

Jús International
Assumed Business Name of XVita, LLC
An Idaho Limited Liability Company

STATEMENT OF POLICIES
and
PROCEDURES

Effective November 1, 2007

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SECTION 1 - CORPORATE MISSION STATEMENT

Providing our customers only the highest value products; our IBO's with the best possible opportunity for financial success and personal growth; our employees with a world class work environment; and the communities in which we do business with a partner for positive growth and increased prosperity.

SECTION 2 - INTRODUCTION

2.1 - Policies and Compensation Plan Incorporated into IBO Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of Xvita, LLC, an Idaho limited liability company, doing business as "Jús International" (hereafter "Jús" or the "Company"), are incorporated into, and form an integral part of, the Jús IBO Agreement. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the Jús Independent IBO Application and Agreement, these Policies and Procedures, the Jús Marketing and Compensation Plan, and the Jús Business Entity Registration Form (if applicable). These documents are incorporated by reference into the Jús IBO Agreement (all in their current form and as amended by Jús). It is the responsibility of each IBO to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When sponsoring or enrolling a new IBO, it is the responsibility of the sponsoring IBO to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the Jús Marketing and Compensation Plan prior to his or her execution of the IBO Agreement ("Agreement").

2.2 - Purpose of Policies

Jús is a direct sales company that markets its products and services (as may be applicable) through Independent IBO's (hereafter "IBO" or "IBO's"). It is important to understand that your success and the success of your fellow IBO's depends on the integrity of the men and women who market our products and services. To clearly define the relationship that exists between IBO's and Jús, and to explicitly set a standard for acceptable business conduct, Jús has established the Agreement.

Jús IBO's are required to comply with all of the Terms and Conditions set forth in the Agreement which Jús may amend at its sole discretion from time to time, as well as all federal, state, and local laws governing their Jús business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement. Please review the information in this manual carefully. It explains and governs the relationship between you, as an independent contractor and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from your Sponsor or from Jús.

2.3 - Changes to the Agreement

Because federal, state, and local laws, as well as the business environment, periodically change, Jús reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By signing the IBO Agreement, an IBO agrees to abide by all amendments that Jús

elects to make. Amendments shall be effective upon notice to all IBO's that the Agreement has been modified. Notification of amendments shall be published in official Jús materials. The Company shall provide or make available to all IBO's a complete copy of the amended provisions by one or more of the following methods: (1) posting on the Company's official web site; (2) electronic mail (e-mail); (3) fax-on-demand; (4) voice mail system broadcast; (5) inclusion in Company periodicals; (6) inclusion in product orders or bonus checks; or (7) special mailings. The continuation of an IBO's Jús business or an IBO's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

2.4 - Delays

Jús shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of supply, or government decrees or orders.

2.5 - Policies and Provisions Severable

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

2.6 - Waiver

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of Jús to exercise any right or power under the Agreement or to insist upon strict compliance by an IBO with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of Jús's right to demand exact compliance with the Agreement. Waiver by Jús can be effectuated only in writing by an authorized officer of the Company. Jús's waiver of any particular breach by an IBO shall not affect or impair Jús's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other IBO. Nor shall any delay or omission by Jús to exercise any right arising from a breach affect or impair Jús's rights as to that or any subsequent breach.

The existence of any claim or cause of action of an IBO against Jús shall not constitute a defense to Jús's enforcement of any term or provision of the Agreement.

SECTION 3 - BECOMING AN IBO

3.1 - Requirements to Become an IBO

To become a Jús IBO, each applicant must:

- a) Be of the age of majority in his or her state of residence;
- b) Unless specifically approved by the Jús Legal Department, reside in the United States, a U.S. Territory, or any country that Jús has officially announced is open for business;

- c) Have a valid Social Security or Federal Tax ID number;
- d) Purchase a Jús Starter Kit (optional in North Dakota); and
- e) Submit a properly completed IBO Application and Agreement to Jús.

3.2 - No Product Purchase Required

No person is required to purchase Jús products, services or sales aids, or to pay any charge or fee to become an IBO. In order to familiarize new IBO's with Jús products, services, sales techniques, sales aids, and other matters; the Company recommends that they purchase a Starter Kit. Jús will repurchase Resalable kits from any IBO who terminates his or her IBO Agreement pursuant to the terms of Section 8.3.

3.3 - IBO Benefits

Once an IBO Application and Agreement has been accepted by Jús, the benefits of the Marketing and Compensation Plan and the IBO Agreement are available to the new IBO. These benefits include the right to:

- a) Sell Jús products and services;
- b) Participate in the Jús Marketing and Compensation Plan (receive bonuses and commissions, if eligible);
- c) Sponsor other individuals as Customers or IBO's into the Jús business and thereby, build a Marketing Organization and progress through the Jús Marketing and Compensation Plan;
- d) Receive periodic Jús literature and other Jús communications;
- e) Participate in Jús-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- f) Participate in promotional and incentive contests and programs sponsored by Jús for its IBO's.

3.4 - Term and Renewal of Your Jús Business

The term of the IBO Agreement is one year from the date of its acceptance by Jús (subject to prior termination or reclassification pursuant to Section 11). IBO's must renew their IBO Agreement each year by paying an annual renewal fee of \$35 on or before the anniversary date of their IBO Agreement. If the renewal fee is not paid within 30 days after the expiration of the current term of the IBO Agreement, the IBO Agreement will be canceled. IBO's may elect to utilize the Automatic Renewal Program ("ARP"). Under the ARP, the renewal fee will be charged to the IBO's credit card on file with the Company.

SECTION 4 - OPERATING A JÚS BUSINESS

4.1 - Adherence to the Jús Marketing and Compensation Plan

IBO's must adhere to the terms of the Jús Marketing and Compensation Plan as set forth in official Jús literature. IBO's shall not offer the Jús opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Jús literature. IBO's shall not require or encourage other current or prospective Customers or IBO's to participate in Jús in any manner that varies from the program as set forth

in official Jús literature. IBO's shall not require or encourage other current or prospective Customers or IBO's to execute any agreement or contract other than official Jús agreements and contracts in order to become a Jús IBO. Similarly, IBO's shall not require or encourage other current or prospective Customers or IBO's to make any purchase from, or payment to, any individual or other entity to participate in the Jús Marketing and Compensation Plan other than those purchases or payments identified as recommended or required in official Jús literature.

4.2 - Advertising

4.2.1 - General

All IBO's shall safeguard and promote the good reputation of Jús and its products. The marketing and promotion of Jús, the Jús opportunity, the Marketing and Compensation Plan, and Jús products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and services, and the tremendous opportunity Jús offers, IBO's must use the sales aids and support materials produced by Jús or approved aids not produced by Jús. The rationale behind this requirement is simple. Jús has carefully designed its products, product labels, Marketing and Compensation Plan, and promotional materials to ensure that each aspect of Jús is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal and state laws. If Jús IBO's were allowed to develop their own sales aids and promotional materials, notwithstanding their integrity and good intentions, the likelihood that they would unintentionally violate any number of statutes or regulations affecting a Jús business is almost certain. These violations, although they may be relatively few in number, would jeopardize the Jús opportunity for all IBO's.

