



POLICIES AND PROCEDURES

LIFEPHARM POLICIES AND PROCEDURES

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SECTION 1 – INTRODUCTION

1.1 - Policies and Compensation Plan Incorporated into Independent Business Owner Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of LifePharm, Inc. *dba* LifePharm (hereafter “LifePharm”, “LifePharm”, or the “Company”), are incorporated into and form an integral part of the LifePharm Independent Business Owner (IBO) Agreement. Throughout these policies when the term “Agreement” is used it collectively refers to the LifePharm IBO Application & Agreement, the LifePharm Policies and Procedures, the LifePharm Compensation Plan, and the LifePharm Business Entity Application (if applicable). These documents are incorporated by reference into the LifePharm IBO Agreement (all in their current form and as amended by LifePharm).

1.2 - Changes to the Agreement

LifePharm reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By executing the IBO Agreement, an IBO agrees to abide by all amendments or modifications that LifePharm elects to make. Amendments shall be effective 30 days after publication and notification to the field that the Agreement has been modified. Publication and notification of amendments shall be made in the IBO's Back-Office. Amendments shall not apply retroactively to conduct that occurred prior to the effective date of the amendment. The continuation of an IBO's LifePharm business or an IBO's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

1.3 - Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect.

1.4 – Waiver

LifePharm reserves the right to compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of LifePharm to exercise any right or power under the Agreement or to insist upon strict compliance by an IBO with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of the LifePharm right to demand exact compliance with the Agreement. The existence of any claim or cause of action of an IBO against LifePharm shall not constitute a defense to the LifePharm enforcement of any term or provision of the Agreement.

SECTION 2 – BECOMING AN INDEPENDENT BUSINESS OWNER

2.1 - Requirements to Become an Independent Business Owner

To become a LifePharm IBO, each applicant must:

- Be at least 18 years of age
- Reside in the United States, U.S. Territories or any country that LifePharm has officially announced is open for business
- Have a valid Social Security or Federal Tax ID number
- Submit a properly completed IBO Application & Agreement to LifePharm either in hard copy or online format and purchase a minimum of a Business Success Starter Kit at the time of sign up.

2.1.1- Fictitious and/or Assumed Names

A person or entity may not apply as an IBO using a fictitious or assumed name or alias or any form of identification (including tax identification numbers) that does not accurately reflect who the actual owner of the IBO account is and his or her present status. An applicant's name may not be altered in any way in order to allow an IBO to enroll more than once with LifePharm in violation of the six-month waiting period.

If an applicant wants to sign up under a business entity they must enter their Business Name on the IBO Application & Agreement and must provide correct legal information and documentation for said Business to the corporate Customer Service within 30 days.

Upon the enrollment of a position, the position the enrollee signed up for strictly belongs to that original enrollee with the name they submitted and used for the opening of the position. If the stated IBO would like to change any personal information on their personal account, they must submit an IBO Information Change Request Form sent via mail or fax. LifePharm will contact accounts with false

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and/or inaccurate information in an attempt to obtain the required information in accordance with our Policies and Procedures. If LifePharm is unsuccessful in its attempt to resolve the matter of inaccurate account information, LifePharm will then attempt to contact the listed sponsor and/or up-line. If the Company's efforts are still unsuccessful, LifePharm reserves the right to suspend the account indefinitely and/or terminate the account in question.

2.1.2 - Social Security Number / Federal Tax ID Number Requirements

LifePharm must obtain a Social Security Number (SSN) or Federal Tax ID Number (TIN) for purposes of reporting income earned to the IRS. Applicants who submit the requested SSN or Federal TIN certify under penalties of perjury that the SSN or TIN provided is accurate. On or before January 31st of each year, LifePharm will issue a Form 1099 to the IBOs whose earnings (commissions, bonuses, rewards, etc.) exceed \$600 or have purchased \$5,000 or more in products during the prior calendar year. Independent Business Owners who do not provide a SSN or TIN will not be permitted to make transfers/withdrawals from their eWallet or request for issuance of a check until such information is provided in writing.

2.2 - Independent Business Owner Benefits

Once LifePharm has accepted an IBO Application & Agreement the new IBO is then included in various promotions such as:

- Retail LifePharm products and services to non-IBO consumers.
- Participate in the LifePharm Compensation Plan (receive bonuses and commissions, if eligible).
- Enroll other individuals as IBOs into the LifePharm business and thereby build a Marketing Organization and progress through the LifePharm Compensation Plan.
- Enroll Preferred Customers
- Receive LifePharm literature, marketing materials and other LifePharm promotions.
- Participate in LifePharm -enrolled support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable.
- Participate in promotional and incentive contests and programs enrolled by LifePharm for its IBOs.

2.3 - Term and Renewal of Your LifePharm Business

The term of the IBO Agreement is one year from the date of its acceptance by LifePharm (subject to prior termination as provided in Section 10). IBOs must renew their IBO Agreement each year by paying an annual renewal fee of \$20 on or before the anniversary date of their IBO Agreement. If it is not paid in advance, the \$20 fee will be automatically deducted from the IBO's eWallet within 10 days of the renewal date. If there are insufficient funds in the eWallet, the credit card on file will be charged. If both attempts fail, the IBO will be unable to access his/her Virtual Office. If the renewal fee is not paid within 30 days after the expiration of the current term of the IBO Agreement, the IBO Agreement will be canceled. An IBO may also cancel his/her IBO Agreement by electing not to renew the Agreement on its anniversary date. The Company may also elect not to renew an IBO's Agreement upon its anniversary date.

2.4 - Enrolling Online

When enrolling a new IBO through the online enrollment process or via physical Application and Agreement form, the enroller may assist the new applicant in filling out the enrollment materials. However, the applicant must personally review and agree to the online Application and Agreement, LifePharm Policies and Procedures, and the LifePharm Compensation Plan. The enroller may not fill out the online application and agreement on behalf of the applicant nor agree to the Terms and Conditions or to the Policies and Procedures on behalf of the applicant. Applicant must provide a personal email address and use his or her own credit card for initial ENROLLMENT (i.e., Credit Card information must match Applicant's information).

SECTION 3 – OPERATING A LifePharm BUSINESS

3.1 - Adherence to the LifePharm Compensation Plan

IBOs must adhere to the terms of the LifePharm Compensation Plan as set forth in official LifePharm literature. IBOs shall not offer the LifePharm Opportunity through or in combination with any other system, program, or method of marketing other than that specifically set forth in official LifePharm literature. IBOs shall not request, require or encourage other current or prospective IBOs or Customers to execute any agreement or contract other than official LifePharm agreements and contracts in order to become a LifePharm IBO. Similarly, IBOs shall not request, require or encourage other current or prospective IBOs or Customers to make any purchase from,

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or payment to, any individual or other entity to participate in the LifePharm Compensation Plan other than those purchases or payments identified as recommended or required in official LifePharm literature.

3.2 - Business Entities

A corporation, limited liability company, partnership or trust (collectively referred to in this section as a “Business Entity”) may apply to be a LifePharm IBO by submitting an IBO Application & Agreement along with a properly completed Business Entity Application and Agreement.

3.2.1 - Changes to a Business Entity

Each IBO must immediately notify LifePharm of all changes to type of business entity they utilize in operating their businesses and the addition or removal of business affiliated parties.

3.3 - Change of Sponsor

LifePharm prohibits changes in enrollment sponsors. The first application received will be treated as the Controlling application. Accordingly, the transfer of a LifePharm business from one enroller to another is rarely permitted. Requests for change of enrollment must be submitted in writing to the Customer Service Department for further evaluation.

3.3.1 - Change of Placement

As an Enroller, you may request to change the Placement of an IBO you recently enrolled by submitting to our Customer Service Department a Change of Placement request within seven (7) calendar days of enrollment. The recently enrolled IBO's Placement may be moved only inside your organization and will be placed in the first available open bottom position on the date that the change is made. We will not change the Placement if your IBO has earned Bonuses or achieved rank.

3.3.2 - Cancellation and Re-Application (Six Month Waiting Period)

If an IBO voluntarily cancels his or her LifePharm business and remains inactive (i.e., no purchases of LifePharm products for resale, sales of LifePharm products, enrolling, attendance at any LifePharm functions, participation in any other form of IBO activity, operation of any other LifePharm business or no income from the LifePharm business) for six full calendar months, the former IBO may reapply under a new Sponsor; however, the former IBO's organization will remain in its original line of sponsorship.

