



POLICIES AND PROCEDURES v1.0

1.0 INTRODUCTION

1.1 Mutual Commitment Statement

Pure Natures Design Inc. (“Pure Natures Design” or simply the “Company”) recognizes that in order to develop a long-term and mutually rewarding relationship with its distributors (“Brand Partners”) and retail customers (“Customers”), both the Company and its Brand Partners must acknowledge and respect the true nature of the relationship and ultimately pledge to support and service Customers.

- A. In the spirit of mutual respect and understanding, Pure Natures Design is committed to:
 - I. Providing prompt, professional and courteous service and communications to all of its Brand Partners and Customers;
 - II. Provide the highest level of quality products, at fair and reasonable prices;
 - III. Exchange or refund the purchase price of any products or services as provided in our *Return Policy*;
 - IV. Deliver orders promptly and accurately;
 - V. Pay commissions accurately and on a timely basis;
 - VI. Expedite orders or checks if an error or unreasonable delay occurs;
 - VII. Roll out new products and programs with Brand Partner input and planning;
 - VIII. Implement changes in the Compensation Plan or Policies and Procedures with input from Brand Partners;
 - IX. Support, protect and defend the integrity of the Pure Natures Design sales opportunity; and
 - X. Offer Brand Partners an opportunity to grow with the Company both personally and professionally.
- B. In return, the Company expects its Brand Partners will:
 - I. Conduct themselves in a professional, honest, and considerate manner;
 - II. Present Pure Natures Design corporate and product information in an accurate and professional manner;



- III. Present the Compensation Plan and Return Policy in a complete and accurate manner;
- IV. Not make exaggerated income claims;
- V. Make reasonable effort(s) to support and train Brand Partners and Customers in their downline;
- VI. Not engage in cross-line recruiting, unhealthy competition or unethical business practices;
- VII. Provide positive guidance and training to Brand Partners and Customers in their downline while exercising caution to avoid interference with other downlines. As such, a Brand Partner is discouraged from providing cross-line training to another Brand Partner or Customer in a different organization without first obtaining consent of that Brand Partner's or Customer's upline leader;
- IX. Support, protect, and defend the integrity of the Pure Natures Design sales opportunity;
- X. Accurately complete and submit the Brand Partner Agreement and any requested supporting documentation in a timely manner.

1.2 Company Policies and Compensation Plan Incorporated into the Brand Partner Application and Agreement

- A. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the Pure Natures Design Brand Partner Application & Agreement, these Policies and Procedures, and the Company Compensation Plan.
- B. It is the responsibility of the Sponsoring Brand Partner to provide the most current version of these Policies and Procedures (available at <https://xhlpnd.com/>) and the Company Compensation Plan to each applicant prior to his, her and/or its execution of a Brand Partner Agreement.

1.3 Purpose of Policies

- A. Pure Natures Design is a direct sales company that markets exceptional products through a network of business owners. To clearly define the relationship that exists between you and the Company, and to explicitly set a standard for acceptable business conduct, the Company now puts forth these Policies and Procedures.
- B. Brand Partners are required to comply with: (i) all of the Terms and Conditions set forth in the Brand Partner Application & Agreement, which the Company may amend from



time to time in its sole discretion; (ii) all federal, state, and/or local laws governing his, her and/or its Pure Natures Design business; and (iii) these Policies and Procedures.

- C. Brand Partners must review the information in these Policies and Procedures carefully. Should a Brand Partner have any questions regarding a policy or rule, he, she or it is encouraged to seek an answer from their Sponsor or any other upline Brand Partner. If further clarification is needed then the Brand Partner may contact the Company Customer Service Department.

1.4 Changes, Amendments, and Modifications

- A. Because federal, state, and local laws, as well as the business environment, periodically change, Pure Natures Design reserves the right to amend the Agreement and the prices in its Company Product Price List in its sole and absolute discretion. Notification of amendments shall appear in Official Company Materials. ***This provision does NOT apply to the arbitration clause found in Section 12, which can only be modified via mutual consent.***
- B. Any such amendment, change, or modification shall be effective immediately upon notice by one of the following methods:
 - I. Posting on the official Corporate website;
 - II. Electronic mail (e-mail); or
 - III. In writing through the Company newsletters or other Company communication channels.

1.5 Delays

Company shall not be responsible for delays or failures in performance of its obligations when such failure is due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, transportation difficulties, riot, war, fire, and/or weather, curtailment of a source of supply, or government decrees or orders.

1.6 Effective Date

These Policies and Procedures shall become effective as of April 10, 2020 (“Effective Date”), and at such time, shall automatically supersede any prior Policies and Procedures (the “Old Policies and Procedures”). On that date, the Old Policies and Procedures shall cease to have any force or effect.

2.0 BASIC PRINCIPLES

2.1 Becoming a Brand Partner



- A. To become a Brand Partner, an applicant must comply with the following requirements:
 - I. Be of the age of majority (not a minor) in his or her state of residence;
 - II. Reside or have a valid address in the United States or other approved territory;
 - III. Have a valid taxpayer identification number (i.e. Social Security Number, Federal Tax ID Number, ITIN, etc.);
 - IV. Submit a properly completed and signed Brand Partner Application & Agreement to the Company;
 - V. Not be a Pure Natures Design employee, the spouse of a company employee or related to a Company employee and living in the same household as such employee; and
 - VI. Purchase a Pure Natures Design Starter Kit at the time of enrollment.

2.2 New Brand Partner Registration

- A. A prospective Brand Partner may self-enroll on the Sponsor's website. In such event, instead of a physically signed Brand Partner Agreement, the Company will accept Brand Partner's enrollment and acceptance of the Agreement by way of the "electronic signature." The electronic signature signifies the new Brand Partner's acceptance of the Terms and Conditions of such Brand Partner Agreement. Please note that such electronic signature constitutes a legally binding agreement between you and the Company.
- B. The Company reserves the right to require signed paperwork for any account, regardless of origin.
- C. If requested, the Company must receive a signed Brand Partner Agreement within five (5) business days of enrollment.
- D. Signed documents, including but not limited to, Brand Partner Agreements, are legally binding contracts which must not be altered, tampered with or changed in any manner after they have been signed. False or misleading information, forged signatures or alterations to any document, including business registration forms, made after a document has been signed may lead to sanctions, up to and including involuntary termination of the Brand Partner's Pure Natures Design business.

2.3 Rights Granted



- A. Pure Natures Design hereby grants to you a non-exclusive right, based upon the Terms and Conditions contained in the Brand Partner Agreement and these Policies and Procedures, to:
 - I. Purchase Company products;
 - II. Promote and sell Company products; and
 - III. Sponsor new Brand Partners and Customers in the United States and in countries where Pure Natures Design may become established after the Effective Date of these Policies and Procedures.

2.4 Identification Numbers

- A. Each Brand Partner is required to provide his or her Social Security Number, or Federal Tax Identification Number, if located in the United States or any of its territories, to Pure Natures Design at the time of enrollment. The Company reserves the right to withhold commission payments from any Brand Partner who fails to provide such information or who provides false information.
- B. Upon enrollment, the Company will provide you with a Brand Partner Identification Number. This number will be used to place orders, structure organizations, and track commissions and bonuses.

2.5 Renewal, Involuntary Cancellation, and/or Expiration of the Distributor Agreement

- A. If you allow your Brand Partner Agreement to expire due to nonpayment of the annual renewal fee (\$39.00), you will lose any and all rights to your downline organization unless re-activation occurs within thirty (30) days following the expiration of the Agreement.
- B. If the inactive Brand Partner re-activates within the thirty (30) day-time limit, he, she or it will resume the rank and position held immediately prior to the expiration of the Agreement. However, a Brand Partner's paid as level will not be restored unless he, she and/or it (an entity) qualifies at that payout level in the new month. The Brand Partner is not eligible to receive commissions for the time period during which his, her or its business was expired.



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- C. Any Brand Partner who was terminated or whose Agreement has expired and lapsed the thirty (30) day grace period is not eligible to re-apply for a Company business for six (6) months following the expiration of the Brand Partner Agreement.
- D. The downline of the expired Brand Partner will roll up to the immediate, active upline Sponsor.

2.6 Business Entities

- A. A corporation, partnership, LLC, or trust (collectively referred to as a “Business Entity”) may apply to be a Pure Natures Design Brand Partner. This Brand Partner’s position will remain *temporary* until the proper documents are submitted. The Business Entity must submit one of the following documents: Certificate of Incorporation, Articles of Organization, Partnership Agreement or appropriate Trust documents. The Company must receive these documents within five (5) business days from the date the Brand Partner’s Agreement was signed.
- B. A Pure Natures Design Brand Partner may change their status under the same Sponsor from an individual to a partnership, LLC, corporation, trust or from one type of business entity to another.