Accordingly, IBO's must not produce their own literature, advertisements, sales aids and promotional materials, or Internet web pages.

Accordingly, IBO's must submit all written sales aids, promotional materials, advertisements, and other literature to the Company for approval. Unless the IBO receives specific written approval to use such tools, the request shall be deemed denied.

4.2.2 - IBO Web Sites

If an IBO desires to utilize an Internet web page to promote his or her business, he or she may do so through the Company's replicated website program only. This program permits IBO's to advertise on the Internet and to choose from among a variety of home page designs that can be personalized with the IBO's message and the IBO's contact information. These websites seamlessly link directly to the official Jús website giving the IBO a professional and Company-approved presence on the Internet. No IBO may independently design a website that uses the names, logos, or product descriptions of Jús or otherwise promotes (directly or indirectly) Jús products or the Jús opportunity. Nor may an IBO use "blind" ads on the Internet that make product or income claims which are ultimately associated with Jús products, the Jús opportunity, or the Jús Marketing and Compensation Plan. The use of any other Internet website or web page (including without limitation auction sites such as eBay) to in any way promote the sale of Jús products, the Jús opportunity, or the Marketing and Compensation Plan is a breach of the Agreement and may result in any of the disciplinary sanctions set forth in Section 9.1.

Alternatively, IBO's may develop their own web pages or websites. However, any IBO who does so: (a) must use the text of the Company's official website; and (b) may not supplement the content of his or her website with text from any source other than the Company. IBO's who develop or publish their own websites must register their site(s) with the Company and receive written approval from the Company prior to the site(s) public availability. The failure to register constitutes a material breach of these policies and procedures.

4.2.3 - Blogs, Chat Rooms, Social Networks, Online Auctions, and other Online Forums

IBO's shall not use online blogs, chat rooms, social networks, online auctions sites, or any other online forum to market, sell, advertise, promote, or discuss Jús's products or services or the Jús opportunity.

4.2.4 - Domain Names and Email Addresses

IBO's may not use or attempt to register any of Jús's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name. Nor may IBO's incorporate or attempt to incorporate any of the Company's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, into any electronic mail address without the written approval of the Jús Legal Department.

4.2.5 - Trademarks and Copyrights

Jús will not allow the use of its trade names, trademarks, designs, or symbols by any person, including Jús IBO's, without its prior, written permission. IBO's may not produce for sale or distribution any recorded Company events and speeches without written permission from Jús nor may IBO's reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.

4.2.6 - Media and Media Inquiries

IBO's must not attempt to respond to media inquiries regarding Jús, its products or services, or their independent Jús business. All inquiries by any type of media must be immediately referred to Jús's Legal Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image. IBO's must not utilize radio or television media for the advertising, distribution or promotion of Jús products or opportunity without the express written consent of Jús. In the event that Jús does grant permission for the use of such media, Jús must have final authority on every stage of the production process with full rights to all recordings.

4.2.7 - Unsolicited Email

Jús does not permit IBO's to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. Any email sent by an IBO that promotes Jús, the Jús opportunity, or Jús products and services must comply with the following:

- a) There must be a functioning return email address to the sender.
- b) There must be a notice in the email that advises the recipient that he or she may reply

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

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

4.2.8 - Unsolicited Faxes

Except as provided in this section, IBO’s may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of their Jús businesses. The term “automatic telephone dialing system” means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers. The term "unsolicited faxes" means the transmission via telephone facsimile of any material or information advertising or promoting Jús, its products, the Marketing and Compensation Plan or any other aspect of the company which is transmitted to any person, except that these terms do not include a fax: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the IBO has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two way communication between an IBO and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such IBO; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

4.3 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. “Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent IBO Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an IBO or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as IBO’s or Customers (“phantoms”); (d) purchasing Jús products or services on behalf of another IBO or Customer, or under another IBO’s or Customer’s I.D. number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods 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.

4.4 - Business Entities

A corporation, limited liability company (LLC), partnership or trust (collectively referred to in this section as a “Business Entity”) may apply to be a Jús IBO by submitting its Certificate of Incorporation, Certificate of Organization, Partnership Agreement or trust documents (these documents are collectively referred to as the “Entity Documents”) to Jús, along with a properly completed Business Entity Registration Form. If an IBO enrolls online, the Entity Documents and Business Entity Registration Form must be submitted to Jús within 30 days of the online enrollment. (If not received within the 30-day period, the IBO Agreement shall automatically terminate.) The Business Entity Registration Form must be signed by all of the shareholders, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to Jús.

To prevent the circumvention of Section 4.27 (regarding transfers and assignments of Jús business), if an additional partner, shareholder, member, or other business entity affiliate is added to a business entity, the original applicant must remain as a party to the original IBO Application and Agreement. If the original IBO wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with Section 4.27. If this process is not followed, the business shall be canceled upon the withdrawal of the original IBO. All bonus and commission checks will be sent to the address of record of the original IBO. Please note that the modifications permitted within the scope of this paragraph *do not* include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5, below. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed IBO Application and Agreement. Jús may, at its discretion, require notarized documents before implementing any changes to an Jús business. Please allow thirty (30) days after the receipt of the request by Jús for processing.

4.4.1 - Changes to a Business Entity

A Jús business may change its status under the same sponsor from an individual to a partnership, LLC, corporation or trust, or from one type of entity to another. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed IBO Application and Agreement. Such changes shall be processed only once per year and must be submitted by November 30 to become effective on January 1 of the following year. In addition, IBO’s operating their Jús businesses utilizing a business entity must notify Jús of the addition or removal of any officers, directors, shareholders, managers, members or business associates of the business entity.

4.5 - Change of Sponsor

To protect the integrity of all Marketing Organizations and safeguard the hard work of all IBO’s, Jús strongly discourages changes in sponsorship. Maintaining the integrity of sponsorship is critical for the success of every IBO and Marketing Organization. Accordingly, the transfer of a Jús business from one sponsor to another is rarely permitted.

Requests for change of sponsorship must be submitted in writing to the IBO Services Department, and must include the reason for the transfer. Transfers will only be considered in the following two circumstances:

- a) In cases in which the new IBO is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor, an IBO may request that he or she be transferred to another organization with his or her entire Marketing Organization intact. All requests for transfer alleging fraudulent enrollment practices shall be evaluated on a case by case basis. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within 60 days from the date of enrollment. The IBO requesting the change has the burden of proving that he or she was placed beneath the wrong sponsor.
- b) The IBO seeking to transfer submits a properly completed and fully executed Sponsorship Transfer Form which includes the written approval of his or her immediate ___3___ up line IBO's. Photocopied or facsimile signatures are not acceptable. All IBO signatures must be notarized. The IBO who requests the transfer must submit a fee of \$50.00 for administrative charges and data processing. If the transferring IBO also wants to move any of the IBO's in his or her Marketing Organization, each downline IBO must also obtain a properly completed Sponsorship Transfer Form and return it to Jús with the \$50.00 change fee (i.e., the transferring IBO and each IBO in his or her Marketing Organization multiplied by \$50.00 is the cost to move a Jús business.) Downline IBO's will not be moved with the transferring IBO unless all of the requirements of this paragraph are met. Transferring IBO's must allow thirty (30) days after the receipt of the Sponsorship Transfer Forms by Jús for processing and **verifying** change requests.