3.3.3 - Waiver of Claims

In cases in which the appropriate Enroller or Placement change procedures have not been followed, and a downline organization has been developed in the second business developed by an IBO, LifePharm reserves the sole and exclusive right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched Enroller or Placement is often extremely difficult. Therefore, **INDEPENDENT BUSINESS OWNERS WAIVE ANY AND ALL CLAIMS AGAINST LifePharm, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM THE LifePharm DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED ENROLLER OR PLACEMENT.**

3.3.4 – Maintenance Fee for eWallet Services

LifePharm IBOs will be charged a monthly \$10.00 USD/€8,00/£7.10 GBP eWallet maintenance fee should they become inactive for six or more months. In the event an IBO becomes inactive (as defined in Section 10.2) and remains inactive for six consecutive months, the Company will begin deducting a maintenance fee of \$10.00 USD/€8,00/£7.10 GBP per month from the IBO's eWallet account, beginning with month seven of inactivity. Following 12 months of inactivity, the Company will deduct \$20.00 USD/€16,00/£14.20 GBP per month from the IBO's eWallet, beginning with the 13th month of inactivity.

3.3.5 Change of Name/Transfer of Ownership

If an IBO would like to change the name/transfer ownership of his or her IBO position with LifePharm to an individual who is new to the business with LifePharm for the first time, you must follow through by filling out a Transfer of Ownership Form. This form will allow a new IBO to take control of the required position (This form may be obtained on the Resources page of the LifePharm Virtual Office). IBOs who transfer ownership of their account must follow section 3.3.2.

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3.4 - Conflict of Interests

LifePharm upholds ethical business practices and does not condone activities that undermine the business of others. LifePharm IBOs are free to participate in other business ventures or marketing opportunities except as set forth below.

3.4.1 - Non-Solicitation/Cross Recruiting and Enticement

LifePharm IBOs are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively “network marketing”). However, during the term of this Agreement and all renewals thereof, and for a period of one year after termination, cancellation, or expiration of the LifePharm IBO’s Agreement for any reason, each LifePharm IBO shall not:

- Directly or indirectly recruit (entice) any other LifePharm IBOs or Customers to (a) join or participate in another direct selling, social selling, multilevel or network marketing (collectively “direct selling”) company, or (b) sell or promote products, services or business opportunities from another direct selling company; or
- Encourage or attempt to influence or induce a LifePharm IBO to cancel or alter his or her relationship with LifePharm; or
- Change their current LifePharm Sponsor.

The term “Recruit” means the actual or attempted enrollment, solicitation, enticement, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another LifePharm IBO or Customer to enroll or participate in another business opportunity. An active LifePharm IBO may not be approached to change sponsors until that IBO has complied with the Six-Month Waiting Period policies (See section 3.3.2). Such conduct constitutes an unwarranted and unreasonable interference with the business of other LifePharm IBOs and LifePharm. IBOs and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, IBOs and LifePharm agree that this non-solicitation provision shall apply nationwide and to all international markets in which IBOs are located.

In addition, if a LifePharm IBO appears in, is referenced in, or allows his or her name or likeness to be featured or referenced in any promotional, recruiting or solicitation materials in any medium or method of distribution for another direct selling company during the term of the LifePharm IBO’s Agreement and all renewals thereof, this shall constitute Recruiting for purposes of this Section 3.4.1. Further, if LifePharm determines that a LifePharm IBO with a rank of Platinum or above is participating in any program, product, service or business opportunity of a direct selling company in the same generic product or service categories as offered by LifePharm, regardless of cost differences, quality or other distinguishing factors, then LifePharm may immediately revoke the rank of such LifePharm IBO and reclassify him or her to the rank of IBO. LifePharm IBOs who violate this Conflict of Interest policy, including but not limited to any Platinum or above who is reclassified to the IBO rank as described above, may also be subject to the disciplinary sanctions set forth in Sections 8.1 and 8.6. The provisions of this Section 3.4.1 shall survive the termination, cancellation, or expiration of the Agreement.

An existing LifePharm IBO may not enroll under another personal sponsor or try to circumvent the Policies and Procedures by using an alias, a family member (spouse) or friend’s name, a fictitious personal identification number, or any other means. If an IBO is found making such infraction they will be returned to their original position and have to keep that position for six months, then may terminate that position and wait the Six-Month Waiting Period. If it is determined that the IBO was improperly recruited to the second position, any downline organization that developed under such position may be moved with the IBO to their original position. If it cannot be established that the IBO was improperly recruited to the second position, such downline may not be moved with the IBO to their original position. LifePharm will contact the downline of the IBO and inquire if the downline would like to remain in the position they were recruited to.

INDEPENDENT BUSINESS OWNERS WAIVE ANY AND ALL CLAIMS AGAINST LIFEPHARM, ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM THE LIFEPHARM DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION.

3.4.2 - Sale of Competing Goods or Services

LifePharm IBOs must not sell or attempt to sell any competing non-LifePharm programs, products, or services to

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LifePharm Customers or IBOs. IBOs shall not offer any non-LifePharm products, services, incentives, opportunities, or business plans in conjunction with LifePharm's products or business plan or at any LifePharm conference call, meeting, seminar, launch, convention or other LifePharm function. Any program, product, or services in the same generic categories as LifePharm products or services is deemed to be competing, regardless of differences in cost, quality, or other distinguishing factors.

3.4.3 - Independent Business Owner Participation in Other Direct Selling Programs

It is the responsibility of the IBO to ensure that his or her LifePharm business is operated entirely separate and apart from any other program. To this end, the following must be adhered to:

- IBOs shall not display LifePharm promotional material, sales aids, products or services with or in the same location as, any non-LifePharm promotional material or sales aids, products or services.
- IBOs shall not offer the LifePharm opportunity, products or services to prospective or existing Customers or IBOs in conjunction with any non-LifePharm program, opportunity, product or service.
- IBOs may not offer any non-LifePharm opportunity, products, or services at any LifePharm-related meeting, seminar, convention, webinar, teleconference or other function.

3.4.4 - Independent Business Owners Taking Leadership Roles in Other Direct Selling Companies

As per sections 3.4.1 and 3.4.3, LifePharm IBOs are allowed to participate in other direct selling programs. However, an IBO taking on leadership roles in other network marketing companies, such as: hosting the company's conference calls, conducting company-wide training sessions, being recognized in company publications, websites or events while still an active IBO with LifePharm constitutes a conflict of interest. As a result, the above actions undermine the integrity of the LifePharm marketing plan and Business Opportunity and are thus prohibited. LifePharm reserves the right to seek appropriate remedies against IBOs engaging in such activity.

3.4.5 - Confidential Information

Confidential information includes but is not limited to the LifePharm Customers' and IBO's identities and contact information, an IBO's personal group sales volumes and rank and/or achievement levels. Confidential information is, or may be available to the IBOs in their respective Virtual Offices. IBO access to such information is password protected, confidential and constitutes proprietary information and business trade secrets belonging to LifePharm. Such confidential information is provided to IBOs in strictest confidence and is made available to IBOs for the sole purpose of assisting IBOs in working with their respective downline in the development of their LifePharm business.

To protect the confidential information, IBOs themselves or on behalf of any other person, partnership, association, corporation or entity are encouraged to not:

- Directly or indirectly disclose any confidential information to any third party;
- Directly or indirectly disclose the password or other access code to his or her Virtual Office;
- Use any confidential information to compete with LifePharm or for any purpose other than promoting his or her LifePharm business;
- Use or access any IBOs Virtual Office or eWallet account that is not their own;
- Recruit or solicit any LifePharm IBO or Customer listed on any report, in the IBO's Virtual Office or in any manner attempt to influence or induce any LifePharm IBO or preferred Customer to alter their business relationship with LifePharm; or
- Use or disclose to any person, partnership, association, corporation, or other entity any confidential information.

Exceptions may apply for accounting purposes.

3.5 - Targeting Other Direct Sellers

LifePharm does not condone IBOs specifically or consciously targeting the sales force of another direct sales company to sell LifePharm products or to become IBOs for LifePharm, nor does LifePharm condone IBOs solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should IBOs engage in such activity, they bear the risk of being sued by

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the other direct sales companies. If any lawsuit, arbitration or mediation is brought against an IBO alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, LifePharm is not responsible for any of the IBO's defense costs or legal fees nor will LifePharm indemnify the IBO for any judgment, award, or settlement.

3.6 - Errors or Questions

If an IBO has questions about or believes any errors have been made regarding commissions, bonuses, genealogy lists, or charges, the IBO must notify LifePharm in writing within 30 days of the date of the supposed error or incident in question. LifePharm will not be responsible for any errors, omissions or problems not reported to the Company after 30 days.