2.7 Independent Business Relationship; Indemnification for Actions

- A. As a Pure Natures Design Brand Partner, you are an independent contractor and not a purchaser of a franchise or business opportunity. Therefore, your success depends entirely upon your own independent efforts.
- B. The Agreement between you and the Company does not create an employer/employee relationship, agency, partnership, or joint venture.
- C. You shall not be treated as an employee of Pure Natures Design for any purposes, including, without limitation, for federal or state tax purposes. All Brand Partners are responsible for paying local, state or federal taxes due from all compensation earned as a Brand Partner of Pure Natures Design. Any other compensation received by Brand Partners from the Company will be governed by applicable U.S. tax laws (or the tax laws of any other applicable jurisdiction). The Brand Partner has no express or implied authority to bind the Company to any obligation or to make any commitments by or on behalf of Pure Natures Design. Each Brand Partner, whether acting as management of a



Business Entity or represented as an individual, shall establish his or her own goals, hours, and methods of operation and sale, so long as he or she complies with the Terms of the Brand Partner Agreement, these Policies and Procedures and applicable state and federal laws.

- D. You are fully responsible for all of your verbal and written communications made regarding Pure Natures Design products, as well as the Compensation Plan, that are not expressly contained within official Company materials. Brand Partners shall indemnify and hold harmless Pure Natures Design, its directors, officers, employees, product suppliers and agents from any and against all liability including judgments, civil penalties, refunds, attorney fees and court costs incurred by the Company as a result of the Brand Partner's unauthorized representations or actions. This provision shall survive the termination of the Brand Partner Agreement.

2.8 Errors or Questions

If a Brand Partner has questions about, or believes any errors have been made regarding commissions, bonuses, business reports, orders, or charges, the Brand Partner must notify the Company in writing within thirty (30) days of the date of the error or incident in question. Any such errors, omissions or problems not reported within 30 days shall be deemed expressly waived.

3.0 RESPONSIBILITIES OF A NATURES PURE DESIGN BRAND PARTNER

3.1 Correct Addresses

- A. It is the responsibility of any Brand Partner or Customer to make sure the Company has the correct shipping address before any orders are shipped.
- B. A Brand Partner/Customer will need to allow up to thirty (30) days for processing after the notice of address change has been received by the Company.
- C. A Brand Partner/Customer may be assessed a \$20 fee for returned shipments due to an incorrect shipping address.

3.2 Training and Leadership

- A. Any Brand Partner who Sponsors another Brand Partner into Pure Natures Design must perform an authentic assistance and training function to ensure his or her downline is properly operating their Pure Natures Design business. Sponsoring Brand Partners should have ongoing contact and communication with those in their downline organizations. Examples of communication may include, but are not limited to, newsletters, written correspondence, telephone, contact, team calls, voicemail, e-mail, personal meetings, accompaniment of downline Brand Partners to Pure Natures Design meetings, training sessions and any other related functions.



- B. A Sponsoring Brand Partner should monitor those in his or her downline organizations to ensure that downline Brand Partners do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, such Brand Partner should be able to provide documented evidence to the Company of his or her ongoing fulfillment of Sponsor responsibilities.
- C. Upline Brand Partners are encouraged to motivate and train new Brand Partners about Company products and services, effective sales techniques, the Pure Natures Design Compensation Plan and compliance with the Company Policies and Procedures.
- D. Marketing product is a required activity in Pure Natures Design and must be emphasized in all recruiting presentations.
- E. We emphasize and encourage all Brand Partners to sell Company products and services to Customers.
- F. Use of Sales Aids. To promote both the products and the sales opportunity, Brand Partners must use the sales aids and support materials produced by the Company. If Brand Partners develop their own sales aids and promotional materials, which includes Internet advertising, notwithstanding any good intentions, they may unintentionally violate any number of statutes or regulations affecting the Pure Natures Design business. These violations, although they may be relatively few in number, could jeopardize the sales opportunity for all Brand Partners. Accordingly, Brand Partners must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for prior written approval before use. Unless the Brand Partner receives specific written approval to use the material, the request shall be deemed denied. All Brand Partners shall safeguard and promote the good reputation of the Company and its products. The marketing and promotion of Pure Natures Design, the Pure Natures Design opportunity, the Compensation Plan, and Company products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

3.3 Constructive Criticism; Ethics

- A. The Company desires to provide its independent Brand Partners with the best products and services and Compensation Plan in the industry. Accordingly, Pure Natures Design values constructive criticism and encourages the submission of written comments addressed to the Company Compliance Department.
- B. Negative and disparaging comments about Pure Natures Design, its products or Compensation Plan, by Brand Partners and made to the Company, in the field or at Company meetings or events, or disruptive behavior at Company meetings or events, serve no purpose other than to dampen the enthusiasm of other Pure Natures Design Brand Partners. Company Brand Partners must not belittle the Company, other Brand Partners, Company products or services, the Compensation Plan, or Corporate directors,



officers, or employees, product suppliers or agents. Such conduct represents a material breach of these Policies and Procedures and may be subject to sanctions as deemed appropriate by the Company.

- C. The Company is committed to providing Brand Partners with a work environment free from harassment, intimidation, and abuse from other Brand Partners, employees, vendors, and any other individuals in the workplace. At Pure Natures Design, harassment of any kind will not be tolerated and is strictly prohibited, such as: derogatory or threatening comments, inappropriate sexual behavior including but not limited to unwelcome sexual advances or requests for sexual favors, displaying visual images of a sexual nature, physical or verbal harassment, or violent behavior. Brand Partners are encouraged to report any type of harassment incidents immediately. Pure Natures Design will not tolerate acts or threats of violence and will investigate all reports. You have a responsibility to act when you are aware of a threat or risk to any of our employees.
- D. The Company endorses the following code of ethics:**
 - I. A Brand Partner must show fairness, tolerance, and respect to all people associated with Pure Natures Design, regardless of race, gender, social class or religion, thereby fostering a “positive atmosphere” of teamwork, good morale and community spirit.
 - II. A Brand Partner shall strive to resolve business issues, including situations with upline and downline Brand Partners, by emphasizing tact, sensitivity, good will and taking care not to create additional problems.
 - III. Brand Partners must be honest, responsible, professional and conduct themselves with integrity.
 - IV. Brand Partners shall not make disparaging statements about the Company, other Company Brand Partners, Company employees, product suppliers or agents, products, services, sales and marketing campaigns, or the Compensation Plan, or make statements that unreasonably offend, mislead or coerce others.
- E. The Company may take appropriate action against a Brand Partner if it determines, in its sole discretion, that a Brand Partner’s conduct is detrimental, disruptive, or injurious to the Company or to other Brand Partners.

3.4 Brand Partner Reporting Policy Violation

- A. A Brand Partner who observes a policy violation by another Brand Partner should submit a written and signed letter (e-mail will not be accepted) of the violation directly to the Pure Natures Design Corporate office. The letter shall set forth the details of the incident as follows:



- I. The nature of the violation and specific facts to support the allegations;
 - II. Dates and number of occurrences;
 - III. Persons involved; and
 - IV. Any other supporting documentation
- B. Once the matter has been presented to the Company, it will be researched thoroughly by the Compliance Department and appropriate action will be taken if required.
- C. This section refers to the general reporting of policy violations as observed by other Brand Partners for the mutual effort to support, protect, and defend the integrity of the Pure Natures Design business and its sales opportunity. If a Brand Partner has a grievance or complaint against another Brand Partner which directly relates to his or her Pure Natures Design business, the procedures set forth in these Policies must be followed.

3.5 Sponsorship

- A. The Sponsor is the person who introduces a Brand Partner or Customer to Pure Natures Design, helps them complete their enrollment, and supports and trains those in their downline.
- B. The Company recognizes the Sponsor as the name(s) shown on the first:
 - I. Physically signed Brand Partner Application and Agreement on file; or
 - II. Electronically signed Brand Partner Agreement from a website or a Pure Natures Design Brand Partner's website.
- C. A Brand Partner Agreement that contains notations such as "by phone" or the signatures of other individuals (i.e., Sponsors, spouses, relatives, or friends) is not valid and will not be accepted by Pure Natures Design.
- D. The Company recognizes that each new prospect has the right to ultimately choose his or her own Sponsor, but will not allow Brand Partners to engage in unethical sponsoring activities.
- E. All active Brand Partners in good standing have the right to Sponsor and enroll others into Pure Natures Design. While engaged in sponsoring activities, it is not uncommon to encounter situations when more than one Brand Partner will approach the same prospect. It is the accepted courtesy that the new prospect will be sponsored by the first



Brand Partner who presented a comprehensive introduction to Company products or the Pure Natures Design sales opportunity.

- F. A *Protected Prospect* is a guest of any Pure Natures Design Brand Partner or Customer who attended a Company event or conference call. For sixty (60) days following the event, a Protected Prospect cannot be solicited or sponsored by any other Company Brand Partner who attended the same event. A Company event can be defined as the following:
- I. Any Company training session;
 - II. Conference call;
 - III. Fly-in meeting; or
 - IV. Presentation, including but not limited to a Company at home presentation, whether sponsored by Pure Natures Design, a Brand Partner, a Customer, or an agent or agency designated by the Company.