In cases wherein the appropriate sponsorship change procedures have not been followed, and a Marketing Organization has been developed in the second business developed by an IBO, Jús reserves the sole and exclusive right to determine the final disposition of the Marketing Organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, **IBO'S WAIVE ANY AND ALL CLAIMS AGAINST JÚS THAT RELATE TO OR ARISE FROM JÚS'S DECISION REGARDING THE DISPOSITION OF ANY MARKETING ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.**

4.5.1 - Cancellation and Re-application

An IBO may legitimately change organizations by voluntarily cancelling his or her Jús business and remaining inactive (*i.e.*, no purchases of Jús products for resale, no sales of Jús products, no sponsoring, no attendance at any Jús functions, participation in any other form of IBO activity, or operation of any other Jús business) for six (6) full calendar months. Following the six month period of inactivity, the former IBO may reapply under a new sponsor. Jús will consider waiving the six month waiting period under exceptional circumstances. Such requests for waiver must be submitted to Jús in writing.

4.6 - Unauthorized Claims and Actions

4.6.1 - Indemnification

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

4.6.2 - Product Claims

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Jús may be made except those contained in official Jús literature. In particular, no IBO may make any claim that Jús 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 Jús policies, but they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

4.6.3 - Income Claims

In their enthusiasm to enroll prospective IBO's, some IBO's are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new IBO's may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At Jús, we firmly believe that the Jús income potential is great enough to be highly attractive, without reporting the earnings of others.

Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While IBO's may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact Jús as well as the IBO making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Jús IBO's do not have the data necessary to comply with the legal requirements for making income claims, an IBO, when presenting or discussing the Jús opportunity or Marketing and Compensation Plan to a prospective IBO, may not make income projections, income claims, or disclose his or her Jús income (including the showing of checks, copies of checks, bank statements, or tax records).

4.7 - Commercial Outlets

IBO's may not sell Jús products from a commercial outlet, nor may IBO's display or sell Jús products or literature in any retail or service establishment.

4.8 - Trade Shows, Expositions and Other Sales Forums

IBO's may display and/or sell Jús products at trade shows and professional expositions.

Before submitting a deposit to the event promoter, IBO's must contact the IBO Services Department in writing for conditional approval, as Jús's policy is to authorize only one Jús business per event. Final approval will be granted to the first IBO who submits an official advertisement of the event, a copy of the contract signed by both the IBO and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the IBO Services Department. Jús further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products, services, or the Jús opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image Jús wishes to portray.

4.9 - Conflicts of Interest

4.9.1 - Nonsolicitation

Jús IBO's are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"). However, during the term of this Agreement, IBO's may not directly or indirectly recruit other Jús IBO's or Customers for any other network marketing business.

Following the cancellation of an IBO's IBO Agreement, and for a period of six calendar months thereafter, with the exception of an IBO who was personally sponsored by the former IBO, a former IBO may not recruit any Jús IBO or Customer for another network marketing business. IBO's and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, IBO's and Jús agree that this non-solicitation provision shall apply to all markets in which Jús conducts business.

4.9.2 - Sale of Competing Goods or Services

IBO's must not sell, or attempt to sell, any competing non-Jús programs, products or services to Jús Customers or IBO's. Any program, product or service in the same generic categories as Jús products or services are deemed to be competing, regardless of differences in cost, quality, or distinguishing factors.

4.9.3 - IBO Participation in Other Direct Selling Programs

If an IBO is engaged in other non-Jús direct selling programs, it is the responsibility of the IBO to ensure that his or her Jús business is operated entirely separate and apart from any other program in which the IBO participates. To this end, the following must be adhered to:

- a) The IBO shall not display Jús promotional materials, sales aids, products or services with or in the same location as any non-Jús promotional materials, sales aids, products or services.
- b) The IBO may not offer the Jús opportunity, products or services to prospective or existing Customers or IBO's in conjunction with any non-Jús program, opportunity,

- product or service.
- c) The IBO may not offer any non-Jús opportunity, products, services, or opportunity at any Jús-related meeting, seminar or convention, or within two hours and a five mile radius of the Jús event. If the Jús meeting is held telephonically or via the internet, any non-Jús meeting must be at least two hours before or after the Jús meeting, and on a different conference telephone number or internet web address from the Jús meeting.

4.9.4 - Downline Activity (Genealogy) Reports

Downline Activity Reports are available for IBO access and viewing at Jús's official web site. IBO access to their Downline Activity Reports is password protected. **All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Jús.** Downline Activity Reports are provided to IBO's in strictest confidence and are made available to IBO's for the sole purpose of assisting IBO's in working with their respective Marketing Organizations in the development of their Jús business. IBO's should use their Downline Activity Reports to assist, motivate, and train their downline IBO's. The IBO and Jús agree that, but for this agreement of confidentiality and nondisclosure, Jús would not provide Downline Activity Reports to the IBO. An IBO shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- a) Directly or indirectly use or disclose any information contained in any Downline Activity Report to any third party;
- b) Directly or indirectly disclose the password or other access code to his or her Downline Activity Report;
- c) Use the information contained in any Downline Activity Report to compete with Jús or for any purpose other than promoting or supporting his or her Jús business; or
- d) Recruit or solicit any IBO or Customer listed on any Downline Activity Report, or in any manner attempt to influence or induce any IBO or Preferred Customer , to alter their business relationship with Jús.

Upon demand by the Company, any current or former IBO will return the original and all copies of Downline Activity Reports to the Company.

4.10 - Targeting Other Direct Sellers

Jús does not condone IBO's specifically or consciously targeting the sales force of another direct sales company to sell Jús products or to become IBO's for Jús, nor does Jús condone IBO's solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should IBO's engage in such activity, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration or mediation is brought against an IBO alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, Jús will not pay any of IBO's defense costs or legal fees, nor will Jús indemnify the IBO for any judgment, award, or settlement.

4.11 - Cross-Sponsoring

Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrollment of an individual who or entity that already has a current Customer or IBO Agreement on file with Jús, or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy is prohibited. IBO's shall not demean, discredit or defame other Jús IBO's in an attempt to entice another IBO to become part of the first IBO's Marketing Organization. This policy shall not prohibit the transfer of a Jús business in accordance with Section 4.27.

