

The logo for reliv, featuring the word "reliv" in a lowercase sans-serif font above a stylized graphic of three curved lines representing waves or a flag, all contained within a solid black circle.

# POLICIES AND PROCEDURES

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## Introduction

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

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

### A

## PROFESSIONAL ETHICS

### The Reliv Professional Code of Ethics

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

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

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

I will fulfill my leadership responsibilities as a sponsor, including training and otherwise supporting the Distributors in my organisation.

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

I will make no claims for any Reliv product that are not contained in official Reliv literature.

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

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

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

I will not solicit from the proprietary rolls or "genealogical" printouts of other network marketing companies.

I will not use sales materials or professional associations that may be regarded as proprietary by other companies. I will not represent that the Reliv Compensation Plan is the same or similar to any other network marketing company.

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

I will comply with the Consumer Code of Practice and the Business Code of Conduct of the Direct Selling Association.

## B

### **DISTRIBUTOR STATUS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a) When a Corporation or Partnership applies to be a Distributor, the Distributor Agreement Form may be submitted in the name of the Corporation or Partnership but must include the name and signature of an officer authorised to contract for and on behalf of the Corporation or the Partnership. In addition, a Corporation/Partnership Form must be submitted and must be signed individually by each of the shareholders and Directors of the Corporation or each of the partners of the Partnership.

b) Each shareholder of the Corporation and each partner of the Partnership will be bound, individually, by the terms of the Distributor Agreement and these Policies and Procedures. In addition, each shareholder of the Corporation or partner of the Partnership guarantees the performance of the Company or Partnership as the case may be. Further, each shareholder of the Corporation and each partner of the Partnership certifies and agrees that, except with the written consent of Reliv, he or she will be active in the conduct of the business of the Corporation or Partnership as a Distributor of Reliv.

c) Reliv is entitled to terminate the Distributor Agreement of any Corporation or Partnership, if, without the express prior consent of Reliv, (i) the entity sells or issues any shares or partnership interest to any person not included on, and signing, the original Distributor Agreement and Corporation/Partnership Form or (ii) without the express prior written consent of Reliv, there shall be any transfer shares in the Company or Partnership interest (except as transferred pursuant to Section C.12). No shareholder of a Corporation or partner of a Partnership, by reason of the transfer of such interest to a third party, shall be relieved of any obligation under the Distributor Agreement.

d) A person who is a shareholder, director, secretary or officer of a Corporation or member of a Partnership which is a Reliv Distributor may not also be a Reliv Distributor individually and may not also be a shareholder, director, secretary or officer of another Corporation, or partner of another Partnership, which is a Reliv Distributor.

e) An individual who is a Reliv Distributor may assign that Distributorship to a Corporation or Partnership by completing an Application in the name of the entity and assigning the Distributorship to the entity in the form approved by Reliv. Changes in the form, structure or

a name of an entity of a Reliv Distributor may be made only with the consent of Reliv, which Reliv may withhold in its absolute discretion.

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

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

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

### **B.8 Annual Renewal:**

To remain a Distributor, you must renew your Distributorship annually. A £24 (€36) annual renewal fee is due on the anniversary of your enrollment date. This fee entitles Distributors to a one-year subscription to Reliv's periodic publication, as well as Distributor support services. Although it is each Distributor's responsibility to renew his or her Distributorship, Reliv reminds Distributors when their renewal fee is due. For those Distributors who receive wholesale or commission earnings, Reliv will automatically renew your account and include a "renewal deduction" under the adjustment portion of your statement for your renewal fee. If you do not renew your Reliv Distributor status by the required deadline, your Distributorship with Reliv may be terminated at Reliv's discretion, and, if terminated, you forfeit all sponsorship rights, position earned, and corresponding compensation.

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

All Distributors are independent contractors of Reliv. They are not franchisees, joint venturers, partners, employees, or agents of Reliv. Distributors have no authority to make any representation, agreement, or commitment of any kind for or on behalf of Reliv or to bind Reliv in any manner. Reliv does not control the time, location or amount of work that a Reliv Distributor performs.

### **B.10 Indemnity Agreement:**

Every Distributor agrees to indemnify and hold harmless Reliv, its officers, agents, and directors, against any claim, demand, liability, loss, cost, or expense including, but not limited to, attorneys' fees, arising or alleged to arise in connection with the conduct of the Distributor. Each Distributor waives and releases any claims which he or she may have against Reliv or any of its affiliate organisations and each of their respective officers, directors, employees and agents arising out of any act, omission, statement or representation of a Distributor related to his or her Reliv business. In no event will Reliv be liable to a Distributor (or anyone claiming through a Distributor) for any consequential or special damages.

### **B.11 Compliance:**

Distributors shall comply with all statutes and regulations concerning the operation of their businesses. Distributors are responsible for their own managerial decisions and expenditures, including all taxes and National Insurance contributions where applicable.

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

**B.12 Identification Numbers:**

The pre-printed Country Code plus first three letters of your surname together with the printed number become your permanent Reliv ID number to be used in all orders and communication with the Company.