3.6 Cross Sponsoring Prohibition

- A. “Cross sponsoring” is defined as the enrollment into a different line of sponsorship of an individual, or Business Entity, that already has a signed Brand Partner Agreement. Actual or attempted cross sponsoring is not allowed. If cross sponsoring is verified by Pure Natures Design, sanctions up to and including termination of a Brand Partner’s business may be imposed.
- B. The use of a spouse’s or relative’s name, trade names, assumed names, DBA names, corporation, partnership, trust, Federal ID numbers, or fictitious ID numbers to evade or circumvent this Policy is not permitted.
- C. This Policy does not prohibit the transfer of a Pure Natures Design business in accordance with the Company Sale or Transfer Policy set forth in these Policies.

3.7 Adherence to the Company Compensation Plan

- A. A Brand Partner must adhere to the Terms of the Company Compensation Plan as set forth in these Policies and Procedures as well as in official Company literature. Deviation from the Compensation Plan is prohibited.
- B. A Brand Partner shall not offer the Pure Natures Design sales opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Company literature.



- C. A Brand Partner shall not require or encourage a current or prospective Customer or Brand Partner to participate in Pure Natures Design in any manner that varies from the Compensation Plan as set forth in official Company literature.
- D. A Brand Partner shall not require or encourage a current or prospective Customer or Brand Partner to make a purchase from or payment to any individual or other entity as a condition to participating in the Pure Natures Design Compensation Plan, other than such purchases or payments required to naturally succeed.

3.8 Adherence to Laws and Ordinances

Many cities and counties have laws regulating certain home-based businesses. In most cases, these ordinances do not apply to Brand Partners because of the nature of the business. However, Brand Partners must check their local laws and obey the laws that do apply to them. A Pure Natures Design Brand Partner shall comply with all federal, state and local laws and regulations in their conduct of his or her Pure Natures Design business.

3.9 Compliance with Applicable Income Tax Laws

- A. Pure Natures Design will automatically provide a complete 1099 Miscellaneous Income Tax form (nonemployee compensation) to each US Brand Partner whose earnings for the year is at least \$600 or who has purchased more than \$5,000 of Company products for resale, or who received trips, prizes or awards valued at \$600 or more. If earnings and purchases are less than stated above, IRS forms will be sent only at the request of the Brand Partner, and a minimum charge of \$20 may be assessed by the Company.
- B. A Brand Partner accepts sole responsibility for and agrees to pay all federal, state and local taxes on any income generated as an independent Brand Partner, and further agrees to indemnify Pure Natures Design. from any failure to pay such tax amounts when due.
- C. If a Brand Partner's business is tax exempt, the Federal Tax Identification number must be provided to the Company in writing.
- D. The Company encourages all Brand Partners to consult with a tax advisor for additional information for their business.

3.10 One Pure Natures Design Business Per Brand Partner

A Brand Partner may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one (1) Pure Natures Design business. No individual may have, operate or receive compensation from more than one Pure Natures Design business. Individuals of the same family unit may each enter into or have an interest in their own separate Pure Natures Design business, only if each subsequent family position is placed frontline to



the first family member enrolled. A “family unit” is defined as Spouses and dependent children living at or doing business at the same address.

3.11 Actions of Household Members or Affiliated Parties

If any member of a Brand Partner’s immediate household engages in any activity which, if performed by the Brand Partner, would violate any provision of the Agreement, such activity will be deemed a violation by the Brand Partner and the Company may take disciplinary action pursuant to these Policies and Procedures against the Brand Partner. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively “Business Entity”) violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and the Company may take disciplinary action against the Business Entity. Likewise, if a Brand Partner enrolls in Pure Natures Design 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.

3.12 Solicitation for Other Companies or Products

- A. A Brand Partner may participate in other direct sales, multilevel, network marketing or relationship marketing business ventures or marketing opportunities. However, during the Term of this Agreement and for one (1) year thereafter, the Brand Partner may not recruit any Pure Natures Design Brand Partner or Customer for any other direct sales or network marketing business, unless that Brand Partner or Customer was personally sponsored by such Brand Partner.
- B. The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way (either directly or through a third party), another Brand Partner or Customer to enroll or participate in any direct sales or network marketing opportunity. This conduct represents recruiting even if the Brand Partner’s actions are in response to an inquiry made by another Brand Partner or Customer.
- C. However, you may sell *non-competing* products or services to Pure Natures Design Customers and Brand Partners. Specifically, a non-competing company is defined as a Network Marketing company that does NOT sell any health and wellness, weight loss, nutraceutical, CBD or Hemp-based products.
 - I. Due to the visibility of our higher-ranking Brand Partners, Pure Natures Design Brand Partners at the rank of **25K Pure** or above agree not to participate in **any** Network Marketing or party plan company, regardless if the company sells competing products or not.
- D. A Brand Partner may not display or bundle Pure Natures Design products, in sales literature, on a website or in sales meetings, with any other products or services to avoid confusing or misleading a prospective Customer or Brand Partners into believing there is a relationship between the Company and non-Pure Natures Design products.



- E. A Brand Partner may not offer any non-Pure Natures Design opportunity or products any Company-related meeting, seminar or convention, or immediately following a Company event.
- F. A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between the Company and its Brand Partners and would inflict irreparable harm on Pure Natures Design. In such event, the Company may, at its sole discretion, impose any sanction it deems necessary and appropriate against such Brand Partner or his/her/its business, including but not limited to termination, or seek immediate injunctive relief without the necessity of posting a bond.

3.13 Presentation of the Pure Natures Design Sales Opportunity

- A. In presenting the Pure Natures Design sales opportunity to potential Customers and Brand Partners, you are required to comply with the following provisions as a Brand Partner:
 - I. You shall not misquote or omit any significant material fact about the Compensation Plan.
 - II. You shall make it clear that the Compensation Plan is based upon sales of Company products and services and upon the sales of Company products and services of those in your downline.
 - III. You shall make it clear that success can be achieved only through substantial independent efforts.
 - IV. You shall not make unauthorized income projections, claims, or guarantees while presenting or discussing the Pure Natures Design sales opportunity or Compensation Plan to prospective Customers or Brand Partners.
 - V. You may not make any claims regarding products or services of any products offered by Pure Natures Design except those contained in official Company literature.
 - VI. You may not use official Company material to promote the Pure Natures Design sales opportunity in any country where the Company has not established a “presence.”
 - VII. In an effort to conduct best business practices, the Company has developed the Income Disclaimer Statement (“IDS”). The Pure Natures Design IDS is designed to convey truthful, timely, and comprehensive information regarding the income that Company Brand Partners earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective Brand Partner.



A copy of the IDS must be presented to a prospective Brand Partner anytime the Compensation Plan is presented or discussed, or any type of income claim or earnings representation is made.

The terms “income claim” and/or “earnings representation” (collectively “income claim”) includes any of the following: (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of “statements of non-average earnings” include, “Our number one Brand Partner earned over a million dollars last year” or “Our average-ranking Brand Partner makes five thousand per month.” An example of a “statement of earnings ranges” is “The monthly income for our higher-ranking Brand Partners is ten thousand dollars on the low end to thirty thousand dollars a month on the high end.”

3.14 Sales Requirements are Governed by the Compensation Plan

- A. Brand Partners may purchase Company products and then re-sell them at any price they choose unless otherwise specified by Pure Natures Design or by any/its product suppliers on a per product basis. The Company will provide suggested selling prices. There are no exclusive territories granted to anyone. No franchise fees are applicable to a Pure Natures Design business.
- B. The Pure Natures Design program is built on sales to the ultimate consumer. The Company encourages its Brand Partners to only purchase inventory that they and their family will personally consume, will be used as a sales tool, or will be resold to others for their ultimate consumption. Brand Partners must never attempt to influence any other Brand Partner to buy more products than they can reasonably use or sell to Customers in a month.
- C. ***Purchasing product solely for the purpose of collecting bonuses or achieving rank is prohibited.*** Pure Natures Design retains the right to limit the amount of purchases you may make if, in our sole judgment, we believe those purchases are being made solely for qualification purposes instead of for consumption or resale.

4.0 ORDERING

4.1 General Order Policies

- A. “Bonus Buying” is strictly and absolutely prohibited. Bonus Buying includes any of the following: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Agreement by such individuals or Business Entities; (b) the fraudulent enrollment of an individual or entity as a Brand Partner or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or Business Entities as Brand Partners or Customers (“phantoms”); (d) purchasing Company products or services on



behalf of another Brand Partner or Customer, or under another Brand Partner's or Customer's ID number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of products or services that cannot reasonably be used or resold in a month; and/or (f) any other 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.

A Brand Partner shall not use another Brand Partner's or Customer's credit card or debit checking account to enroll in Pure Natures Design or purchase products without the account holder's *written permission*. Such documentation must be kept by the Brand Partner indefinitely in case the Company needs to reference this.

- B. Regarding an order with an invalid or incorrect payment, Pure Natures Design will attempt to contact the Brand Partner by phone, mail or e-mail in order to obtain another form of payment. If these attempts are unsuccessful after five (5) business days, the order will be canceled.
- C. If a Brand Partner wants to move an order to another Brand Partner's position, he or she must have prior authorization, of all parties involved. The Company will charge the Brand Partner a \$20 fee for processing.
- D. Prices are subject to change without notice.
- E. A Brand Partner or Customer who is a recipient of a damaged or incorrect order must notify the Company within thirty (30) calendar days from receipt of the order and follow the Procedures as set forth in these Policies.