If Cross Sponsoring is discovered, it must be brought to the Company's attention immediately. Jús may take disciplinary action against the IBO that changed organizations and/or those IBO's who encouraged or participated in the Cross Sponsoring. Jús may also move all or part of the offending IBO's Marketing Organization to his or her original Marketing Organization if the Company deems it equitable and feasible to do so. However, Jús is under no obligation to move the Cross Sponsored IBO's Marketing Organization, and the ultimate disposition of the organization remains within the sole discretion of Jús. **IBO's waive all claims and causes of action against Jús arising from or relating to the disposition of the Cross Sponsored IBO's Marketing Organization.**

4.12 - Errors or Questions

If an IBO has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the IBO must notify Jús in writing within 60 days of the date of the purported error or incident in question. Jús will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

4.13 - Governmental Approval or Endorsement

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

4.14 - Holding Applications or Orders

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

4.15 - Identification

All IBO's are required to provide their Social Security Number or a Federal Employer Identification Number to Jús on the IBO Application and Agreement. Upon enrollment, the Company will provide a unique IBO Identification Number to the IBO by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses.

4.16 - Income Taxes

Each IBO is responsible for paying local, state and federal taxes on any income generated as an Independent IBO. If a Jús business is tax exempt, the Federal tax identification number must

be provided to Jús. Every year, Jús will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.

4.17 - Independent Contractor Status

IBO's are independent contractors, and are not purchasers of a franchise or a business opportunity. The agreement between Jús and its IBO's does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the IBO. IBO's shall not be treated as an employee for his or her services or for Federal or State tax purposes. All IBO's are responsible for paying local, state, and federal taxes due from all compensation earned as an IBO of the Company. The IBO has no authority (expressed or implied), to bind the Company to any obligation. Each IBO shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the IBO Agreement, these Policies and Procedures, and applicable laws.

The name of Jús and other names as may be adopted by Jús are proprietary trade names, trademarks and service marks of Jús. As such, these marks are of great value to Jús and are supplied to IBO's for their use only in an expressly authorized manner. Use of Jús name on any item not produced by the Company is prohibited except as follows:

IBO's Name
Independent Jús International IBO

All IBO's may list themselves as an "Independent Jús IBO" in the white or yellow pages of the telephone directory under their own name. No IBO may place telephone directory display ads using Jús's name or logo. IBO's may not answer the telephone by saying "Jús", "Jús International", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Jús.

4.18 - Insurance

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

4.19 - International Marketing

Because of critical legal and tax considerations, Jús must limit the resale of Jús, products and services, and the presentation of the Jús business to prospective customers and IBO's located within the United States and U.S. Territories and those other countries that the Company has announced are officially opened for business. Moreover, allowing a few IBO's to conduct business in markets not yet opened by Jús would violate the concept of affording every IBO the equal opportunity to expand internationally.

Accordingly, IBO's are authorized to sell Jús products and services, and enroll Customers or

IBO's only in the countries in which Jús is authorized to conduct business, as announced in official Company literature. Jús products or sales aids cannot be shipped into or sold in any foreign country. IBO's may sell, give, transfer, or distribute Jús products or sales aids only in their home country. In addition, no IBO may, in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential customers or IBO's; or (c) conduct any other activity for the purpose of selling Jús products, establishing a Marketing Organization, or promoting the Jús opportunity.

4.20 - Inventory Loading

IBO's must never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other IBO to buy more products than they can reasonably use or sell to retail customers in a month.

4.21 - Adherence to Laws and Ordinances

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

4.22 - Minors

A person who is recognized as a minor in his/her state of residence may not be a Jús IBO. IBO's shall not enroll or recruit minors into the Jús program.

4.23 - One Jús Business Per IBO and Per Household

An IBO may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Jús business. No individual may have, operate or receive compensation from more than one Jús business. Individuals of the same family unit may not enter into or have an interest in more than one Jús Business. A "family unit" is defined as spouses and dependent children living at or doing business at the same address.

In order to maintain the integrity of the Jús Marketing and Compensation Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become Jús IBO's must be jointly sponsored as one Jús business. Spouses, regardless of whether one or both are signatories to the IBO Application and Agreement, may not own or operate any other Jús business, either individually or jointly, nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or any other legal or equitable ownership) in the ownership or management of another Jús business in any form.

An exception to the one business per IBO rule will be considered on a case by case basis if two IBO's marry or in cases of an IBO receiving an interest in another business through inheritance. Requests for exceptions to policy must be submitted in writing to the Legal Department.

4.24 - Actions of Household Members or Affiliated Individuals

If any member of an IBO's immediate household engages in any activity which, if performed by the IBO, would violate any provision of the Agreement, such activity will be deemed a violation by the IBO and Jús may take disciplinary action pursuant to these Policies and Procedures against the IBO. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and Jús may take disciplinary action against the entity.

4.25 - Requests for Records

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

4.26 - Roll-up of Marketing Organization

When a vacancy occurs in a Marketing Organization due to the termination of an Jús business, each IBO in the first generation immediately below the terminated IBO on the date of the cancellation (referred to in this Section as a "First Generation IBO") will have the opportunity to qualify to roll up into the position of the terminated IBO provided the First Generation IBO has not been in violation of the terms of the Jús IBO Application and Agreement or any Jús policy within the previous 12 months.

The roll up will be awarded to the qualified First Generation IBO with the highest active rank on the date of the cancellation. In the event of a tie between two or more First Generation IBO's, the following criteria will be applied, in the order listed, until the tie is broken:

- a) The IBO with the largest number of active personally enrolled Direct customers;
- b) The IBO whose organization has the largest number of active Direct customers; and
- c) The IBO whose organization has the highest average product order (measured by dollar sales) per customer.

When a vacancy occurs in a Marketing Organization due to the termination of an Jús business, each IBO in the first level immediately below the terminated IBO on the date of the cancellation will be moved to the first level ("front line") of the terminated IBO's sponsor. For example, if A sponsors B, and B sponsors C1, C2, and C3, if B terminates her business, C1, C2, and C3 will "roll-up" to A and become part of A's first level.

4.27 - Sale, Transfer or Assignment of Jús Business

Although a Jús business is a privately owned, independently operated business, the sale, transfer or assignment of a Jús business is subject to certain limitations. If an IBO wishes to sell his or her Jús business, the following criteria must be met:

- a) Protection of the existing line of sponsorship must always be maintained so that the

- Jús business continues to be operated in that line of sponsorship.
- b) The buyer or transferee must become a qualified Jús IBO. If the buyer is an active Jús IBO, he or she must first terminate his or her Jús business and wait six calendar months before acquiring any interest in the new Jús business.
 - c) Before the sale, transfer or assignment can be finalized and approved by Jús, any debt obligations the selling IBO has with Jús must be satisfied.
 - d) The selling IBO must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a Jús business.