3.7 - Governmental Approval or Endorsement

Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or network marketing companies or programs. Therefore, IBOs shall not represent or imply that LifePharm or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

3.8 - Holding Applications or Orders

IBOs must not manipulate enrollments of new applicants and purchases of products. All IBO Applications & Agreements, and product orders must be sent to LifePharm within 72 hours from the time they are signed by an IBO or placed by a customer, respectively.

3.9 - Income Taxes

Each IBO is responsible for paying local, state/provincial and federal taxes on any income generated as an IBO. If a LifePharm business is tax exempt, the Federal tax identification number must be provided to LifePharm. Every year, LifePharm will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.

3.9.1 - Correct Federal Tax Identification Numbers

IBOs must submit and maintain accurate and truthful tax-related information to LifePharm. LifePharm may void at its own discretion IBOs' accounts that are set up or maintained in any manner that includes a false social security number, tax identification number or use of the same without the knowledge and consent of the person or entity to which it rightfully belongs. LifePharm reserves the right to seek verification of the information in question from the controlling interest of the IBO's account, the sponsoring IBO, or any relevant governmental agency prior to making a determination that the agreement is void. Both the void and sponsoring IBO accounts will be required to reimburse LifePharm any and all commissions, bonuses and rebates of any kind paid to an invalid IBO and forfeit any income or title derived as a result of the void IBO account. From time to time, LifePharm receives requests from tax authorities to provide information concerning certain IBOs. LifePharm will comply with such requests unless it appears in LifePharm's discretion that the request is improper or unreasonable.

3.10 - Independent Contractor Status

IBOs are independent contractors and are not purchasers of a franchise or a business. IBOs determine their own activities and time spent without direction or control by LifePharm. This agreement between LifePharm and its IBOs do not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the IBO. IBOs shall not be treated as an employee for his or her services or for Federal or State tax purposes. All IBOs are responsible for paying local, state, and federal taxes due from all compensation earned as an IBOs of the Company. The IBO has no authority (expressed or implied), to bind the Company to any obligation. Each IBO shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the IBO Agreement, these Policies and Procedures, and applicable laws.

1. As an independent contractor, you are responsible for paying your own self-employment taxes, income taxes, and other taxes imposed by law upon an independent contractor and you shall indemnify LifePharm from any claims arising from your failure to pay such taxes.
2. Your work hours, business expenditures and business plans are not dictated by LifePharm and you shall make no printed or verbal representations that state or imply otherwise.
3. It is your responsibility and you agree to comply with all laws and the Policies and Procedures in the operation of your account or the acquisition, receipt, holding, selling, distributing or advertising of our products or opportunity.

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4. You also agree to be fully responsible for all of your verbal and/or written statements made regarding the products, services and the Compensation Plan, which are not expressly contained in official LifePharm Materials. You agree to indemnify us against any claims, damages or other expenses including attorneys' fees arising from any miss-representations or actions made by you that are outside the scope of the Agreement. The provisions of this section survive the termination of the IBO's Agreement.

3.11 – Insurance

You may wish to arrange insurance coverage for your business. Your homeowner's insurance policy does not cover business-related injuries or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present homeowner's policy.

3.12 - International Marketing

IBOs are authorized to sell LifePharm products and services and enroll Customers or IBOs only in the countries in which LifePharm is authorized to conduct business, as announced in official Company literature. LifePharm products or sales aids may not be shipped into or sold in any foreign country by IBOs. IBOs may sell, give, transfer, or distribute LifePharm products or sales aids only in their home country. In addition, no IBO may in any foreign country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential customers or IBOs; or (c) conduct any other activity for the purpose of selling LifePharm products, establishing a downline, or promoting the LifePharm opportunity.

3.13 - Excess Inventory and Bonus Buying

IBOs must never purchase more products than they can reasonably use or sell to retail customers in a month, and they must not influence or attempt to influence any other IBO to buy more products than they can reasonably use or sell to retail customers in a month. Bonus buying is strictly prohibited. Bonus buying includes any mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers. Bonus buying includes but is not limited to purchasing products through a straw man or other artifice.

3.14 - Adherence to Laws and Ordinances

IBOs shall comply with all federal, state and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to IBOs because of the nature of their business. However, IBOs must obey those laws that do apply to them. If a city or county official tells an IBO that an ordinance applies to him or her, the IBO shall be cooperative, and immediately send a copy of the ordinance to the Compliance Department of LifePharm.

3.15 - Actions of Household Members or Affiliated Parties

If any member of an IBO's immediate household engages in any activity, which if performed by the IBO would violate any provision of the Agreement, such activity will be deemed a violation by the IBO and LifePharm may take disciplinary action pursuant to the Statement of Policies against the IBO. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively "Business Entity") violates the Agreement, the Business Entity will deem such action(s) a violation and LifePharm may take disciplinary action against the Business Entity. Likewise, if an IBO enrolls in LifePharm as a Business Entity, each affiliated party of the Business Entity shall be personally and individually bound to and must comply with the terms and conditions of the Agreement.

3.16 – Beneficial Interest

You may not have a Beneficial Interest in more than one account. "Beneficial Interest" means a legal or equitable right – whether granted by law, contract, or practice – to direct, control, own, participate in, or be the beneficiary of the direction, control, ownership, or participation of another individual or person."

If an IBO is found to have violated this policy and is operating two or more positions, all positions except the original position will be terminated. Except as provided in Section 3.4.1, any downline organization that has been developed under the second or subsequent positions will remain under those positions and will not be moved to the original position of the IBO who violated this policy. IBO waives any and all claims against LifePharm, its officers, directors, owners, employees, and agents that relate to or arise from the LifePharm decision regarding the disposition of any downline organization.

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3.17 - Requests for Records

Any request from an IBO for copies of invoices, applications, downline activity reports, or other records will require a fee of \$1.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

3.18 - Sale, Transfer or Assignment of a LifePharm Business

Although a LifePharm business is a privately owned and independently operated business, the sale, transfer or assignment of a LifePharm business and the sale, transfer or assignment of an interest in a Business Entity that owns or operates a LifePharm business is strongly discouraged. If an IBO wishes to sell his or her LifePharm business or interest in a Business Entity that owns or operates a LifePharm business, the following criteria must be met:

- Any and all eWallet funds must be withdrawn.
- Before the sale, transfer or assignment can be finalized and approved by LifePharm, any debt or credit obligations the selling party has with LifePharm must be satisfied.
- The selling party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a LifePharm business.
- New owner must purchase an Enrollment Pack by submitting a new LifePharm IBO Application & Agreement at the time of transfer
- New owner of this account accepts any tax related responsibilities and obligations arising from earnings already made within the current calendar year by the previous owner prior to the transfer of ownership
- Ownership transfer will be done within three business days of the company receiving all documents
- The Company reserves the right to approve or deny the transfer
- An administrative charge of \$25 USD must be settled before the transfer takes place

Prior to selling a LifePharm business or Business Entity interest, the selling party must notify LifePharm Compliance Department in writing and advise of his or her intent to sell the LifePharm business or Business Entity interest. The selling party must also receive written approval from the Compliance Department before proceeding with the sale. No changes in line of enrollment can result from the sale or transfer of a LifePharm business.

3.19 - Separation of a LifePharm Business

LifePharm Global IBOs sometimes operate their LifePharm businesses as husband-wife partnerships, regular partnerships, LLCs, corporations, trusts, or other Business Entities. At such time as a marriage may end in divorce or a corporation, LLC, partnership, trust or other Business Entity may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of enrollment. During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation

- One of the parties may, with consent of the other(s), operate the LifePharm business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize LifePharm to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- The parties may continue to operate the LifePharm business jointly on a “business-as-usual” basis; whereupon all compensation paid by LifePharm will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the downline of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will LifePharm split commission and bonus checks between divorcing spouses or members of dissolving entities. LifePharm will recognize only one downline and will issue one commission check per LifePharm business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the IBO Agreement shall be involuntarily canceled.

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If a former spouse has completely relinquished all rights in the original LifePharm business pursuant to a divorce, he or she is thereafter free to enroll under any individual of his or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as an IBO. In either case the former spouse or business affiliate shall have no rights to any IBOs in their former downline or to any former retail customer. They must develop a new business in the same manner, as would any other new IBO.