4.2 Insufficient Funds

- A. All checks returned for insufficient funds will be re-submitted for payment. A \$35 fee will be charged to the account of the Brand Partner or Customer for all returned checks and insufficient funds.
- B. Any outstanding balance owed to the Company by a Brand Partner or Customer of the Brand Partner from NSF (non-sufficient funds) checks, returned check fees or insufficient fund fees (ACH) will be withheld by the Company from a Brand Partner's future bonus and commission checks.
- C. All transactions involving returned checks or insufficient funds through ACH or credit card, which are not resolved in a timely manner by the Brand Partner, constitute grounds for disciplinary sanctions.
- D. If a credit card order or automatic debit is declined the first time, the Customer or Brand Partner will be contacted for an alternate form of payment. If payment is declined a



second time, the Customer or Brand Partner may be deemed ineligible to purchase Company products or services.

4.3 Sales Tax Obligation

- A. The Brand Partner shall comply with all state and local taxes and regulations governing the sale of Pure Natures Design products.
- B. Pure Natures Design will collect and remit sales tax on Brand Partner orders unless a Brand Partner furnishes the Company with the appropriate Resale Tax Certificate form. When orders are placed with the Company, sales tax is prepaid based upon the suggested retail price. Pure Natures Design will remit the sales tax to the appropriate state and local jurisdictions. The Brand Partner may recover the sales tax when he or she makes a sale. Brand Partners are responsible for any additional sales taxes due on products marked up and sold at a higher price.
- C. Pure Natures Design encourages each Brand Partner to consult with a tax advisor for additional information for his or her business.

5.0 PAYMENT OF COMMISSIONS & BONUSES

5.1 Bonus and Commission Qualifications

- A. A Brand Partner must be active and in compliance with the Company Policies and Procedures and the Compensation Plan to qualify for bonuses and commissions. So long as a Brand Partner complies with the Terms of the Agreement, the Company shall pay commissions to such Brand Partner in accordance with the Compensation Plan. Commissions, bonuses, overrides and achievement levels are calculated each month.
- B. Pure Natures Design will not issue a payment to a Brand Partner without the receipt of a completed and signed Brand Partner Agreement or Electronic Authorization.
- C. The Company reserves the right to postpone bonus and commission payments until such time the cumulative amount exceeds \$25.
- D. A Brand Partner must review his, her or its monthly statement and bonus/commission reports promptly and report any discrepancies within thirty (30) days of receipt. The failure to report discrepancies within this thirty-day “grace period” means the Brand Partner effectively waives any right to commissions recalculation(s).
- E. For additional information on payment of commissions, please review the Compensation Plan.

5.2 Adjustments to Bonuses and Commissions for Returned Products



- A. A Brand Partner receives bonuses and commissions based on the actual sales of products and services to end consumers and to Brand Partners through product and service purchases. When a product or service is returned to the Company for a refund from the end consumer, the bonuses and commissions attributable to the returned product or service will be deducted from the Brand Partner who received bonuses or commissions on such sales. Deductions will occur in the month in which the refund is given and continue every pay period thereafter until the bonus/and or commission is recovered.
- B. In the event that a Brand Partner terminates his or her business, and the amounts of the bonuses or commissions attributable to the returned products or services have not yet been fully recovered by the Company, the remainder of the outstanding balance may be offset against any other amounts that may be owed by to the terminated Brand Partner.

6.0 SATISFACTION GUARANTEED AND RETURN OF SALES AIDS

Pure Natures Design offers a one hundred percent (100%) ninety-day money back guarantee for all Customers. If a Customer purchased a product or service and is not satisfied with the product or service, the Customer may request a refund from their Brand Partner. If you as a Brand Partner are not 100% satisfied with our products, you may return the items for a refund if: (i) neither you nor we have terminated the Agreement; (ii) the products or services were purchased within twelve (12) months; and (iii) the products remain in resalable condition (as defined in the Glossary of Terms). The refund shall be ninety percent (90%) of the purchase price. Shipping and handling charges incurred will not be refunded.

Upon cancellation of the Agreement, the Brand Partner may return all generic sales aids purchased within one (1) year from the date of cancellation for a refund if he or she is unable to sell or use the merchandise. A Brand Partner may only return sales aids he or she personally purchased from the Company under his or her Brand Partner Identification Number, and which are in Resalable Condition. Any custom orders of printed sales aids (i.e. business cards, brochures, etc.) whereon the Brand Partner's contact information is imbedded or hard printed, or has been added by the Brand Partner, are not able to be returned in resalable condition thus are nonrefundable. Upon the Company's receipt of the products and sales aids, the Brand Partner will be reimbursed ninety percent (90%) of the net cost of the original purchase price(s), less shipping and handling charges. If the purchases were made through a credit card, the refund will be credited back to the same credit card account. The Company shall deduct from the reimbursement paid to the Brand Partner any commissions, bonuses, rebates or other incentives received by the Brand Partner which were associated with the merchandise that is returned.

6.1 Return Process

- A. All returns, whether by a Customer or Brand Partner, must be made as follows:
 - I. Obtain Return Merchandise Authorization ("RMA") from the Company;



- II. Ship items to the address provided by the Company Customer Service Department when you are given your RMA.
 - III. Provide a copy of the invoice with the returned products or service. Such invoice must reference the RMA and include the reason for the return.
 - IV. Ship back product in manufacturer's box exactly as it was delivered.
- B. All returns must be shipped to the Company pre-paid, as the Company does not accept shipping collect packages. Pure Natures Design recommends shipping returned product by UPS or FedEx with tracking and insurance as risk of loss or damage in shipping of the returned product shall be borne solely by the Customer or Brand Partner. If returned product is not received at the Company Distribution Center, it is the responsibility of the Customer/Brand Partner to trace the shipment and no credit will be applied.
- C. The return of \$299.00 or more of products accompanied by a request for a refund within a calendar year, by a Brand Partner, may constitute grounds for involuntary termination.

7.0 PRIVACY POLICY

7.1 Introduction

This Privacy Policy is to ensure that all Customers and Brand Partners understand and adhere to the basic principles of confidentiality. For more information on the privacy practices of Pure Natures Design, please refer to the Company Privacy Policy found at the bottom of the webpage.

7.2 Expectation of Privacy

- A. The Company recognizes and respects the importance its Customers and Brand Partners place on the privacy of their financial and personal information. As such, the Company makes reasonable efforts to safeguard the privacy of, and maintain the confidentiality of its Customers' and Brand Partners' financial and account information and nonpublic personal information.
- B. By entering into the Brand Partner Agreement, you authorize Pure Natures Design to your name and contact information to uplines Brand Partners solely for activities related to the furtherance of the Pure Natures Design business. A Brand Partner hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing his or her downline organization and conducting Pure Natures Design business.

7.3 Employee Access to Information

The Company limits the number of employees who have access to Customers' and Brand Partners' nonpublic personal information.



7.4 Restrictions on the Disclosure of Account Information

Pure Natures Design will not share non-public personal information or financial information about current or former Customers or Brand Partners with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Customers' or Brand Partners' interests or to enforce its rights or obligations under these Policies and Procedures, or Brand Partner's Agreement or with written permission from the accountholder on file.

8.0 PROPRIETARY INFORMATION AND TRADE SECRETS

8.1 Business Brand Partner Reports, Lists, and Proprietary Information

By completing and signing the Pure Natures Design Brand Partner Agreement, the Brand Partner acknowledges that Business Brand Partner reports, lists of Customer and Brand Partner names and contact information and any other information, which contain financial, scientific or other information both written or otherwise circulated by Pure Natures Design pertaining to the business of Pure Natures Design (collectively, "Brand Partner Reports"), are confidential and proprietary information and trade secrets belonging to Pure Natures Design.

8.2 Obligation of Confidentiality

- A. During the Term of the Brand Partner Agreement and for a period of five (5) years after the termination or expiration of the Agreement between you and Pure Natures Design you shall not:
 - I. Use the information in the Brand Partner Reports to compete with Pure Natures Design or for any purpose other than promoting your Pure Natures Design business;
 - II. Use or disclose to any person or entity any confidential information contained in the Brand Partner Reports, including the replication of the genealogy in another network marketing company.

8.3 Breach and Remedies

The Brand Partner acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to the Company and to independent Pure Natures Design business. The Company and its Brand Partner will be entitled to injunctive relief or to recover damages against any Brand Partner who violates this provision in any action to enforce its rights under this section. The prevailing party shall be entitled to an award of attorney's fees, court costs and expenses.

8.4 Return of Materials



Upon demand by the Company, any current or former Brand Partner will return the original and all copies of all “Brand Partner Reports” to Pure Natures Design together with any Company confidential information in such person’s possession.