Prior to selling a Jús business, the selling IBO must notify Jús's Legal Department of his or her intent to sell the Jús business. Upon complete execution of the purchase and sale agreement, the parties must submit copies of the same to the Legal Department for review. Jús reserves the right to request additional documentation that may be necessary to analyze the transaction between the buyer and seller. The Legal Department will, in its sole and absolute discretion, approve or deny the sale, transfer or assignment within 30 days after its receipt of all necessary documents from the parties.

If the parties fail to obtain Jús's approval for the transaction, the transfer shall be voidable at Jús's option. The purchaser of the existing Jús business will assume the obligations and position of the selling IBO. An IBO who sells his or her Jús business shall not be eligible to re-apply as a Jús IBO for a period of at least six full calendar months after the date of the sale.

No changes in line of sponsorship can result from the sale or transfer of a Jús business. An IBO may not sell, transfer or assign individual business centers; if a business is sold, transferred or assigned, all business centers must be included in the transaction. For purposes of this paragraph, a "business center" is any IBO or Customer in the organization of an IBO.

4.28 - Separation of a Jús Business

Jús IBO's sometimes operate their Jús businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other IBO's and the Company in a timely fashion, Jús will involuntarily terminate the IBO Agreement.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the Jús business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Jús to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- b) The parties may continue to operate the Jús business jointly on a "business-as-usual" basis, whereupon all compensation paid by Jús will be paid according to the status

quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

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

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

4.29 - Sponsoring

All active IBO's in good standing have the right to sponsor and enroll others into Jús. Each prospective Customer or IBO has the ultimate right to choose his or her own Sponsor. If two IBO's claim to be the Sponsor of the same new IBO or Customer, the Company shall regard the first application received by the Company as controlling.

4.30 - Succession

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

- a) Complete and execute an IBO Agreement;
- b) Comply with terms and provisions of the Agreement; and
- c) Meet all of the qualifications for the deceased IBO's status.

Bonus and commission checks of a Jús business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide Jús with an "address of record" to which all bonus and commission checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer Identification number. Jús will issue all bonus and commission checks and one 1099 to the business entity.

4.31 - Transfer Upon Death of an IBO

To effectuate a testamentary transfer of a Jús business, the Personal Representative or Executor of the estate of the deceased IBO must provide all necessary documentation to establish a successor's or successors' right to the subject Jús business. The successor or successors must complete and execute an IBO Agreement and meet the other requirements set forth in Section 4.30.

4.32 - Transfer Upon Incapacitation of an IBO

To effectuate a transfer of a Jús business because of incapacity, the Trustee of the incapacitated IBO must provide all necessary documentation to establish the right of the subject Trust and Trustee to the subject Jús business. The Trustee must, on behalf of the Trust, complete and execute an IBO Agreement and meet the other requirements set forth in Section 4.30.

4.33 - Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although Jús does not consider IBO's to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation).

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

- a) If the IBO has an established business relationship with the prospect. An "established business relationship" is a relationship between an IBO and a prospect based on the prospect's purchase, rental, or lease of goods or services from the IBO, or a financial transaction between the prospect and the IBO, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- b) The prospect's personal inquiry or application regarding a product or service offered by the IBO, within the three (3) months immediately preceding the date of such a call.
- c) If the IBO receives written and signed permission from the prospect authorizing the IBO to call. The authorization must specify the telephone number(s) which the IBO is authorized to call.
- d) You may call family members, personal friends, and acquaintances. An

“acquaintance” is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you make a habit of “card collecting” with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice.

- e) In addition, IBO’s shall not use automatic telephone dialing systems relative to the operation of their Jús businesses. The term “automatic telephone dialing system” means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

4.34 - Use of the Jús Voice-Mail System

Jús may maintain a voice-mail system for use by IBO’s. This system is a tool to communicate with your Marketing Organization, to promote the sale of Jús products and services and the Jús opportunity. Under no circumstances shall an IBO use the Jús voice-mail system to promote the sale of any non-Jús products or services or any non-Jús program or opportunity.

SECTION 5 - RESPONSIBILITIES OF IBO’S

5.1 - Change of Address or Telephone

To ensure timely delivery of products, support materials, and commission checks, it is critically important that the Jús’s files are current. Street addresses are required for shipping since UPS cannot deliver to a post office box. IBO’s planning to move should update their personal information via the Back Office function of the IBO’s replicated Jús website *or* send their new address and telephone numbers to Jús’s Corporate Offices to the attention of the IBO Services Department. To guarantee proper delivery, two weeks advance notice must be provided to Jús on all changes.

5.2 - Continuing Development Obligations

5.2.1 - Ongoing Training

Any IBO who sponsors another IBO into Jús must perform a bona fide assistance and training function to ensure that his or her Marketing Organization is properly operating his or her Jús business. IBO’s must have ongoing contact and communication with the IBO’s in their Marketing Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline IBO’s to Jús meetings, training sessions, and other functions. Upline IBO’s are also responsible to motivate and train new IBO’s in Jús product knowledge, effective sales techniques, the Jús Marketing and Compensation Plan, and compliance with Company Policies and Procedures. Communication with and the training of downline IBO’s must not, however, violate Section 4.2 (regarding the development of IBO-produced sales aids and promotional materials).

IBO’s must monitor the IBO’s in their Marketing Organizations to ensure that downline

IBO's do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every IBO should be able to provide documented evidence to Jús of his or her ongoing fulfillment of the responsibilities of a Sponsor.

5.2.2 - Increased Training Responsibilities

As IBO's progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the Jús program. They will be called upon to share this knowledge with lesser experienced IBO's within their organization.

5.2.3 - Ongoing Sales Responsibilities

Regardless of their level of achievement, IBO's have an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers.

5.3 - Nondisparagement

Jús wants to provide IBO's with the best products, compensation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the IBO Services Department. Remember, to best serve you, we must hear from you! While Jús welcomes constructive input, negative comments and remarks made in the field by IBO's about the Company, its products, or Marketing and Compensation Plan serve no purpose other than to sour the enthusiasm of other Jús IBO's. For this reason, and to set the proper example for their Marketing Organization, IBO's must not disparage, demean, or make negative remarks about Jús, other Jús IBO's, Jús's products, the Marketing and Compensation Plan, or Jús's directors, officers, or employees.

5.4 - Providing Documentation to Applicants

IBO's must provide the most current version of the Policies and Procedures and the Marketing and Compensation Plan to individuals whom they are sponsoring to become IBO's before the applicant signs an IBO Agreement. Additional copies of Policies and Procedures and Marketing and Compensation Plan can be downloaded from Jús's website.

5.5 - Reporting Policy Violations

IBO's observing a Policy violation by another IBO should submit a written report of the violation directly to the attention of the Jús Compliance Department. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

5.6 - Vendor Confidentiality/Communications

Jús's business relationships with its marketing alliances, vendors, suppliers, Company associates or former employees within or outside the corporate workplace are confidential, proprietary, and not to be circumvented by either the IBO or the vendor. An IBO shall not contact, directly or indirectly, or speak to or communicate with any representative of any supplier or manufacturer of Jús except at a Jús-sponsored event at which the representative is present at the request of Jús or as otherwise expressly permitted in writing by Jús. Violation of this regulation may result in termination of the IBO and possible claims of damages against the

IBO and/or the vendor. Questions regarding any of these businesses should be directed to the Compliance Department.