3.20 – Succession

Upon the death or incapacitation of an IBO, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, an IBO should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a will or other testamentary process transfers a LifePharm business, the beneficiary acquires the right to collect all bonuses and commissions of the deceased IBO's Marketing Organization provided that the following qualifications are met. The successor(s) must:

- Execute an IBO Agreement.
- Comply with terms and provisions of the Agreement.
- Meet all of the qualifications for the deceased IBO's status.

3.20.1 - Transfer Upon Death of an Independent Business Owner

To affect a testamentary transfer of a LifePharm business, the executor of the estate must provide the following to LifePharm: (1) an official death certificate; (2) notarized letters testamentary or a letter of administration appointing an executor; and (3) written instructions from the authorized executor to LifePharm specifying to whom the business and income should be transferred.

3.20.2 - Transfer Upon Incapacitation of an Independent Business Owner

To effectuate a transfer of a LifePharm business because of incapacity, the successor must provide the following to LifePharm: (1) a notarized copy of an appointment as trustee; (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the LifePharm business; and (3) a completed Independent Business Owner Agreement executed by the trustee.

3.21 - Virtual Office Access

LifePharm makes online Virtual Offices available to its IBOs. Virtual Offices provide IBOs access to confidential and proprietary information that may be used solely and exclusively to promote the development of an IBO's LifePharm business and to increase sales of LifePharm products.

SECTION 4 – MARKETING LifePharm PRODUCTS AND OPPORTUNITY

4.1 – General

All IBOs shall safeguard and promote the good reputation of LifePharm and its products. The marketing and promotion of LifePharm, the LifePharm opportunity, the Compensation Plan and LifePharm products must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote the products, services and the tremendous opportunity LifePharm offers, IBOs should use the sales tools and support materials provided by LifePharm. LifePharm has carefully designed its products, product labels, Compensation Plan and promotional materials to ensure that they are promoted in fair and truthful manner that they are substantiated, and the material complies with the legal requirements of federal and state laws.

LifePharm further reserves the right to rescind approval for any sales tools, promotional materials, advertisements or other literature and IBOs waive all claims for damages or remuneration arising from or relating to such rescission.

4.1.1 - Independent Business Owner Web Sites, Internet Advertising, and Internet Sales

No IBO may design a website that uses the names, logos, or product descriptions of LifePharm or otherwise promotes (directly or indirectly) LifePharm products or the LifePharm opportunity. The LifePharm product page itself must advertise only LifePharm products and not link to any other products. Nor may an IBO use "blind" ads

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on the Internet that make product or income claims which are ultimately associated with LifePharm products, the LifePharm opportunity, or the LifePharm Compensation Plan.

The use of any other Internet website, web page or blog (including but not limited to third-party marketplace websites (e.g. Amazon, eBay, Jet, Walmart Marketplace, Sears Marketplace, Alibaba), drop-ship accounts (e.g. Rakuten, Newegg, Overstock, Groupon), or classified advertisement websites (e.g. Craigslist, Facebook Marketplace) to sell or in any way promote the sale of LifePharm products, the LifePharm opportunity or the Compensation Plan is strictly prohibited.

Websites banners (ads) may not be published on the Internet or indexed to Internet search engines (such as Google banner ads) prior to receiving approval from the LifePharm Compliance Department. To approve a website banner (ad), LifePharm requires a hard copy of the website banner and all web pages linked to that site. IBOs must allow four weeks for such approvals to be processed. Any alteration of an approved website banner (ad) or any of its contents without prior written approval from LifePharm may, at LifePharm's discretion, result in suspension or termination of the IBO Agreement.

Any authorized IBO webpage created through the LifePharm replicated website program must contain the following disclaimer:

"This website is not endorsed or operated by LifePharm. The information and views expressed on the site are solely those of the owner of the site and do not constitute advertising of LifePharm products."

The provisions of this Section shall survive the termination of the Agreement.

4.1.2 - Domain Names, Email Addresses, Social Media

To preserve and protect its rights as the exclusive licensee of the LifePharm trademarks, LifePharm has prohibited all use of any LifePharm trademarks and service marks, in any form, in internet websites URL's and domain names. Except as set forth in the online application and agreement, IBOs may not use or attempt to register any of the LifePharm trade names, trademarks, service names, service marks, product names, the Company's name or any derivative thereof (i.e. Laminin, Lami9, Life-Pharm) for any Internet domain name, email address or social media name or address.

IBOs may identify themselves as an Individual IBO for LifePharm on social media network sites but may not create a username, profile, or fan page name that contains the LifePharm name and/or trademarks (LifePharm, Laminine, OPT9, etc.) or any derivative thereof (i.e. Laminin, Lami9, Life-Pharm). IBOs are responsible for all content on these sites, including any comments made on the site by third parties. IBOs are responsible for deleting or editing any comments that are not compliant with LifePharm policies. IBO's social networks that contain any offensive, lewd or malicious comments will be subject to suspension or termination of their LifePharm account. Social network sites must not contain any testimonial that states LifePharm products cure any illness, disease, or ailment or replace regular medical treatment or prescription drugs.

4.1.3 - Audio and Video Recordings

All LifePharm materials whether printed, electronically produced, computer generated on film or produced by sound recording are copyrighted and may not be reproduced, in whole or in part, by LifePharm IBOs or any other person except as authorized by LifePharm. Permission to reproduce any materials will be considered only in exceptional circumstances. IBOs are prohibited from making audio or video recordings of speeches, discussions, conference calls or other presentations made by any LifePharm Compliance Department, authorized agent, representative or employee unless specifically authorized in writing by a LifePharm company officer. An IBO may not produce, sell or distribute literature, films, electronic or computer-generated print media, or sound recordings that are similar in nature to those produced, published and provided by LifePharm for its IBOs. Nor may IBOs purchase, sell or distribute non-company materials that imply or suggest that said materials originate from LifePharm.

4.1.4 - Television, Radio and Newspaper Advertising

All television/radio/newspaper advertisements must be submitted for approval to the Compliance Department prior to use. Radio and television advertising must follow a pre-approved script and cannot be in the form of a question/answer series.

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4.1.5 - Business Cards and Stationery

Stationery, letterhead, business cards, etc. may be ordered through a third-party printing company. IBOs may also design their own stationery, letterhead, and business cards, etc. These designs must be submitted in writing to and approved by the LifePharm Compliance Department before being printed.

All cards, letterhead, signs, advertising materials, verbal conversations, etc. used to promote businesses must clearly state you are an IBO. They may not imply or state that you are an agent, authorized representative, employee, joint venture or franchisee of LifePharm.

4.1.6 - Intellectual Property

4.1.6.1 - Grant of License.

IBO acknowledges and agrees that LifePharm, Inc. is the exclusive United States licensee of the LifePharm brand, name, logo, trademarks, service marks, trade dress, copyrights, and other intellectual property related to the LifePharm products (the "[LifePharm Trademarks](#)"). The LifePharm Trademarks are of great value to LifePharm and are supplied to IBOs for their use only in an expressly authorized manner. LifePharm will not allow the use of the LifePharm Trademarks or any derivatives of such marks, by any person including LifePharm IBOs, in any unauthorized manner without its prior written permission. IBO is granted a limited, non-exclusive, non-transferable, revocable sublicense to use the LifePharm Trademarks solely for purposes of advertising that they are authorized by the brand owner and LifePharm to sell LifePharm products, and to display the LifePharm Trademarks in connection with the advertising and sale of LifePharm products.

4.1.6.2 - Limit of Grant.

LifePharm reserves all other rights granted to it as the exclusive licensee of the LifePharm Trademarks. The sublicense rights granted in these Policies and Procedures do not include the right of an IBO to register or use the LifePharm Trademarks as or within domain names or to use the LifePharm Trademarks in any trade names, corporate names, or business names. IBO recognizes that LifePharm has the exclusive right to all LifePharm Trademarks to identify its products in the United States, and IBO agrees that it will not claim any right, title, or interest therein. Nothing herein shall be construed to give IBO any right to, title to, or interest in the LifePharm Trademarks.

4.1.6.3 - Termination of Sublicense.

This sublicense will cease upon termination of the IBO's Agreement.

4.1.6.4 - Trademark Quality Control.

LifePharm reserves the right to review and approve, in its sole discretion, IBO's use or intended use of the LifePharm Trademarks at any time, without limitation. Upon request by LifePharm or the owner of the LifePharm Trademarks, IBOs shall be required to submit samples of any manner of their display of the LifePharm Trademarks, and to submit samples of the products.

4.1.6.5 - Goodwill.

All goodwill arising from IBO's use of the LifePharm Trademarks shall inure solely to the benefit of the owner of the LifePharm Trademarks.