9.0 ADVERTISING, PROMOTIONAL MATERIAL, USE OF COMPANY NAMES AND TRADEMARKS

9.1 Labeling, Packaging, and Displaying Products

- A. A Pure Natures Design Brand Partner may not re-label, re-package, refill, or alter labels of any Company product, or service, information, materials or program(s) in any way. Pure Natures Design products must only be sold in their original containers from the Company. Such re-labeling or re-packaging violates federal and state laws, which may result in criminal or civil penalties or liability.
- B. A Pure Natures Design Brand Partner shall not cause any Company product or service or any Company trade name to be sold or displayed in retail establishments except:
 - I. Where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor’s offices, clinics, health clubs, spas and beauty salons);
 - II. Where the retail establishment is owned or managed by the Brand Partner and the store does not exceed \$1 million in annual gross revenue, and there are 5 or fewer stores under common ownership of management.
- C. Pure Natures Design will permit Brand Partners to solicit and make Commercial Sales upon *prior written approval* from the Company. For the purpose of these Policies and Procedures, the term “Commercial Sale” means the sale of:
 - I. Company products that equal or exceed \$5,000 in a single order;
 - II. Products sold to a third party who intends to resell the products to an end consumer.
- D. A Brand Partner may sell Company products and services and display the Company trade name at any appropriate display booth (such as trade shows) upon *prior written approval* from Pure Natures Design.
- E. The Company reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its products and services, or the Company opportunity.

9.2 Use of Company Names and Protected Materials



- A. A Pure Natures Design Brand Partner must safeguard and promote the good reputation of Pure Natures Design and the products and services it markets. The marketing and promotion of the Company, the Pure Natures Design sales opportunity, the Compensation Plan, and Company products and services will be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct and practices.
- B. All promotional materials supplied or created by the Company must be used in their original form and cannot be changed, amended or altered except with prior written approval from the Company Compliance Department.
- C. The name of Pure Natures Design, each of its product name and other names that have been adopted by the Company in connection with its business are proprietary trade names, trademarks and service marks of Pure Natures Design, Inc. As such, these marks are of great value to the Company and are supplied to Brand Partners for their use only in an expressly authorized manner.
- D. A Pure Natures Design Brand Partner's use of the name "Pure Natures Design, Inc." is restricted to protect the Company proprietary rights, ensuring that the Company protected names will not be lost or compromised by unauthorized use. Use of the Company name on any item not produced by the Company is prohibited except as follows:
 - I. [Brand Partner's name] Independent Pure Natures Design Brand Partner
 - II. [Brand Partner's name] Independent Brand Partner of Pure Natures Design products and services.
- E. Further procedures relating to the use of the Company name are as follows:
 - I. All stationary (i.e. letterhead, envelopes, and business cards) bearing the Pure Natures Design name or logo intended for use by the Brand Partner must be approved in writing by the Company Compliance Department.
 - II. Brand Partners may list "Independent Pure Natures Design Brand Partner" or "Pure Natures Design Brand Partner" in the white pages of the telephone directory under his or her own name.
 - III. Pure Natures Design Brand Partners may not use the name "Pure Natures Design, Inc." or "Pure Natures Design" in answering his or her telephone, creating a voice message or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "Pure Natures Design Brand Partner."



- F. Certain photos and graphic images used by the Company in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to Brand Partners. If a Brand Partner wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.
- G. A Brand Partner shall not appear on or make use of television or radio, or make use of any other media to promote or discuss the Company or its programs, products or services without prior written permission from the Company Compliance Department.
- H. A Brand Partner may not produce for sale or distribution any Company event or speech, nor may a Brand Partner reproduce Company audio or video clips for sale or for personal use without prior written permission from the Company Compliance Department.
- I. Pure Natures Design reserves the right to rescind its prior approval of any sales aid or promotional material to comply with changing laws and regulations and may request the removal from the marketplace of such materials without financial obligation to the affected Brand Partner.
- J. A Brand Partner shall not promote non-Pure Natures Design products or services in conjunction with Company products or services on the same websites or same advertisement without prior approval from the Company Compliance Department.
- K. Claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Pure Natures Design may not be made except those contained in official Company literature. ***In particular, no Brand Partner may make any claim that Company products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases.*** Such statements can be perceived as medical or drug claims. Not only do such claims violate Company policies, but also they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

9.3 Faxes and E-mail Limitations

- A. Except as provided in this section, a Brand Partner may not use or transmit unsolicited faxes, email, mass email distribution, or “spamming” that advertises or promotes the operation of his or her Pure Natures Design business. The exceptions are:
 - I. Faxes or e-mailing any person who has given prior permission or invitation;
 - II. Faxing or e-mailing any person with whom the Brand Partner has established a prior business or personal relationship.
- B. In all states where prohibited by law, a Brand Partner may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer or other device),



an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.

- C. All faxes, e-mail or computer broadcasted documents subject to this provision shall include each of the following:
 - I. A clear and obvious identification that the fax or e-mail message is an advertisement or solicitation. The words “advertisement” or “solicitation” should appear in the subject line of the message;
 - II. A clear return path or routing information;
 - III. The use of legal and proper domain name;
 - IV. A clear and obvious notice of the opportunity to decline to receive further commercial facsimile or e-mail messages from the sender;
 - V. Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
 - VI. The true and correct name of the sender, valid senders fax or e-mail address, and a valid sender physical address;
 - VII. The date and time of the transmission;
 - VIII. Upon notification by recipient of his or her request not to receive further faxed or e-mailed documents, a Brand Partner shall not transmit any further documents to that recipient.
- D. All e-mail or computer broadcasted documents subject to this provision shall not include any of the following:
 - I. Use of any third party domain name without permission;
 - II. Sexually explicit materials.

9.4 Internet and Third-Party Website Restrictions

- A. A Brand Partner may not use or attempt to register any of the Company’s trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Company’s name or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, e-mail addresses, web pages, or blogs.



- B. A Brand Partner may not sell Pure Natures Design products or offer the Pure Natures Design sales opportunity using “online auctions,” such as eBay®.
- C. All Brand Partners may have one (1) approved third-party website. A third-party website is a Pure Natures Design-approved personal website that is hosted on non-Company servers and has no affiliation with Pure Natures Design. Any Brand Partner who wishes to develop their own third-party website must submit a properly completed third-party website Application and Agreement along with the proper website registration fee and receive the Company’s prior written approval before going live with their third-party website. Third-party websites may be used to promote your business and Company products so long as the third-party website adheres to the Company’s advertising policies. Moreover, no orders may be placed through third-party websites, and no enrollments may occur through a third-party website. If you wish to use any third-party website, you must do the following:
 - a. Identify yourself as a Brand Partner for Pure Natures Design;
 - b. Use only the approved images and wording authorized by the Company;
 - c. Adhere to the branding, trademark, and image usage policies described in this document.
 - d. Adhere to any other provision regarding the use of a third-party website described in this document;
 - e. Agree to give the Compliance Department access to the third-party website and, if the website is password protected, the Compliance Department must receive passwords or credentials allowing unlimited access.
 - f. Agree to modify your website to comply with current or future Company policies.
- D. All marketing materials used on a Brand Partner’s third-party website must be provided by the Company or approved in writing by the Company.
- E. To avoid confusion, the following three elements must also be prominently displayed at the top of every page of your third-party website:
 - 1. The Pure Natures Design Brand Partner Logo
 - 2. Your Name and Title
 - 3. Pure Natures Design Corporate Website Redirect Button
- F. A Brand Partner may not use third-party sites that contain materials copied from corporate sources (such as Company brochures, CDs, videos, tapes, events, presentations, and corporate websites). This Policy ensures brand consistency, allows Customers and Brand Partners to stay up-to-date with changing products, services and information, facilitates enrollment under the correct Sponsor, and assists in compliance with government regulations.



- G. Company products may be displayed with other products or services on a Brand Partner's third-party website so long as the other products and services are consistent with Pure Natures Design values and are not marketed or sold by a competing network-marketing company.
- H. If the independent Pure Natures Design business of a Brand Partner who has received authorization to create and post a third-party website is voluntarily or involuntarily canceled for any reason, or if the Company revokes its authorization allowing the Brand Partner to maintain a third-party website, the Brand Partner shall assign the URL to his/her third-party website to the Company within three (3) days from the date of the cancellation and/or re-direct all traffic to the site as directed by the Company. The Company reserves the right to revoke any Brand Partner's right to use a third-party website at any time if the Company believes that such revocation is in the best interest of the Company, its Brand Partners, and Customers. Decisions and corrective actions in this area are at the Company's sole discretion.
- I. Social Media sites may not be used to sell or offer to sell Company products or services. **PROFILES A BRAND PARTNER GENERATES IN ANY SOCIAL COMMUNITY WHERE NATURES PURE DESIGN IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE BRAND PARTNER AS A NATURES PURE DESIGN BRAND PARTNER**, and when a Brand Partner participates in those communities, Brand Partners must avoid inappropriate conversations, comments, images, video, audio, applications or any other adult, profane, discriminatory or vulgar content. The determination of what is inappropriate is at the Company's sole discretion, and offending Brand Partners will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the Company approved library. If a link is provided, it must link to the posting Brand Partner's replicated website or an approved third-party website.
- J. Anonymous postings or use of an alias on any Social Media site is prohibited, and offending Brand Partners will be subject to disciplinary action.
- K. Brand Partners may not use blog spam, spamdexing or any other mass-replicated methods to leave blog comments. Comments Brand Partners create or leave must be useful, unique, relevant and specific to the blog's article.
- L. Brand Partners must disclose their full name on all Social Media postings, and conspicuously identify themselves as an independent Brand Partner for Pure Natures Design. Anonymous postings or use of an alias is prohibited.
- M. Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the Company income opportunity, The Company's products and services, and/or your biographical information and credentials.