SECTION 6 - SALES REQUIREMENTS

6.1 - Product Sales

The Jús Marketing and Compensation Plan is based on the sale of Jús products and services to end consumers. IBO's must fulfill personal and Marketing Organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for IBO's to be eligible for commissions:

- a) IBO's must satisfy the Personal Sales Volume and Group Sales Volume requirements to fulfill the requirements associated with their rank as specified in the Jús Marketing and Compensation Plan. "Personal Sales Volume" includes purchases made by the IBO and purchases made by the IBO's personal customers. Group Sales Volume shall include the total Sales Volume of all IBO's in his or her Marketing Organization, but shall not include the IBO's Personal Sales Volume.
- b) At least 70% of an IBO's total monthly personal sales volume must be sold to personal retail customers. IBO's may not purchase additional product until at least seventy percent (70%) of the previous order has been sold to end consumers. By reordering, an IBO certifies that he or she has complied with this policy.
- c) IBO's must develop or service at least five customers every month.

6.2 - No Territory Restrictions

There are no exclusive territories granted to anyone. No franchise fees are required.

6.3 - Sales Receipts

All IBO's must provide their retail customers with two copies of an official Jús sales receipt at the time of the sale. These receipts set forth the Customer Satisfaction Guarantee as well as any consumer protection rights afforded by federal or state law. IBO's must maintain all retail sales receipts for a period of two years and furnish them to Jús at the Company's request. Records documenting the purchases of IBO's' Direct Customers will be maintained by Jús.

Remember that retail customers must receive two copies of the sales receipt. In addition, IBO's must orally inform the buyer of his or her cancellation rights.

SECTION 7 - BONUSES AND COMMISSIONS

7.1 - Bonus and Commission Qualifications

An IBO must be active and/or fully active and in compliance with the Agreement to qualify for bonuses and commissions. So long as an IBO complies with the terms of the Agreement, Jús shall pay commissions to such IBO in accordance with the Marketing and Compensation Plan. The minimum amount for which Jús will issue a check or provide direct deposit is \$4.00. If an

IBO's bonuses and commissions do not equal or exceed \$4.00, the Company will accrue the commissions and bonuses until they total \$4.00. A check will be issued or direct deposit will occur once \$4.00 has been accrued.

7.2 - Adjustment to Bonuses and Commissions

7.2.1 - Adjustments for Returned Products and Cancelled Services

IBO's receive bonuses and commissions based on the actual sales of products and services to end consumers. When a product is returned to Jús for a refund or repurchase, or a service is cancelled and the customer is entitled to a refund, either of the following may occur at the Company's discretion: (1) the bonuses and commissions attributable to the returned or repurchased product or the refunded service will be deducted, in the month in which the refund is given and continuing every pay period thereafter until the bonuses and commissions are recovered, from the IBO's who received bonuses and commissions on the sales of the refunded product or cancelled service; or (2) the IBO's who earned commissions or bonuses based on the sale of the returned product or cancelled service will have the corresponding points deducted from their Group Volume in the next month and all subsequent months until such points are completely recovered.

7.2.2 - Other Deductions

Jús will deduct from all bonus and commission checks a data processing fee of \$.01 per line for Downline Activity Reports sent to IBO's. The maximum fee is \$5.00.

7.3 - Reports

All information provided by Jús in online or telephonic Downline Activity Reports, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including, but not limited to, the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by Jús or any persons creating or transmitting the information.

ALL PERSONAL AND GROUP SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, Jús AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY IBO OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND GROUP SALES VOLUME

INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF Jús OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, Jús OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of Jús's online and telephone reporting services and your reliance upon such information is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to Jús's online and telephone reporting services and your reliance upon the information.

SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY REPURCHASE

8.1 - Product Guarantee

Jús offers a one time, 100% thirty (30) day money-back satisfaction guarantee (less shipping charges) to all Customers, retail customers, and IBO's.

8.2 - Returns by Retail Customers

Jús offers, through its IBO's, a 100% thirty (30) day money-back guarantee to all retail customers. Every IBO is bound to honor the retail customer guarantee. If, for any reason, a retail customer is dissatisfied with any Jús product or service, the retail customer may return the unused portion of the product to the IBO from whom it was purchased, within thirty (30) days, for a replacement, exchange or a full refund of the purchase price (including shipping costs). When an IBO makes a sale or takes an order from a retail customer who cancels or requests a refund within the period set forth above, the IBO must promptly refund the customer's money as long as the products are returned to the IBO in substantially as good condition as when received. Additionally, IBO's must orally inform retail customers of their right to rescind a purchase or an order within 72 hours, and ensure that the date of the order or purchase is entered on the order form. All retail customers must be provided with two copies of an official Jús sales receipt at the time of the sale. The back of the receipt provides the retail customer with written notice of his or her rights to cancel the sales agreement.

8.3 - Return of Inventory and Sales Aids by IBO's Upon Cancellation

Upon cancellation of an IBO's Agreement, the IBO may return his or her Starter Kit and any products and sales aids held in his or her inventory for a refund. IBO's may only return Starter Kits, products and sales aids that he or she personally purchased from Jús (purchases from other

IBO's or third parties are not subject to refund) and which are in Resalable condition. Upon receipt of a Resalable Starter Kit and/or Resalable products and sales aids, the IBO will be reimbursed 90% of the net cost of the original purchase price(s). Shipping charges incurred by an IBO when the Starter Kit, products or sales aids were purchased will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. If an IBO was paid a bonus or commission based on a product that he or she purchased, and such product is subsequently returned for a refund, the commission that was paid to the IBO based on that product purchase will be deducted from the amount of the refund.

8.3.1 - Montana Residents

A Montana resident may cancel his or her IBO Agreement within 15 days from the date of enrollment, and may return his or her starter kit for a full refund within such time period.

8.4 - Procedures for All Returns

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

- a) All merchandise must be returned by the IBO or customer who purchased it directly from Jús.
- b) All products to be returned must have a Return Authorization Number which is obtained by calling the IBO Services Department. This Return Authorization Number must be written on each carton returned.
- c) The return is accompanied by:
 - i. a completed and signed Product Return Form;
 - ii. a copy of the original dated retail sales receipt; and
 - iii. the unused portion of the product in its original container.
- d) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to Jús shipping pre-paid. Jús does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be on the IBO. If returned product is not received by the Company's Distribution Center, it is the responsibility of the IBO to trace the shipment.
- e) If an IBO is returning merchandise to Jús that was returned to him or her by a personal retail customer, the product must be received by Jús within ten (10) days from the date on which the retail customer returned the merchandise to the IBO, and must be accompanied by the sales receipt the IBO gave to the retail customer at the time of the sale.