The content of all Company enrolled events is copyrighted material. IBOs may not produce for sale recorded Company events and speeches without written permission from LifePharm.

4.1.7 - Media and Media Inquiries

IBOs must not attempt to respond to media inquiries regarding LifePharm, its products or services, or their independent LifePharm business. All inquiries by any type of media must be immediately referred to the LifePharm Compliance Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

4.1.8 - Unsolicited Email

LifePharm does not permit IBOs to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. LifePharm does not permit IBOs 1) sending unsolicited email messages that contain any email or web addresses from your account to online users, 2) posting messages that contain your service address in news groups that are unrelated to your products or service and 3) sending unsolicited emails to lists of people that are not within your downline or with whom you have no prior business or personal relationship. Any email sent by an IBO that promotes LifePharm, the LifePharm opportunity or LifePharm products and services must comply with the following:

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- There must be a functioning return email address to the sender.
- There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning “opt-out” notice).
- The email must include the IBO’s physical mailing address.
- The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- The use of deceptive subject lines and/or false header information is prohibited.
- All opt-out requests, whether received by email or regular mail, must be honored. If an IBO receives an opt-out request from a recipient of an email, the IBO must forward the opt-out request to the Company.

LifePharm may periodically send commercial emails on behalf of the IBOs. By entering into the IBO Agreement, IBO agrees that the Company may send such emails and that the IBO’s physical and email addresses will be included in such emails as outlined above. IBOs shall honor opt-out requests generated as a result of such emails sent by the Company.

4.1.9 - Unsolicited Communication

Except as provided in this section, IBOs may not use or transmit unsolicited faxes in connection with their LifePharm business. The term “unsolicited faxes” means the transmission via telephone facsimile or computer of any material or information advertising or promoting LifePharm, its products, its Compensation Plan or any other aspect of the Company which is transmitted to any person, except that these terms do not include a fax: (a) to any person with that person’s prior express invitation or permission; or (b) to any person with whom the IBO has an established business or personal relationship. The term “established business or personal relationship” means a prior or existing relationship formed by a voluntary two way communication between an IBO and a person on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such IBO; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.1.10 - Telephone Directory Listings

IBOs may list themselves as a “LifePharm Independent Business Owner” in the white or yellow pages of the telephone directory or with online directories under his or her own name. No IBO may place telephone or online directory display ads using the LifePharm name or logo. IBOs may not answer the telephone by saying “LifePharm,” “LP Global”, “LP Global Network,” “LifePharm Global,” or in any other manner that would lead the caller to believe that he or she has reached the corporate offices of LifePharm. If an IBO wishes to post his/her name in a telephone or online directory, it must be listed in the following format:

IBO’s Name _____
LifePharm Independent Business Owner

4.2 - Unauthorized Claims and Actions

4.2.1 – Indemnification

An IBO is fully responsible for all of his or her verbal and written statements made regarding LifePharm products, services, and the Compensation Plan, which are not expressly contained in official LifePharm materials. IBOs agree to indemnify LifePharm and LifePharm directors, officers, employees and agents and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorneys’ fees, court costs or lost business incurred by LifePharm as a result of the IBO’s unauthorized representations or actions. This provision shall survive the termination of the IBO Agreement.

4.2.2 - Product Claims

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by LifePharm may be made except those contained in official LifePharm literature.

What you may say about LifePharm Products:

The LifePharm products may help to...

- Moderate the stress response
- Maintain healthy cortisol levels
- Regulate serotonin levels
- Support good mood
- Reduce physical and mental stress
- Increase physical and mental strength
- Improve emotional balance
- Promote more restful sleep

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- Enjoy quicker post workout recovery
- Increase muscle tone and strength
- Increase alertness
- Improve stamina and energy
- Aid in brain function and activity
- Improve focus
- Reduce signs of normal aging
- Increase libido/sexual desire
- Build collagen for healthier skin
- Stimulate natural DHEA production
- Improve overall sense of well-being

In particular, no IBO may make any claim that LifePharm products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases.

Personal stories/experiences must be the IBO's own and must expressly avoid any claims of cure, treatment, or prescription. They must not include a list of ailments, body systems, or diseases in any way.

What You May Not Say About the LifePharm Laminine Product:

- LifePharm products cure any illness, disease or ailment.
- LifePharm products are used to treat any illness, disease or ailment.
- LifePharm products heal any illness, disease or ailment.
- LifePharm products replace regular medical treatment or prescription drugs.

4.2.3 - Income Claims

When presenting or discussing the LifePharm opportunity or Compensation Plan to a prospective IBO, an IBO may not make income projections or income claims.

4.3 - Commercial Outlets

IBOs may display or sell LifePharm products or literature in select commercial outlets including, but not limited to health food stores, grocery stores, chain stores, shopping malls, markets where individuals can set up booths, and private offices and clubs.

IBOs marketing the LifePharm Products and/or Business Opportunity must:

- Display the DSHEA Disclaimer as per 4.2.2 of these Policies and Procedures
- Display an earnings disclaimer as per 4.2.3 of these Policies and Procedures
- Indicate that they are Independent Business Owners and not representatives of the Company. All of the requirements above must be displayed in plain view.

IBOs marketing the LifePharm Products at commercial outlets cannot market/sell the LifePharm Products in conjunction with any other products not directly offered by LifePharm.

4.4 - Trade Shows, Expositions and Other Sales Forums

LifePharm encourages its IBOs to display and represent LifePharm products in reputable trade shows and exhibitions. IBOs may display and/or sell LifePharm products at trade shows and professional expositions.

4.4.1- Advertising and Selling of Products

IBOs acknowledge and agree that the advertising and selling of all products on the Internet may only be done on a Company Authorized Website. IBO also agrees that all advertising regarding products will be truthful and will not contain misleading statements relating to the quality, availability, grade, price, terms of payment, refund rights, guarantees, or performance of any products. IBO acknowledges and agrees that he or she shall not advertise or sell any products on the Internet, which were purchased from another IBO. Any violation of this Section by an IBO shall constitute a breach of the Agreement and will be subject to the breach of Agreement procedures set forth herein.

4.5 - Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although LifePharm does not consider IBOs to be "telemarketers" in the

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traditional sense of the word, these government regulations broadly define the term “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the federal “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly as they carry significant penalties.

Therefore, IBOs must not engage in telemarketing in the operation of their LifePharm businesses. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of a LifePharm product or service, or to recruit them for the LifePharm opportunity. “Cold calls” made to prospective customers or IBOs that promote either LifePharm products or services or the LifePharm opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or IBO (a “prospect”) is permissible under the following situations:

- If the IBO has an established business relationship with the prospect. An “established business relationship” is a relationship between an IBO and a prospect based on the prospect’s purchase from the IBO.
- IBOs shall not use automatic telephone dialing systems or software relative to the operation of their LifePharm businesses.
- IBOs shall not place or initiate any outbound telephone call to any person that delivers any pre-recorded message (a “robocall”) regarding the LifePharm products, services or opportunity.

4.6 - Product Inspection and Acceptance

IBOs shall inspect all LifePharm products upon receipt and during storage for damage, defect, evidence of tampering, or other non-conformance. IBOs must also confirm that product seals have not been broken. If any defect is identified, IBOs must not offer the product for sale and must report the defect to LifePharm at CustomerService@LifePharmGlobal.com. IBOs shall inspect their inventory regularly for expired or soon-to-be expired products and shall remove those products from inventory. IBOs shall not sell expired products.

4.7 - Recall and Consumer Safety

To ensure the safety and well-being of the end users of LifePharm products, IBOs shall communicate all safety information to consumers and cooperate with LifePharm with respect to any product recall.

SECTION 5 – SALES REQUIREMENTS

5.1 - Product Sales

5.1.1 - Sales Under LifePharm Compensation Plan

The LifePharm Compensation Plan is based on the sale of LifePharm products and services to end-user consumers (“End-Users”). IBOs must fulfill personal and Marketing Organization retail sales requirements (as well as meeting other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for IBOs to be eligible to earn commissions:

- IBOs must satisfy the Personal Volume and Group Sales Volume requirements to fulfill the requirements associated with their rank as specified in the LifePharm Compensation Plan.
- Over 70 percent of an IBO’s total monthly wholesale product purchases must be consumed or sold to personal retail customers who are not LifePharm IBOs. This has to be done before new orders are purchased from LifePharm.