- N. Brand Partners are personally responsible for their postings and all other online activity that relates to Pure Natures Design. Therefore, even if a Brand Partner does not own or operate a blog or Social Media site, if a Brand Partner posts to any such site that relates to the Company or which can be traced to the Company, the Brand Partner is responsible for the posting. Brand Partners are also responsible for postings which occur on any blog or Social Media site that the Brand Partner owns, operates, or controls.
- O. As a Brand Partner, it is important to not converse with any person who places a negative post against you, other Brand Partners, or Pure Natures Design. Responding to such negative posts often simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as the Company, and therefore damages the reputation and goodwill of Pure Natures Design.
- P. The distinction between a Social Media site and a website may not be clear-cut, because some Social Media sites are particularly robust, the Company therefore reserves the sole and exclusive right to classify certain Social Media sites as third-party websites and require that Brand Partners using, or who wish to use, such sites adhere to the Company's policies relating to third-party websites.
- Q. If your Pure Natures Design business is cancelled for any reason, you must discontinue using the Company name, and all of Pure Natures Design's trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that you utilize. If you post on any Social Media site on which you have previously identified yourself as an independent Pure Natures Design Brand Partner, you must conspicuously disclose that you are no longer an independent Pure Natures Design Brand Partner.
- R. Failure to comply with these Policies for conducting business online may result in the Brand Partner losing their right to advertise and market Company products, services and Company's business opportunity online in addition to any other disciplinary action available under the Policies and Procedures.

9.5 Advertising and Promotional Materials

- A. You may not advertise any Company products or services at a price LESS than the highest company published, established retail price of ONE offering of the Company product or service plus shipping, handling and applicable taxes. No special enticement advertising is allowed. This includes, but is not limited to, offers of free Pure Natures Design business, free shipping, or other such offers that grant advantages beyond those available through the Company.
- B. Advertising and all forms of communications must adhere to principles of honesty and propriety.



- C. All advertising, including, but not limited to, print, Internet, computer bulletin boards, television, radio, etc., are subject to prior written approval by the Company Compliance Department.
- D. All requests for approvals with respect to advertising must be directed in writing to the Company Compliance Department.
- E. Pure Natures Design approval is not required to place blind ads that do not mention the Company, its employees, any of its products, services, designs, symbols, programs, and trademarked, copyrighted, or otherwise protected materials.
- F. Pure Natures Design reserves the right to rescind its prior approval of submitted advertising or promotional materials in order to comply with changing laws and regulations, and may require the removal of such advertisements from the marketplace without obligation to the affected Brand Partner.

9.6 Testimonial Permission

By signing the Pure Natures Design Brand Partner Agreement, a Brand Partner gives the Company permission to use his or her testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio and video. In consideration of being allowed to participate in the Pure Natures Design sales opportunity, a Brand Partner waives any right to be compensated for the use of his or her testimonial or image and likeness even though Pure Natures Design may be paid for items or sales materials containing such image and likeness. In some cases, a Brand Partner's testimonial may appear in another Brand Partner's advertising materials. If a Brand Partner does not wish to participate in Pure Natures Design sales and marketing materials, he or she should provide a written notice to the Company Compliance Department to ensure that his or her testimonial or image and likeness will not be used in any corporate materials, corporate recognition pieces, advertising or recordings of annual events.

9.7 Telemarketing - Limitations

- A. A Brand Partner must not engage in telemarketing in relation to the operation of his or her Pure Natures Design business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of Company products or services, or to recruit them for the Pure Natures Design sales opportunity.
- B. The Federal Trade Commission ("FTC") and the Federal Communications Commission ("FCC") 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.
- C. While a Brand Partner may not consider himself or herself a "telemarketer" in the traditional sense, these regulations broadly define the term "telemarketer" and "telemarketing" so that the unintentional action of calling someone whose telephone



number is listed on the Federal “Do Not Call” registry could cause the Brand Partner to violate the law. These regulations must not be taken lightly, as they carry significant penalties (up to \$11,000 per violation).

- D. “Cold calls” or “state-to-state calls” made to prospective Customers or Brand Partners that promote either Pure Natures Design products, services or the Pure Natures Design opportunity is considered telemarketing and is prohibited.
- E. Exceptions to Telemarketing Regulations

A Pure Natures Design Brand Partner may place telephone calls to prospective Customers or Brand Partner under the following limited situations:

- I. If the Brand Partner has an established business relationship with the prospect;
 - II. In response to the prospect’s personal inquiry or application regarding a product or service offered by the Brand Partner, within three (3) months immediately before the date of such a call;
 - III. If the Brand Partner receives written and signed permission from the prospect authorizing the Brand Partner to call;
 - IV. If the call is to family members, personal friends, and acquaintances. However, if a Brand Partner makes a habit of collecting business cards from everyone he/she meets and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption; and
 - V. Brand Partners engaged in calling “acquaintances,” must make such calls on an occasional basis only and not as a routine practice.
- F. A Brand Partner shall not use automatic telephone dialing systems in the operation of his or her Pure Natures Design business.
 - G. Failure to abide by Pure Natures Design policies or regulations as set forth by the FTC and FCC regarding telemarketing may lead to sanctions against the Brand Partner’s business, up to and including termination of the business.
 - H. By signing the Brand Partner Agreement, or by accepting commission checks, other payments or awards from Pure Natures Design, a Brand Partner gives permission to the Company and other Brand Partners to contact them as permitted under the Federal Do Not Call regulations.
 - I. In the event a Brand Partner violates this section, the Company reserves the right to institute legal proceedings to obtain monetary or equitable relief.

10.0 CHANGES TO A BRAND PARTNER’S BUSINESS



10.1 Modification of the Brand Partner Agreement

A Brand Partner may modify his or her existing Brand Partner Agreement (i.e., change a social security number to a Federal ID number, add a spouse or partner to the account, or change the form of ownership from an individual to a Business Entity owned by the Brand Partner) by submitting a written request, accompanied by a new Brand Partner Agreement and the Business Registration Form, if applicable, completed with fresh signatures (not a “crossed out” or “white-out” version of the first Agreement), and any appropriate supporting documentation.

10.2 Change Sponsor or Placement for Active Brand Partners

- A. Maintaining the integrity of the organizational structure is mandatory for the success of the Company and our independent Brand Partners. As such, under exceptional circumstances at the discretion of the Company, a request to change placement may only be made within the first 30 days of initial enrollment as a Brand Partner. Furthermore, such changes may only occur within the same organization.
- B. Sponsors may make “Placement changes” from one Brand Partner to another for personally Sponsored (frontline) Brand Partners during the first 30 days of enrollment.
- C. New Brand Partners or their original Sponsor may request a change of Sponsor or Placement within the first 30 days of enrollment for the purpose of structuring an organization. The new Brand Partner Agreement must be received within the calendar month for commission calculations to be effective with the requested change.
- D. To change or correct the Sponsor, a Brand Partner must comply with following procedures:
 - I. Submit a Sponsor Placement Transfer Form;
 - II. Submit a Brand Partner Agreement showing the correct Sponsor and Placement, and any appropriate supporting documentation;
 - III. The Brand Partner Agreement must be a new, completed document bearing “fresh” signatures, not a “crossed-out” or “white-out” version of the first Agreement.
- E. Upon approval, the Brand Partner’s downline, if any, will transfer with the Brand Partner.
- F. If one transfer has already been made a \$20 fee will be assessed for the second and for each transfer thereafter.



- G. After the first 30 days from initial enrollment, the Company will honor the Sponsor/Placement as shown:
 - I. On the most recently signed Brand Partner Agreement on file; or
 - II. Self-enrolled on the website (i.e., electronically signed web Agreement).
- H. The Company retains the right to approve or deny any requests to change Sponsor or Placement, and to correct any errors related thereto at any time and in whatever manner it deems necessary.

10.3 Change Sponsor or Placement for Inactive Brand Partners

- A. At the discretion of the Company, Brand Partners who neither sold nor ordered products or services for at least twelve (12) months, and who have not tendered a letter of resignation, are eligible to re-enroll in the Company under the Sponsor/Placement of their choice.
- B. Upon written notice to the Company that a former Brand Partner wishes to re-enroll, Pure Natures Design will “compress” (close) the original account. A new Company ID number will then be issued to the former Brand Partner.
- C. Such Brand Partner does not retain former rank, downline, or rights to commission checks from his or her former organizations.
- D. Pure Natures Design reserves the right to correct Sponsor or Placement errors at any time and in whatever manner it deems necessary.