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

SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1 - Disciplinary Sanctions

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

- a) Issuance of a written warning or admonition;
- b) Requiring the IBO to take immediate corrective measures;
- c) Imposition of a fine, which may be withheld from bonus and commission checks;
- d) Loss of rights to one or more bonus and commission checks;
- e) Jús may withhold from an IBO all or part of the IBO's bonuses and commissions during the period that Jús is investigating any conduct allegedly violative of the Agreement. If an IBO's business is canceled for disciplinary reasons, the IBO will not be entitled to recover any commissions withheld during the investigation period;
- f) Suspension of the individual's IBO Agreement for one or more pay periods;
- g) Involuntary termination of the offender's IBO Agreement;
- h) Any other measure expressly allowed within any provision of the Agreement or which Jús deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the IBO's policy violation or contractual breach; or
- i) In situations deemed appropriate by Jús, the Company may institute legal proceedings for monetary and/or equitable relief.

9.2 - Grievances and Complaints

When an IBO has a grievance or complaint with another IBO regarding any practice or conduct in relationship to their respective Jús businesses, the complaining IBO should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the IBO Services Department at the Company. The IBO Services Department will review the facts and attempt to resolve it. If it is not resolved, it will be referred to the Dispute Resolution Board for final review and determination.

9.3 - Dispute Resolution Board

The purpose of the Dispute Resolution Board is to: (1) review appeals of disciplinary sanctions; and (2) review matters between Jús IBO's. After the response or settlement instituted by IBO Services has been denied or otherwise remains unresolved, the Dispute Resolution Board reviews evidence, deliberates, and responds to current outstanding issues on a collective basis.

An IBO may submit a written request for a telephonic or in-person hearing within seven business days from the date of: (1) the written notice by Jús of disciplinary action; or (2) the written decision of IBO Services regarding disputes between IBO's. All communication with Jús and the IBO seeking resolution of a dispute must be in writing. It is within the DRB's discretion whether a claim is accepted for review. If the DRB agrees to review the matter, it

shall schedule a hearing within thirty (30) days of receipt of the IBO's written request. All evidence (e.g., documents, exhibits, etc.) that an IBO desires to have considered by the DRB must be submitted to Jús no later than seven business days before the date of the hearing. The IBO shall bear all of the expenses related to his or her attendance and the attendance of any witnesses he or she desires to be present at the hearing. The decision of the Dispute Resolution Board will be final and subject to no further review, except as provided in Sections 9.4 and 9.5 below. During the pendency of the claim before the DRB, the IBO waives his or her right to pursue arbitration or any other remedy.

Following issuance of a disciplinary sanction, the disciplined IBO may appeal the sanction to the Dispute Resolution Board ("DRB"). IBO's appeal must be in writing and received by the Company within 15 days from the date of Jús's notice of the disciplinary sanction. If the appeal is not received by Jús within the 15 day period, the sanction will be final. The IBO must submit all supporting documentation with his or her appeal correspondence. If the IBO files a timely appeal of a disciplinary sanction, the DRB will review and reconsider the sanction, consider any other appropriate action, and notify the IBO in writing of its decision.

9.4 - Mediation

Prior to instituting any arbitration as provided in Section 9.5 below, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorney fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Boise, Idaho and shall last no more than two business days.

9.5 - Arbitration

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by 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. IBO's waive all rights to trial by jury or by any court. All arbitration proceedings shall be held in the City of Boise, Idaho, unless the laws of the state in which an IBO resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

Nothing in these Policies and Procedures shall prevent Jús from applying to and 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 Jús's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

9.6 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Ada County, State of Idaho. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Idaho shall govern all other matters relating to or arising from the Agreement. Notwithstanding the foregoing, and the arbitration provision in Section 9.5, residents of the State of Louisiana shall be entitled to bring an action against Jús in their home forum and pursuant to Louisiana law.

SECTION 10 - PAYMENT AND SHIPPING

10.1 - Returned Checks

All checks returned by an IBO's bank for insufficient funds will be re-submitted for payment. A \$25.00 returned check fee will be charged to the account of the IBO. After receiving a returned check from a customer or an IBO, *all future orders must be paid by Credit Card, money order or cashier's check. Any outstanding balance owed to Jús by an IBO for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.*

10.2 - Restrictions on Third Party Use of Credit Cards and Checking Account Access

An IBO shall not permit other IBO's or Customers to use his or her credit card, or permit debits to his or her checking accounts, to enroll or to make purchases from the Company.

10.3 - Sales Taxes

In designing the Jús opportunity, one of our guiding philosophies has been to free IBO's from as many administrative, operational, and logistical tasks as possible. In doing so, IBO's are free to concentrate on those activities that directly affect their incomes, namely product sales and enrollment activities. To these ends, Jús relieves IBO's of the burdens of collecting and remitting sales taxes, filing sales tax reports, and keeping records relative to sales taxes.

By virtue of its business operations, Jús is required to charge sales taxes on all purchases made by IBO's and Customers, and remit the taxes charged to the respective states. Accordingly, Jús will collect and remit sales taxes on behalf of IBO's, based on the suggested retail price of the products, according to applicable tax rates in the state or province to which the shipment is destined. If an IBO has submitted, and Jús has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the IBO. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by Jús is not retroactive.

SECTION 11 - INACTIVITY, RECLASSIFICATION, & CANCELLATION

11.1 - Effect of Cancellation

So long as an IBO remains active and complies with the terms of the IBO Agreement and these Policies and Procedures, Jús shall pay commissions to such IBO in accordance with the Marketing and Compensation Plan. An IBO's bonuses and commissions constitute the entire consideration for the IBO's efforts in generating sales and all activities related to generating sales (including building a Marketing Organization). Following an IBO's non-renewal of his or her IBO Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her IBO Agreement (all of these methods are collectively referred to as "cancellation"), the former IBO shall have no right, title, claim or interest to the Marketing Organization which he or she operated, or any commission or bonus from the sales generated by the organization. **An IBO whose business is cancelled will lose all rights as an IBO. This includes the right to sell Jús products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the IBO's former Marketing Organization. In the event of cancellation, IBO's agree to waive all rights they may have, including but not limited to property rights, to their former Marketing Organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former Marketing Organization.**

Following an IBO's cancellation of his or her IBO Agreement, the former IBO shall not hold himself or herself out as a Jús IBO and shall not have the right to sell Jús products or services. An IBO whose IBO Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

11.2 - Cancellation Due to Inactivity

IBO's who personally produce less than forty dollars (\$40) of personal sales volume for any pay period will not receive a commission for the sales generated through their Marketing Organization for that pay period. If an IBO has not earned a commission for six consecutive months (and thus become "inactive"), his or her IBO Agreement shall be canceled for inactivity. The IBO will then be reclassified as a Preferred Customer and entitled to purchase products at Preferred Customer Prices, as specified in Section 11.3.

