to arbitration in accordance with the Commercial Arbitration Act, 1984 and in so far as is permitted, the decision of any arbitrator appointed pursuant to that Act as to the dispute or difference and as to the costs of the arbitration shall be final and binding on the parties.

**New Zealand Distributors Only — Private Resolution:**

In the event that any difference or dispute arises between the Distributor and Reliv in any way related to the meaning or performance of this Distributor Agreement, then the Distributor and Reliv agree to use their best endeavours to resolve such dispute in the spirit of goodwill to preserve a harmonious commercial business relationship between them.

**Agreement to Mediate:** In the event of any dispute arising between the Distributor and Reliv which cannot be resolved in the manner prescribed in the above clause within 15 working days after receipt of a notice of dispute from either party, the parties agree to submit such dispute or difference to mediation. For the purposes of this agreement 'working day' means any day other than a Saturday in which registered banks are open for general business in Auckland. The Distributor and Reliv shall endeavour to agree on a mediator and shall submit the matter in dispute to the mediator. The mediator shall discuss the matter with the Distributor and Reliv (separately or jointly in the discretion of the mediator) and endeavour to resolve it by their agreement. All discussions in the mediation shall be without prejudice and shall not be referred to in any later proceedings. The Distributor and Reliv shall bear their own costs in the mediation and shall each pay half the costs of the mediator.

**Arbitration:** If the Distributor and Reliv have agreed upon mediation but have been unable within 10 working days of such agreement to agree upon a mediator; or no agreement has been reached in mediation within two months of the service of the notice of dispute, or within such further time as the Distributor and Reliv may agree; then the matter in dispute may be referred to arbitration upon the service of a notice of intention to commence arbitration which shall be governed by the Arbitration Act 1908 (or any Statute passed in substitution thereof).

**Arbitrator:** The arbitration shall be by a single arbitrator. If the Distributor and Reliv cannot agree upon an arbitrator then either party may request the President of the Arbitrator's Institute of New Zealand Inc. to appoint a sole arbitrator. The award in the arbitration shall be final and binding on the Distributor and Reliv.

The Distributor and Reliv agree that this clause H.9 is subject in all respects to clause C.6 and in the event of any conflict between the provisions of this clause H.9 and clause C.6, the provisions of clause C.8 will apply.

## **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 Policies and Procedures.

**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 this type of amicable communication. If this is the case, the problem is considered solved, and does not need to be referred to Reliv, although your Master Affiliate or group leader should 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 Reliv. Names, places, events and any pertinent documentation should be included, and the letter must be signed. 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 is also a serious offence.

**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. The Company reserves the right to take action or no action in order to ensure compliance with the Policies and Procedures and decisions in these matters rest ultimately with Reliv in its sole and absolute discretion.