5.1.2 – Prohibition on Sale for Purposes of Resale

With the exception of purchases made for IBOs’ personal use, IBOs are only permitted to sell LifePharm products to End-Users. IBOs are prohibited from selling LifePharm products to any person who the IBO knows, or has reason to know, intends to re-sell the products. This provision shall survive the termination of the Agreement.

5.2 - No Territory Restrictions

There are no exclusive territories granted to anyone.

5.3 - Sales Receipts

All IBOs must provide their retail customers with a copy of the Retail Customer Order Form at the time of the sale. This form sets forth the Retail Customer Guarantee (defined below in Section 7.1) as well as any consumer protection rights afforded by federal or state law. IBOs must maintain copies of all Retail Customer Order Forms

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for a period of two years and furnish them to LifePharm at the Company's request. LifePharm will maintain records documenting the purchases of IBOs' Direct Customers. In addition, IBOs must orally inform the buyer of his or her cancellation rights.

1. Retail Customer Order Forms are found in your Virtual Office "Resources" tab. When making the sale, you must complete the information required on the sales receipt including the items ordered, the transaction amount and the Customer's name, address and telephone number. You must keep a copy of the sales receipt for your records.
2. You must keep copies of all Retail Sales Receipts on file for at least two years. We will maintain documentation for orders placed directly to the Company by your Customers.

SECTION 6 – BONUSES AND COMMISSIONS

6.1 - Bonus and Commission Qualifications and Accrual Bonus and Commission Qualifications:

an IBO must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as an IBO complies with the terms of the Agreement, LifePharm shall pay commissions to such IBO in accordance with the LifePharm Compensation Plan.

6.1.1 - Adjustments for Returned Products

IBOs receive bonuses and commissions based on the actual sales of products and services to end consumers. When a product is returned to LifePharm for a refund or is repurchased by the Company, either of the following may occur at the Company's discretion: (1) the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted in the month in which the refund is given and continuing every pay period thereafter until the commission is recovered from the IBOs who received bonuses and commissions on the sales of the refunded products. (2) The CV attributable to the returned or repurchased product(s) will be deducted, in the month of which the refund is given.

6.1.2 - Commission Adjustments

At its sole discretion, LifePharm has the right to adjust bonuses or commissions of an IBO that has been credited erroneously to the IBO's eWallet, and LifePharm has the right to adjust any erroneous payments made to the IBO via direct deposit or check. Such correction may result in a withdrawal of funds from the IBO's eWallet amount at the time the error is identified, or an adjustment of the next payment via direct deposit or check that is due to the IBO. LifePharm will notify the IBO of the error along with its method of resolution.

SECTION 7 – PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE

7.1 - Returns by Preferred and Retail Customers

LifePharm offers, through its Independent Business Owners, a 60-day money-back guarantee to all Preferred and Retail Customers who purchase a LifePharm Product through an authorized channel (the "100% Confidence Guarantee"). Every IBO is bound to honor the 100% Confidence Guarantee. If for any reason a customer is dissatisfied with any LifePharm Product, the customer may return the unused portion of the product to the IBO from whom it was purchased within 60 days for a full refund of the purchase price (less shipping and handling). All Retail Customers must be provided a copy of the Retail Customer Order Form as a receipt of this purchase.

By signing on the Retail Customer Order Form, both the Customer and IBO acknowledge that the Customer has been advised of the 100% Confidence Guarantee and acknowledge that each has read the LifePharm Return Policy and will keep a copy of the Retail Customer Order Form for his or her records. Unless prohibited by law, the 100% Confidence Guarantee applies only to sales made to Retail Customers by IBOs and to purchases made by Retail Customers directly from LifePharm's official website.

7.1.1 - Replacement of Retail Customer Products

If an IBO is returning merchandise to LifePharm that was returned to him or her by a personal Retail Customer, the product must be received by LifePharm within 10 days from the date on which the Retail Customer returned the merchandise to the IBO and must be accompanied by the signed Retail Customer Order Form the IBO gave to the customer at the time of the sale. LifePharm may replace returned product a maximum of three (3) times.

7.2 - Return of Inventory and Sales Aids by Independent Business Owners

IBOs may return sales aids and wholesale products within 60 days of the purchase and receive a refund on the price, less shipping and handling and a 10 percent restocking fee. Shipping costs for returned items shall be borne by IBOs. Payment of refunds will be made within 30 days of actual receipt by LifePharm of returned

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items. Sales materials and services delivered by Internet methods are not capable of being returned to LifePharm and are not subject to refund. LifePharm will honor refund requirements at variance with this paragraph as specified by applicable state or federal law. If the products being returned are part of a package (including any event specials) that included free products, then the number of free products for the package will be first deducted from the number of items being returned and the remaining number of items will be refunded on a pro-rata basis, subject to a 10% restocking fee. IBOs may return no more than \$300 (at purchase price) worth of merchandise to LifePharm for a refund annually. Any returns over \$300 annually shall be considered an inventory repurchase and the LifePharm account shall be canceled. The Company shall deduct from the IBO's subsequent commission checks and/or from the refund paid to the IBO any commissions, bonuses, rebates or other incentives received by the IBO that were associated with the returned merchandise.

7.2.1 - Procedures for All Returns

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

- The IBO who purchased it OR WHOSE CUSTOMER MADE THE PURCHASE must return all merchandise to LifePharm.
- All products to be returned must have a Return Merchandise Authorization (RMA) Number, which is obtained by calling the LifePharm Customer Service Department. This RMA Number must be written clearly on each package returned. The RMA Number is valid only for 10 business days after issue.
- Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the economical means of shipping with trackable service is suggested. All returns must be shipped to LifePharm shipping pre-paid. LifePharm does not accept shipping collect packages. The risk of loss in shipping for returned product shall be on the IBO or customer returning the product. If returned product is not received by the Company's Distribution Center, it is the responsibility of the IBO or customer to trace the shipment.

No refund or replacement of a product will be made if the conditions of these rules are not met.

7.3 - Return of Inventory for Refund with Cancellation of Distributorship

Request for return of inventory by an IBO for any reason, other than a damage claim, will be treated as a request to voluntarily cancel that distributorship. Any Withdrawals or Transfers made out of the IBO's eWallet from commissions earned between their order date and their refund date will be deducted from the amount of their return order. Withdrawals and/or Transfers include eWallet funds used for purchases as well. If an IBO desires to cancel his/her distributorship, he/she may qualify for a refund of unopened, resalable inventory with current labels, less all commissions and rebates paid to such IBO and less a 10 percent restocking fee, provided the products are currently stocked and sold by LifePharm, and are returned within one year of the initial purchase date, with freight and insurance prepaid. The Company shall deduct from the reimbursement paid to the IBO any commissions, bonuses, rebates or other incentives received by the IBO that were associated with the returned merchandise. To return inventory for refund, the IBO shall follow the procedures outlined in 7.4 of the LifePharm Policies and Procedures. LifePharm will not accept the return of individual items from a multiple-item kit or pack. The IBO shall allow a minimum of 10 days processing time from the date the products are received. All refunds will be tendered in the same form as the original payment. LifePharm has no obligation to refund products verified as sold under the 70 percent rule as per section 5.1 of the Policies and Procedures. IBO's distributorship will be immediately cancelled upon issuance of the refund.

7.4 - Refused Products

If you order products and then refuse delivery, your order is subject to the 10 percent restocking fee and other procedures for returns herein and you will be charged for the return shipping costs.

7.5 - Undelivered Products

If any order is returned back to us undelivered for reasons other than Company's error, the order will be cancelled and the money will be refunded, subject to 10 percent restocking fee. There will be an additional charge for each delivery attempt as a result of an incorrect address or invalid phone number. These undelivered returns may include: insufficient address, no such number, no such address, moved & no forwarding address, unable to forward, unclaimed, attempted – not known, etc. The Shipping & Handling fee paid by the buyer on the order will not be refunded. If the order being returned is an Auto-Delivery order, the current Auto-Delivery schedule will be cancelled and the buyer is responsible for setting up a new Auto-Delivery schedule. LifePharm is not responsible for loss of commission due to cancellation of the order.

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7.6 - Credit Card Disputes

LifePharm requests that its IBOs provide the Company with ample opportunity to resolve any outstanding issue(s) regarding charge(s) to an individual's credit card that they feel may not be accurate and or done in error. If an IBO initiates a credit card dispute, their account will be suspended and they will be ineligible to earn further commissions until the matter is resolved. The account will remain suspended until such time as the IBO rescinds the credit card dispute, however. LifePharm reserves the right to terminate any IBO who did not provide the company with the opportunity to resolve the matter prior to initiating the credit card dispute.