10.4 Change Organizations

- A. If a Brand Partner wishes to transfer organizations, he or she must submit a letter of resignation to the Company Customer Service Department and remain inactive (place no orders nor sell any products) with or in the Company for six (6) months from the receipt of the letter before being eligible to re-enroll under a different Sponsor/Placement.
- B. Pure Natures Design retains the right to approve or deny any request to re-enroll after a Brand Partner’s resignation.
- C. If re-enrollment is approved, the former Brand Partner will be issued a new Company ID number and will be required to submit a new Brand Partner Agreement. The Brand Partner will not be entitled to keep any former rank, downline, or rights to commission checks from any prior organization.
- D. Transfers may not be done outside of the original organization.



10.5 Unethical Sponsoring

- A. Unethical sponsoring activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition in trying to acquire a prospect or new Brand Partner from another Brand Partner or influencing another Brand Partner to transfer to a different sponsor.
- B. Allegations of unethical sponsoring must be reported in writing to the Company Compliance Department within the first 90 days of enrollment. If the reports are substantiated, the Company may transfer the Brand Partner or the Brand Partner's downline to another sponsor, Placement or organization without approval from the current up-line Sponsor or Placement Brand Partners. Pure Natures Design remains the final authority in such cases.
- C. The Company prohibits the act of "Stacking." Stacking is the unauthorized manipulation of the Pure Natures Design compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline Brand Partner in an unearned manner. One example of stacking occurs when a Sponsor places participants under an inactive downline without his or her knowledge in order to trigger unearned qualification for commissioning. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of the independent consultant positions of all individuals and/or entities found to be directly involved.
- D. Should Brand Partners engage in solicitation and/or enticement of members of another direct sales company to sell or distribute Company products and services to, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Brand Partner alleging that they engaged in inappropriate recruiting activity of another company's sales force or Customers, Pure Natures Design will not pay any of Brand Partner's defense costs or legal fees, nor will Pure Natures Design indemnify the Brand Partner for any judgment, award, or settlement.

10.6 Sell, Assign or Delegate Ownership

- A. In order to preserve the integrity of the hierarchical structure, it is necessary for the Company to place restrictions on the transfer, assignment, or sale of a Pure Natures Design business.
- B. A Pure Natures Design Brand Partner may not sell or assign his or her rights or delegate his or her position as a Brand Partner without *prior written approval* by the Company, which approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of the Company.



- C. Should the sale be approved by the Company, the Buyer assumes the position of the Seller at the current qualified title, but at the current “paid as” rank, at the time of the sale and acquires the Seller’s Downline.
- D. To request corporate authorization for a sale or transfer of a Pure Natures Design business, the following items must be submitted to the Company Compliance Department:
 - I. A Sale/Transfer of a Pure Natures Design business Form properly completed, with the requisite signatures;
 - II. A copy of the Sales Agreement signed and dated by both Buyer and Seller;
 - III. A Brand Partner Agreement completed and signed by the Buyer;
 - IV. Payment of the \$100 administration fee;
 - V. Any additional supporting documentation requested by Pure Natures Design.
- E. Any debt obligations that either Seller or Buyer may have with the Company must be satisfied prior to the approval of the sale or transfer by Pure Natures Design.
- F. A Brand Partner who sells his or her business is not eligible to re-enroll as Pure Natures Design Brand Partner in any organization for six(6) full calendar months following the date of the sale except as otherwise expressly set forth in these Policies and Procedures.

10.7 Separating a Pure Natures Design Business

- A. Pending a divorce or dissolution of a partnership or other business entity, the parties must adopt one of the following methods of operation:
 - I. One of the parties may, with the written consent of the other(s), operate the Pure Natures Design business whereby the relinquishing Spouse, shareholders, partners, members or trustees authorize the Company to deal directly and solely with the other spouse, non-relinquishing shareholder, partner, member or trustee;
 - II. The parties may continue to operate the Pure Natures Design business jointly on a “business as usual” basis, whereupon all compensation paid by the Company will be paid in the name designated as the Brand Partners or in the name of the entity to be divided, as the parties may independently agree between them. If no name is stipulated, the Company will pay compensation to the name on record and in such event, the Brand Partner named on the account shall indemnify Pure Natures Design from any claims from the other business owner(s) or the other spouse with respect to such payment.



- B. The Company recognizes only one Downline organization and will issue only one commission check per Pure Natures Design business per commission cycle. Under no circumstances will the Downline of an organization be divided, nor will the Company split commission and/or bonus checks.
- C. If a relinquishing spouse, partner or owner of the business has completely relinquished (“Relinquishing Party”), in writing, all rights to the original Pure Natures Design business, he or she may immediately thereafter re-enroll under the Sponsor and Placement of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any Brand Partner or active Customer in the former organization, and must develop a new business in the same manner as any other new Brand Partner. A Brand Partner in the Relinquishing Party’s former Downline who wishes to transfer to the Relinquishing Party’s new organization or to any other organization, must comply with the requirements in Section 12.5.

10.8 Succession

- A. Upon the death or incapacity of a Brand Partner, the Brand Partner’s business may be passed on to his or her legal successors in interest (successor). Whenever a Pure Natures Design business is transferred by will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased Brand Partner’s sales organization. The successor must:
 - I. Complete and sign a new Brand Partner Agreement;
 - II. Comply with the Terms and provisions of the Brand Partner Agreement; and
 - III. Meet all of the qualifications for the last rank achieved by the former Brand Partner.
- B. Bonus and commission checks of a Pure Natures Design business transferred based on this section will be paid in a single check to the successor. The successor must provide the Company with an “address of record” to which all bonus and commission Payments will be sent. Payments will be based on the current performance of the business, not the highest rank or volume achieved.
- C. If the business is bequeathed to joint devisees (successors), they must form a business entity and acquire a Federal taxpayer identification number. Pure Natures Design will issue all bonus and commission payments and one 1099 Miscellaneous Income Tax form to the managing business entity only.
- D. Appropriate legal documentation must be submitted to the Company Compliance Department to ensure the transfer is done properly. To affect a testamentary transfer of



a Pure Natures Design business, the successor must provide the following to the Company Compliance Department:

- I. A certified copy of the death certificate; and
 - II. A notarized copy of the will or other appropriate legal documentation establishing the successor's right to the Pure Natures Design business.
- E. To complete a transfer of the Pure Natures Design business because of incapacity, the successor must provide the following to the Company Compliance Department:
- I. A notarized copy of an appointment as trustee;
 - II. A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the Pure Natures Design business; and
 - III. A completed Brand Partner Agreement executed by the trustee.
- F. If the successor is already an existing Brand Partner, the Company will allow such Brand Partner to keep his or her own business plus the inherited business active for up to six (6) months. By the end of the 6-month period, the Brand Partner must have compressed (if applicable), sold or otherwise transferred either the existing business or the inherited business.
- G. If the successor wishes to terminate the Pure Natures Design business, he or she must submit a notarized statement stating the desire to terminate the business, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.
- H. Upon written request, the Company may grant a one (1) month bereavement waiver and pay out at the last "paid as" rank.

10.9 Resignation/Voluntary Termination

- A. A Brand Partner may immediately terminate his or her business by submitting a written notice or email to the Company Compliance Department compliance support@purenaturesdesign.com. The written notice must include the following:
 - I. The Brand Partner's intent to resign;
 - II. Date of resignation;
 - III. Pure Natures Design Identification Number;



- IV. Reason for resigning; and
 - V. Signature.
- B. A Brand Partner may not use resignation as a way to immediately change Sponsor and Placement. Instead, the Brand Partner who has voluntarily resigned is not eligible to reapply for a business or have any financial interest in a or any Pure Natures Design business for six (6) months from the receipt of the written notice of resignation.

10.10 Involuntary Termination

- A. The Company reserves the right to terminate a Brand Partner's business for, but not limited to, the following reasons:
 - I. Violation of any Terms or Conditions of the Brand Partner Agreement;
 - II. Violation of any provision in these Policies and Procedures;
 - III. Violation of any provision in the Compensation Plan;
 - IV. Violation of any applicable law, ordinance, or regulation regarding the Pure Natures Design business;
 - V. Engaging in unethical business practices or violating standards of fair dealing;
or
 - VI. Returning over \$299.00 worth of products, services and/or sales tools for a refund within a twelve (12) month period.
- B. The Company will notify the Brand Partner in writing, by either mail or e-mail at his or her last known address, of its intent to terminate the Brand Partner's business and the reasons for termination.
- C. If a decision is made by the Company to terminate the Brand Partner's business, Pure Natures Design will inform the Brand Partner in writing that the business is terminated effective as of the date of the written notification.
- D. The termination will be effective as of the date of the original termination notice by the Company. The former Brand Partner shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any Company products or services. Pure Natures Design will notify the active Upline Sponsor within ten (10) days after termination. The organization of the terminated Brand Partner will "roll up" to the active Upline Sponsor on record.



- F. The Brand Partner who is involuntarily terminated by the Company may not reapply for a business, either under his or her present name or any other name or entity, without the *express written consent of an officer of Pure Natures Design, Inc. following a review by the Company Compliance Committee*. In any event, such Brand Partner may not re-apply for a business for twelve (12) months from the date of termination.