11.3 - Reclassification Following Cancellation Due to Inactivity

If an IBO does not earn a commission or bonus for six consecutive months, his or her IBO Agreement will be cancelled for inactivity. If he or she is on the Company's Autoship program, the Autoship agreement shall remain in force and the former IBO shall be reclassified as a Preferred Customer. If the former IBO was not on Autoship, he or she will be entitled to continue purchasing products directly from the company at discounted price available to Preferred Customers.

11.4 - Involuntary Cancellation

An IBO's violation of any of the terms of the Agreement, including any amendments that

may be made by Jús in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary cancellation of his or her IBO Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed, or delivered to an express courier for delivery to the IBO's last known address (or fax number), or to his/her attorney, or when the IBO receives actual notice of cancellation, whichever occurs first.

Jús reserves the right to terminate all IBO Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

11.5 - Voluntary Cancellation

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address. The written notice must include the IBO's signature, printed name, address, and IBO I.D. Number. *If an IBO is on the Autoship program, the IBO's Autoship Agreement shall continue in force and the former IBO shall be reclassified as a Preferred Customer, unless the IBO also specifically requests that his or her Autoship Agreement also be canceled.*

11.6 - Non-renewal

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

SECTION 12 - DEFINITIONS

Active — Be considered “Active” by creating the minimum Personal Bonus Value (PBV) required for the Rank or subscribe to the appropriate monthly Autoship based on your Rank attained.

Note the following designations.

- a) **Active:** As an Independent Business Owner of any rank, accumulate \$75 BV or subscribe to a \$40 Autoship order during the pay period, which are a combination of your personal customers product Bonus Value, your personally enrolled Preferred Customers BV and your own product you use yourself.
- b) **Fully Active:** Become “Double” bonus qualified by increasing your personal monthly production to \$150 in PBV or subscribe to a \$108 PBV Autoship order.
- c) **Inactive:** Should an IBO become Inactive during a pay period by not creating the necessary PBV, no downline bonuses or Enroller Bonuses will be paid. Should the IBO continue to be considered Inactive for 6 consecutive months, as a service to the Inactive IBO, the company will reclassify this person to a special

customer status. During the next 6 months after reclassification, at their option, the inactive IBO may continue to purchase products at IBO 20% discount for their personal use. Anytime during this 6 month reclassification period, they may re-qualify as an Active IBO simply by sending a request to become Active and meeting Active Status qualification for a pay period. However, in the event that the Inactive IBO does not re-qualify during this second 6 month period, they will be dropped from the company ranks and any downline IBOs will permanently compress up to the first Active upline IBO.

Active Rank — The term “active rank” refers to the current rank of an IBO, as determined by the Jús Marketing and Compensation Plan, for any month. To be considered “active” relative to a particular rank, an IBO must meet the criteria set forth in the Jús Marketing and Compensation Plan for his or her respective rank. (*See the definition of “Rank” below.*)

Agreement - The contract between the Company and each IBO includes the IBO Application and Agreement, the Jús Policies and Procedures, the Jús Marketing and Compensation Plan, and the Business Entity Registration Form (where appropriate), all in their current form and as amended by Jús in its sole discretion. These documents are collectively referred to as the “Agreement.”

Cancel — The termination of an IBO’s business. Cancellation may be either voluntary, involuntary, through non-renewal or inactivity.

Customer — An individual who registers with Jús as a Direct Customer or Preferred Customer pursuant to Jús’s Customer Program.

Downline Activity Report — A monthly report generated by Jús that provides critical data relating to the identities of IBO’s, sales information, and enrollment activity of each IBO’s Marketing Organization. This report contains confidential and trade secret information which is proprietary to Jús.

Downline Leg — Each one of the individuals enrolled immediately underneath you and their respective Marketing Organizations represents one “leg” in your Marketing Organization.

Enroller – An IBO who is influences, solicits, or otherwise assists a new IBO or Customer to join Jús, and is listed as the Enroller on the IBO or Customer Application and Agreement. An Enroller may or may not be the Sponsor of a new IBO. If an Enroller’s first level or “front line” of the Enroller’s Marketing Organization is full, the new IBO must be placed under a Sponsor of the Enroller’s choice. If an Enroller fails to designate a Sponsor, the company will select a Sponsor for the new IBO.

Total Group Bonus Value (TGBV) — The total PBV created by all your downline IBO’s through unlimited depth is totaled to determine your Total Group Bonus Value. This TGBV is used to calculate various forms of qualification for earning new rank promotions and in rank maintenance in various phases of the Compensation Plan. It is usually subject to the 40% rule.

Immediate Household — Heads of household and dependent family members residing in the same house.

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

Marketing Organization — The Customers and IBO's sponsored below a particular IBO.

Official Jús Material — Literature, audio or video tapes, and other materials developed, printed, published and distributed by Jús to IBO's.

Personal Production — Moving Jús products or services to an end consumer for personal use.

Personal Bonus Value (PBV) — Every *jús* product that is purchased carries an assigned "Bonus Value" (BV) that is generally equivalent to the Independent Business Owner wholesale price applicable to each particular product. However, occasionally a low profit margin product may be assigned a Bonus Value that is less than IBO wholesale so it can be supported by the compensation plan. The accumulated Bonus Value of all products purchased by you, your directly enrolled Preferred Customers, and your retail customers during a given pay period are combined to determine your "Personal Bonus Value" (PBV) for that pay period. This PBV is used to calculate bonuses in the Compensation Plan. Unless otherwise specifically noted, BV is 80% of suggested retail price.

Rank — The "title" that an IBO has achieved pursuant to the Jús Marketing and Compensation Plan.

Recruit — For purposes of Jús's Conflict of Interest Policy (Section 4.9), the term "recruit" means: (a) The actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Jús IBO or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity; and (b) The conduct described in (a) above constitutes recruiting even if the IBO's actions are in response to an inquiry by another IBO or Customer. This subsection (b) shall not be applicable in California.

Resalable — Products and Sales aids shall be deemed "Resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) they are returned to Jús within one year from the date of purchase; and 5) the product contains current Jús labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be Resalable.

Retail Customer — An individual who purchases Jús products from an IBO but who is not a participant in the Jús Marketing and Compensation Plan or the Jús Customer Program. *See the definition of “Customer” above.*

Roll-Up — The method by which a vacancy in a Marketing Organization left by an IBO whose IBO Agreement has been canceled is filled.

Sponsor — An IBO who enrolls a Customer or another IBO into the Company, and is listed as the Sponsor on the IBO Application and Agreement. The act of enrolling others and training them to become IBO’s is called “sponsoring.”

Starter Kit — A selection of Jús training materials and business support literature that each new IBO is required to purchase. The Starter Kit is sold to IBO’s at the Company’s cost.

Upline — This term refers to the IBO or IBO’s above a particular IBO in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular IBO to the Company.