SECTION 8 – DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

8.1 – Ethics

LifePharm desires to provide its IBOs with the best products and services and Compensation Plan in the industry. Accordingly, LifePharm values constructive criticism and encourages the submission of written comments addressed to the LifePharm Compliance Department at Compliance@LifePharmGlobal.com.

Negative and disparaging comments or disruptive behavior by IBOs made to LifePharm in the field or at LifePharm meetings/events about the Company, its products or the Compensation Plan serve no purpose other than to dampen the enthusiasm of other LifePharm IBOs. LifePharm IBOs must not belittle LifePharm, other IBOs, LifePharm products or services, the Compensation Plan or LifePharm directors, officers or employees. Such conduct represents a material breach of these Policies and Procedures and may be subject to sanctions as deemed appropriate by LifePharm.

LifePharm endorses the following code of ethics:

1. A LifePharm IBO must show fairness, tolerance and respect to all people associated with LifePharm regardless of race, gender, social class or religion thereby fostering a “positive atmosphere” of teamwork, good morale and community spirit.
2. An IBO shall strive to resolve business issues, including situations with upline and downline IBOs, by emphasizing tact, sensitivity, good will and taking care to not create additional problems.
3. LifePharm IBOs must be honest, responsible, professional and conduct themselves with integrity.
4. LifePharm IBOs shall not make disparaging statements about LifePharm, other Independent Business Owners, LifePharm employees, products, services, sales and marketing campaigns, or the Compensation Plan, or make statements that unreasonably offend, mislead or coerce others.

LifePharm may take appropriate action against an IBO if it determines in its sole discretion that an IBO's conduct is detrimental, disruptive or injurious to LifePharm or to other IBOs.

8.2 - Reporting Policy Violation

An IBO who observes a policy violation by another IBO should submit a written and signed letter or email of the violation directly to the LifePharm Corporate office with all communication being made to the attention of the Compliance Department. The letter or email shall set forth the details of the incident as follows:

1. The nature of the violation
2. Specific facts to support the allegations
3. Dates
4. Number of occurrences
5. Persons involved
6. Supporting documentation attached

Once the matter has been presented to LifePharm, it will be researched thoroughly by the Compliance Department and appropriate action will be taken if required.

8.3 - Exclusivity Claims with LifePharm

IBOs are prohibited from using a familial relationship to any founder, country manager or employee of LifePharm to promote either themselves or their IBO accounts. IBOs are prohibited from using their former employment at LifePharm to promote either themselves or their IBO accounts. IBOs may not allege or imply that the IBO has unique access or a special advantage with LifePharm executives or employees that other IBOs do not have. IBOs may not represent themselves as founders, country managers, employees, executives and etc. of LifePharm. IBOs are discouraged from making excessive contact with LifePharm executives as doing so may

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lead to the assumption among other LifePharm IBOs that he or she is entitled to “special treatment” or has access to company information that others may not have access to. IBOs are encouraged to send issues, concerns or suggestions to the customer service team, who will take the proper steps to have any issues resolved prior to the involvement of any member of management.

8.4 - Circumvention of Policy

LifePharm Policies and Procedures are designed to protect IBOs and the Company from the adverse consequences of their violation. LifePharm may take disciplinary action up to and including termination of the IBO's Agreement against any IBOs who intentionally circumvent Policies and Procedures to accomplish indirectly what is prohibited directly. At its sole discretion, LifePharm has the right to adjust bonuses, commissions and/or the placement or status of an IBO or of those in the IBO's upline who were affected. The Policies and Procedures in this manual are not intended to give IBOs the right to enforce the policies against one another directly or to take any legal action against one another.

8.5 – Opportunity

LifePharm has the right to refuse enrollment to any person that is deemed to be detrimental to its opportunity or its culture based on behavior and or actions. LifePharm intends to offer its products along with a Compensation Plan to those who will represent the LifePharm name in the best manner possible. It is the intention of LifePharm to establish itself as a world-class Company and expect its IBOs to reflect both professionally and personally the image it intends to portray.

8.6 - Disciplinary Sanctions

Violation of the Agreement or these Policies and Procedures, any common law duty (including but not limited to any applicable duty of loyalty), any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by an IBO that in the sole discretion of the Company may damage its reputation or goodwill (such damaging act or omission need not be related to the IBO's LifePharm business), may result at LifePharm's discretion in one or more of the following disciplinary sanctions relative to the IBO:

- Issuance of a written warning or admonition;
- Requiring the IBO to take immediate corrective measures;
- Imposition of a fine, which may be withheld from bonus and commission checks;
- Loss of rights to one or more bonus and commission checks;
- Suspension of the individual's IBO Agreement for one or more pay periods;
- Permanent or temporary loss of, or reduction in, the current and/or lifetime rank of an IBO (which may subsequently be re-earned by the IBO);
- Transfer or removal of some or all of an IBO's downline from the offending IBO's Marketing Organization;
- Involuntary termination of the offending IBO's LifePharm account, website or website access;
- Any other measure expressly allowed within any provision of the Agreement or which LifePharm deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the IBO's policy violation or contractual breach, including seeking injunctive relief; or
- Termination of membership.

During the period that LifePharm is investigating any conduct that is allegedly in violation of the Agreement the Company may withhold all or part of the IBO's bonuses and commissions. If an IBO's business is involuntarily terminated, the IBO will not be entitled to recover any commissions or bonuses withheld during the investigation period.

In situations deemed appropriate by LifePharm, the Company may institute legal proceedings for monetary and/or equitable relief.

8.7 – Grievances

If a LifePharm IBO has a grievance or complaint against another IBO (regarding any practice or conduct relating to their respective LifePharm businesses) he or she is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, the IBO should seek assistance from his or her Upline, Leader or Sponsor. If the matter still cannot be resolved, it must be reported directly to the LifePharm Compliance Department as outlined below in this Section.

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The LifePharm Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the IBOs involved.

LifePharm will confine its involvement to disputes regarding LifePharm business matters only. LifePharm will not decide issues that involve personality conflicts or unprofessional conduct by or between IBOs outside the context of a LifePharm business. These issues go beyond the scope of LifePharm and may not be used to justify a sponsor or placement change or a transfer to another LifePharm organization.

LifePharm does not consider, enforce or mediate third party agreements between IBOs, nor does it provide names, funding or advice for obtaining outside legal counsel.

Process for Grievances:

- A. The LifePharm IBO should submit a written letter or email of complaint directly to the LifePharm Compliance Department. The letter shall set forth the details of the incident as follows:
 1. The nature of the violation
 2. Specific facts to support the allegations
 3. Dates
 4. Number of occurrences
 5. Persons involved
 6. Supporting documentation attached
- B. Upon receipt of the written complaint, LifePharm will conduct an investigation according to the following procedures:
 1. The Compliance Department will send an acknowledgment of receipt to the complaining IBO.
 2. The Compliance Department will provide a verbal or written notice of the allegation to the IBO under investigation. If a written notice is sent to the IBO, he or she will have 10 business days from the date of the notification letter to present all information relating to the incident for review by LifePharm.
 3. The Compliance Department will thoroughly investigate the complaint and consider all the submitted information it deems relevant including information from collateral sources. Due to the unique nature of each situation, determinations of the appropriate remedy will be on a case-by-case basis and the length of time to reach a resolution will vary.
 4. During the course of the investigation, the Compliance Department will only provide periodic updates simply stating that the investigation is ongoing. No other information will be released during this time. IBO's calls, letters and requests for "progress reports" during the course of the investigation will not be answered or returned.
- C. LifePharm will make a final decision and timely notify the LifePharm IBOs involved.

8.8 – Mediation

Subject to the exceptions set forth in Section 8.10, prior to instituting arbitration pursuant to Section 8.9, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation under the mediation program of the American Arbitration Association.

The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorneys' fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Orange County, California and shall last no more than two business days.

8.9 – Arbitration

If mediation is unsuccessful, any disputes between an IBO and LifePharm, subject to the exceptions set forth in Section 8.10, shall be resolved exclusively by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. THE ARBITRATOR MAY AWARD, IN ADDITION TO DECLARATORY RELIEF, CONTRACT DAMAGES. LifePharm GLOBAL AND IBO WAIVE THE RIGHT TO RECEIVE CONSEQUENTIAL AND PUNITIVE DAMAGES EXCEPT IN RELATION TO VIOLATIONS OF SECTIONS 3, 4, 5, 6, 7, AND 8 OF THESE POLICIES AND PROCEDURES. THE ARBITRATOR SHALL AWARD REASONABLE ATTORNEYS' FEES AND COSTS

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TO THE PREVAILING PARTY. An award rendered by the arbitrator may be entered in AND ENFORCED BY any court having jurisdiction thereof. IBOs waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in Orange County, California.