10.11 Effect of Cancellation

- A. Following a Brand Partner’s cancellation for inactivity or voluntary or involuntary termination (collectively, a “cancellation”) such Brand Partner:
 - I. Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the Brand Partner’s former organization or any other payments in association with the Brand Partner’s former independent business;
 - II. Effectively waives any and all claims to property rights or any interest in or to the Brand Partner’s former Downline organization;
 - III. Shall receive commissions and bonuses only for the last full pay period in which he or she was active prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation, and less any other amounts owed to the Company.

11.0 DISCIPLINARY SANCTIONS

11.1 Imposition of Disciplinary Action - Purpose

It is the spirit of Pure Natures Design that integrity and fairness should pervade among its Brand Partners, thereby providing everyone with an equal opportunity to build a successful business. Therefore, the Company reserves the right to impose disciplinary sanctions at any time, when it has determined that a Brand Partner has violated the Agreement or any of these Policies and Procedures or the Compensation Plan as they may be amended from time to time by the Company.

11.2 Consequences and Remedies of Breach

- A. Disciplinary actions may include one or more of the following;
 - I. Monitoring a Brand Partner’s conduct over a specified period of time to assure compliance;
 - II. Issuance of a written warning or requiring the Brand Partner to take immediate corrective action;
 - III. Imposition of a fine (which may be imposed immediately or withheld from future commission payments) or the withholding of commission payments



(“Commission Hold”) until the matter causing the Commission Hold is resolved or until Company receives adequate additional assurances from the Brand Partner to ensure future compliance;

- IV. Suspension from participation in Company or Brand Partner events, rewards, or recognition;
- V. Suspension of the Brand Partner Agreement and business for one or more pay periods;
- VI. Involuntary termination of the Brand Partner’s Agreement and business;
- VII. Any other measure which Pure Natures Design deems feasible and appropriate to justly resolve injuries caused by the Brand Partner’s Policy violation or contractual breach; OR
- VIII. Legal proceedings for monetary or equitable relief.

12.0 DISPUTE RESOLUTION

12.1 Grievances

- A. If a Brand Partner has a grievance or complaint against another Brand Partner regarding any practice or conduct relating to their respective Pure Natures Design business, he or she is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the Company Compliance Department as outlined below in this Section.
- B. The Company Compliance Department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the Brand Partners involved.
- C. Company will confine its involvement to disputes regarding Pure Natures Design business matters only. The Company will not decide issues that involve personality conflicts or unprofessional conduct by or between Brand Partners outside the context of a Pure Natures Design business. These issues go beyond the scope of the Company and may not be used to justify a Sponsor or Placement change or a transfer to another organization.
- D. The Company does not consider, enforce, or mediate third party agreements between Brand Partners, nor does it provide names, funding, or advice for obtaining outside legal counsel.
- E. Process for Grievances:



- I. A Brand Partner should submit a written letter of complaint (e-mail will not be accepted) directly to the Company Compliance Department. The letter shall set forth the details of the incident as follows:
 - a. The nature of the violation;
 - b. Specific facts to support the allegations;
 - c. Dates;
 - d. Number of occurrences;
 - e. Persons involved; and
 - f. Supporting documentation.

- II. Upon receipt of the written complaint, the Company will conduct an investigation according to the following procedures:
 - a. The Compliance Department will send an acknowledgment of receipt to the complaining Brand Partner;
 - b. The Compliance Department will thoroughly investigate the complaint, 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.
 - d. 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. Brand Partner calls, letters, and requests for “progress reports” during the course of the investigation will not be answered or returned.

- E. The Company will make a final decision and timely notify the Company Brand Partners involved.

12.2 Arbitration

- A. **Any controversy or claim arising out of or relating to the Pure Natures Design Brand Partner Agreement, these Policies and Procedures, or the breach thereof, the Brand Partner’s business or any dispute between Pure Natures Design, Inc. and the Brand Partner, shall be settled by binding and confidential arbitration administered by the American Arbitration Association under its commercial arbitration rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.** Any such arbitration shall be held in Contra Costa County, California. There shall be one arbitrator, who shall have expertise in business law transactions and who shall be knowledgeable in the direct selling industry, selected from a panel provided by the American Arbitration Association.

- B. The prevailing party in any such arbitration shall be entitled to receive from the losing party, all costs and expenses of arbitration, including reasonable attorney’s fees and



filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to judgment in any court of competent jurisdiction.

- C. This agreement to arbitration shall survive any termination or expiration of the Brand Partner Agreement.
- D. Nothing in these Policies and Procedures shall prevent Pure Natures Design from applying for or obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect the Company's interests or its Confidential Information prior to, during or following the filing of an arbitration or other proceeding, or pending the rendition of a decision or award in connection with any arbitration or other proceeding.
- E. **NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.**
- F. These Policies and Procedures and any arbitration involving a Brand Partner and Pure Natures Design shall be governed by and construed in accordance with the laws of the state of California, without reference to its principles of conflict of laws.

12.3 Damages

- A. In any case which arises from or relates to the wrongful termination of the Distributor Agreement and/or a Brand Partner's Pure Natures Design business, the Company and Brand Partner agree that damages will be extremely difficult to ascertain. Therefore, the Company and Brand Partner stipulate that if the involuntary termination of the Brand Partner Agreement and/or loss of the Brand Partner's Pure Natures Design business is proven and held to be wrongful under any theory of law, the Brand Partner's sole remedy shall be liquidated damages calculated as follows:
 - I. For a Brand Partner who has earned at the rank of 250K Pure or above (with the exception of paragraph II below), liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to the Pure Natures Design Compensation Plan in the twelve (12) months immediately preceding the termination.
 - II. For a Brand Partner who has earned at the rank of 250K Pure, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to the Pure Natures Design Compensation Plan in the twenty-four (24) months immediately preceding the termination.



- B. In any action arising from or relating to the Agreement, the Pure Natures Design business, or the relationship between the Company and Brand Partner, both parties waive all claims for incidental and/or consequential damages, even if the other party has been apprised of the likelihood of such damage. The Company and Brand Partner further waive all claims to exemplary and punitive damages.

12.4 Severability

If any provision of these Policies and Procedures is found to be invalid, or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

12.5 Waiver

- A. Only an officer of the Company can, in writing, affect a waiver of the Pure Natures Design Policies and Procedures. The Company's waiver of any particular breach by a Brand Partner shall not affect the Company's rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other Brand Partner.
- B. The existence of any claim or cause of action of a Brand Partner against Pure Natures Design shall not constitute a defense to the Company's enforcement of any term or provision of these Policies and Procedures.

12.6 Successors and Claims

The agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13.0 GOVERNING LAW

These Policies and Procedures shall be governed by and construed in accordance with the Laws of the State of California and the exclusive jurisdiction of the United States courts.

14.0 NATURES PURE DESIGN GLOSSARY OF TERMS

ACTIVE BRAND PARTNER: A Brand Partner who satisfies the minimum volume requirements, as set forth in the Compensation Plan, to ensure that they are eligible to receive bonuses and commissions.

AGREEMENT: The contract between the Company and each Brand Partner, which includes: the Brand Partner Agreement, the Pure Natures Design Policies and Procedures, and the Pure Natures Design Compensation Plan, all in their current form and as amended by the Company in its sole discretion. These documents are collectively referred to as the "Agreement."



CANCEL: The termination of a Brand Partner’s business. Cancellation may be either voluntary or involuntary.

COMPENSATION PLAN: The guidelines and referenced literature for describing how Brand Partners can generate commissions and bonuses.

CUSTOMER: A retail customer who purchases Pure Natures Design products and does not engage in building a business or retailing product.

REPRESENTATIVE: An individual who purchases product, generates retail sales and business building commissions.

LINE OF SPONSORSHIP (LOS): A report generated by Pure Natures Design that provides critical data relating to the identities of Brand Partners, sales information, and enrollment activity of each Brand Partner’s organization. This report contains confidential and trade secret information which is proprietary to Pure Natures Design.

ORGANIZATION: The Customers and Brand Partners placed below a particular Brand Partner.

OFFICIAL COMPANY MATERIAL: Literature, audio or video tapes, and other materials developed, printed, published, and distributed by Pure Natures Design to Brand Partners.

PLACEMENT: Your position inside your Sponsor’s organization.

RECRUIT: For purposes of the Company’s Conflict of Interest Policy, the term “Recruit” means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Pure Natures Design Brand Partner or Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

RESALABLE CONDITION: Products shall be deemed “resalable” if each of the following elements is satisfied: (i) the products are unopened and unused; (ii) the products’ original packaging and labelling has not been altered or damaged; (iii) the products are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; and (iv) the product contains current Company labelling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

SPONSOR: A Brand Partner who enrolls a Customer or another Brand Partner into the Company, and is listed as the Sponsor on the Brand Partner Agreement. The act of enrolling others and training them to become Brand Partners is called “sponsoring.”

UPLINE: This term refers to the Brand Partner(s) above a particular Brand Partner in a sponsorship line up to the Company. It is the line of sponsors that links any particular Brand Partner to the Company.