8.10 - Availability of Injunctive Relief

8.10.1 – Injunctive Relief

IBOs acknowledge that LifePharm will suffer irreparable harm if IBOs fail to strictly adhere to, breach, or threaten to breach any of the terms set forth in the Agreement, such that damages at law will not be an adequate remedy. Therefore, in such event, LifePharm will be entitled, in addition to all other available rights and remedies, to the entry of an injunction immediately restraining such activity, without being required to show any actual damage or to post an injunction bond, or to a decree mandating specific performance of the provision(s) at issue.

8.10.2 - Choice of Forum and Consent to Jurisdiction

Any action or proceeding for injunctive relief pursuant to Section 8.10.1 will be brought in the courts of record of Orange County, California, or the United States District Court, Central District of California, Southern Division. You consent to the exclusive jurisdiction of such courts and waive any objection to the laying of venue of any such action or proceeding in such courts. LifePharm may affect service of any court paper on you by mail or in such other manner as may be provided under applicable laws, regulations, rules of procedure or local rules. Any party who unsuccessfully challenges the enforceability of this forum selection clause shall reimburse the prevailing party for its attorneys' fees.

8.11 - Governing Law

The law of the State of California shall govern all other matters relating to or arising from this Agreement.

8.12 - Court Proceedings Relating to Seller Identification

Nothing in this Agreement is intended to or shall preclude LifePharm's ability to commence an action in a court of law for purposes of ascertaining the identity of any unauthorized seller of LifePharm products.

SECTION 9 – PAYMENT AND SHIPPING

9.1 - Correct Address and Contact Information

Banking information must match information in the LifePharm Virtual Office system. This applies for information for both personal and business IBOs. Personal accounts must list a first and last name. Business accounts must list a business name.

9.2 - Returned Checks

All checks returned by an IBO's bank for insufficient funds will be re-submitted for payment. A \$45.00 returned check fee will be charged to the IBO's account. After receiving a returned check from a customer or an IBO, all future orders must be paid by credit card, money order or cashier's check. Any outstanding balance owed to LifePharm by an IBO for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks or debited from the IBO's eWallet balance.

9.3 - Credit Card Chargebacks

IBOs will be responsible to pay a \$50.00 administrative fee for any chargeback they initiate, unless the charge in dispute is due to an LifePharm error. Any unpaid administrative fee may cause their distributorship to be suspended or terminated.

SECTION 10 – INACTIVITY, RECLASSIFICATION, AND CANCELLATION

10.1 - Effect of Cancellation

So long as an IBO remains active and complies with the terms of the IBO Agreement and these Policies and Procedures, LifePharm shall pay commissions to such IBO in accordance with the Compensation Plan. An IBO's bonuses and commissions constitute the entire consideration for the IBO's efforts in generating sales and all activities related to generating sales (including building a downline). Following an IBO's non-renewal of his or her IBO Agreement, cancellation for inactivity or voluntary or involuntary cancellation of his or her IBO Agreement (all of these methods are collectively referred to as "cancellation"), The former IBO shall have no right, title, claim or interest to the Marketing Organization that he or she operated or to the commissions or bonuses from the sales generated by the Marketing Organization. An IBO whose business is cancelled will lose all rights as an IBO. This includes the right to sell LifePharm products and services and the right to receive future commissions, bonuses or other income resulting from the sales and other activities of the IBO's former Marketing

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Organization. In the event of cancellation, IBOs agree to waive all rights they may have, including but not limited to property rights, to their former Marketing Organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former Marketing Organization.

10.2 - Cancellation Due to Inactivity

If an IBO has not fulfilled the minimum personal sales requirements (as set forth in the Compensation Plan) for a period of six consecutive calendar months (and thus becomes “inactive”), his or her IBO Agreement may, at the discretion of the Company, be canceled for inactivity on the day following the last day of the sixth month of inactivity. Written notification of the cancellation will be provided to the terminated IBO by email. If an IBO is inactive for 12 consecutive months, his or her IBO Agreement will be automatically terminated without notification.

10.3 - Involuntary Cancellation

An IBO's violation of any of the terms of the Agreement, including any amendments that may be made by LifePharm in its sole discretion, may result in any of the sanctions listed in Section 8.6, including the involuntary cancellation of his or her IBO Agreement. Cancellation shall be effective on the date on which written notice is mailed, emailed, faxed or delivered to by an express courier to the IBO's last known address, email address, fax number or his or her attorney or when the IBO receives actual notice of cancellation, whichever occurs first.

LifePharm reserves the right to terminate all IBO Agreements upon 90 days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

10.4 - Voluntary Cancellation

A participant in this network marketing plan has a right to cancel at any time regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address and must include your name, address, and IBO ID Number. The written notice must also include your signature.

10.5 - Non-renewal

An IBO may also cancel his or her IBO Agreement by failing to renew the Agreement on its anniversary date. The Company may also elect not to renew an IBO's Agreement upon its anniversary date.

SECTION 11 – DEFINITIONS

Active IBO

IBO is considered to be “active” if he/she has placed an order in the preceding 30 days.

Affiliated Party

A shareholder, member, partner, manager, trustee or other parties with any ownership interest in or management responsibilities for a Business Entity.

Agreement

The contract between the Company and each IBO includes the IBO Application & Agreement, the LifePharm Policies and Procedures and the LifePharm Compensation Plan all in their current form and as amended by LifePharm in its sole discretion. These documents are collectively referred to as the “Agreement.”

Auto-Delivery

A program that automatically ships product(s) to you.

Commissionable Volume (CV)

The point value of products sold and is used to calculate commissions from your downline.

Customer

End consumers of the product including your retail Customers and Preferred Customers.

Downline Leg

Each one of the IBOs enrolled immediately underneath you and their respective downline represents one “leg” in your Marketing Organization.

Enrollee

A person who is being enrolled to become an IBO.

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Group Volume

The commissionable value of LifePharm products or services sold by an IBO's Marketing Organization. Group Volume does not include the Personal Volume of the subject IBO. (Business Success Starter Kits and sales aids have no Sales Volume).

Household

Spouses and dependent children living at or doing business at the same address.

Business Success Starter Kit

Any person wishing to become an LifePharm IBO will be required to pay \$29.95 for a Business Success Starter Kit, which allows them access to the LifePharm Virtual Office and LifePharm Replicated website.

Level

The layers of downline Customers and IBOs in a particular IBOs Marketing Organization. This term refers to the relationship of an IBO relative to a particular upline IBO determined by the number of IBOs between them who are related by enrollment. For example, if A enrolls B, who enrolls C, who enrolls D, who enrolls E, then E is on A's fourth level.

Marketing Organization

The Customers and IBOs enrolled below a particular IBO.

Official LifePharm Material

Literature, audio or video tapes, websites and other materials developed, printed, published and/or distributed by LifePharm to IBOs.

Personal Volume (PV)

The point value of products and services sold or personally consumed by an IBO in a calendar month used for bonus qualifications.

Rank

Once an IBO achieves a rank, he/she will always be "recognized" at the highest rank he/she has achieved even if he/she does not continue to meet the performance requirements for that rank. Having a rank is not a guarantee of any commission or bonuses as they relate to that rank. IBO must meet specific requirements for each rank in order to be paid on commissions and bonuses.

Recruit/Cross Recruit

For purposes of the LifePharm Conflict of Interest Policy (Section 3.4), the term "Recruit" means the actual or attempted enrollment, solicitation, encouragement or effort to influence either directly, indirectly or through a third party another LifePharm IBO or Customer to enroll or participate in another multilevel network marketing or direct sales opportunity.

Resalable

Products and sales aids shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) it is returned to LifePharm within one year from the date of purchase. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued or as a seasonal item shall not be deemed resaleable.

Retail Customer

An individual who purchases LifePharm products from an IBO but who is not a participant in the LifePharm Compensation Plan.

Retail Sales

Sales to a Retail Customer.

Sponsor

An IBO who enrolls a new person to become an IBO of the Company and is listed as the Enroller on the IBO Application & Agreement.

Termination of an Independent Business Owner's business.

Cancellation may be either voluntary or involuntary through non-renewal or inactivity.

Upline

This term refers to the IBO or IBOs above a particular IBO in an enrollment line up to the Company. Conversely stated, it is the line of enrollers that links any particular IBO to the Company.

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