**B.13 No Exclusive Territories:**

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

**B.14 Confidential Information:**

Each Distributor acknowledges and agrees that all information concerning Reliv Distributors, including, but not limited to, customer and Distributor lists, whether compiled or stated individually (hereinafter "Confidential Information"), was obtained by Reliv at great effort and expense, is of great value to Reliv, and is maintained by Reliv as confidential and trade secret information. This includes names, addresses, telephone numbers, genealogies and other information relating to Reliv Distributors.

Each Distributor further acknowledges and agrees that Confidential Information received or obtained, whether in the form of lists prepared by Reliv or otherwise, is received in confidence and on the condition and agreement that such information will be kept confidential. Each Distributor also agrees that he or she will not disclose Confidential Information to anyone except when authorised in writing by Reliv and will not use Confidential Information for any purpose other than the performance of functions and duties as a Reliv Distributor. From time to time, the Company may furnish data reports to a Distributor that provides information related to the Distributor's downline organisation, sales volume, compensation, etc. These reports and the information provided therein are confidential and constitute trade secret information of the Company. These reports are provided to a Distributor solely for the development of his or her Reliv business. Distributors are prohibited from directly or indirectly disclosing the information contained in these reports to any third party; using the information to compete with the Company; or soliciting or recruiting any Distributor on the report to alter their relationship with the Company.

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

**B.15 Non-Solicitation/Other Business Activities:**

Reliv Distributors are not restricted from being employed by, or providing services to, other business entities, or from engaging in other business activities. A Distributor is prohibited, however, from using the name Reliv, any trademarks of Reliv or the names of Reliv prod-

ucts in connection with any other business activity. Each Distributor agrees that, while a Distributor, and for a period of 18 months from the expiration or termination of the Distributorship, he or she will not, directly or indirectly, (i) solicit any Reliv Distributor to become a Distributor for, or associate with, any person or entity (other than Reliv) engaged in marketing or selling any product or service by means of direct sales, network marketing or multi-level marketing method or organisation, or (ii) solicit for the sale, or sell, any product or service to a Reliv Distributor, other than products or services sold by Reliv or (iii) alter in any way a Reliv Distributor's relationship with the Company. The term "solicit" includes any actual or attempted promotion, recruitment, recommendation, encouragement, suggestion, inducement, or effort to influence in any other way, either directly or through a third-party, another Reliv Distributor or customer to enroll or participate in another multi-level marketing or direct selling opportunity. "Solicit" also includes actions that are in response to an inquiry by another Reliv Distributor or customer.

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

#### **B.16 International Sponsoring:**

Reliv Distributors may only sponsor other Distributors in countries where Reliv has an established business. The countries in which Reliv has an established business have been announced by the Company.

A) Approved Company products and sales materials:

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

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

1. A Distributor should promote Company products and the business opportunity through personal contact to ensure proper product orientation and customer service.
2. Distributors in good standing have the right to sponsor in all countries where an affiliate of Reliv International has established operations and sponsoring is authorised.
3. Each Distributor is responsible for discovering and complying with all applicable laws, regulations, rules, tax requirements, and other due demands of the country, including the country-specific Policies and Procedures.
4. Each Distributor accepts sole responsibility for conducting his or her independent business lawfully within the country. The Distributor also agrees to indemnify and hold harmless Reliv and any affiliated company of any claim, action or liability asserted that arises out of his or her actions, omissions or representations in sponsoring or conducting his or her independent business in the country.

C) No business or promotional activities may occur in a country before it is officially opened. A Distributor must refrain from the following in unauthorised countries:

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



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

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

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

## C

### **DISTRIBUTOR OPERATIONS**

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

A Reliv Distributor is entitled to sponsor other Distributors into the Reliv programme. A Distributor will not be compensated for enrolling new Distributors. However, he or she will be compensated under the Reliv Compensation Plan based on the volume of product sales.

There are no assurances or guarantees of any compensation or commissions.

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

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

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

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

## **C.4 Changing Sponsorship:**

Transfer of sponsorship is rarely permitted and is actively discouraged. Maintaining the integrity of sponsorship is absolutely mandatory for the success of the overall organisation. Any change of sponsorship is subject to final approval by Reliv.

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

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

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

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

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

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

Reliv may immediately terminate or suspend the status of any Distributor for cause. "Cause" means and includes (i) any violation of the Distributor Agreement which incorporates these Policies and Procedures, all of which may be amended from time to time, (ii) any wrongful taking of property from Reliv or a Reliv Distributor, (iii) any act of dishonesty regarding Reliv or a Reliv Distributor, (iv) the commission of a felony or act of moral turpitude, or (v) the use or sale of illegal drugs or the excessive use of alcohol or other personal conduct which, in the reasonable opinion of Reliv, may reflect adversely on Reliv. Each Distributor acknowledges that Reliv has a legitimate and substantial interest in requiring high standards of integrity and responsibility from its Distributors. In addition, Reliv may terminate the status of any Distributor as of the expiration of the initial term or renewal term at its sole discretion, with or without cause, by written notice to the Distributor, given more than 30 days prior to the expiration.

## **C.7 Procedure for Involuntary Termination or Suspension:**

Reliv may, in its sole discretion, suspend or terminate a Distributor for Cause. Suspension may be any time up to a period of one year (at the sole discretion of Reliv). Reliv may dele-

gate the authority to determine whether Cause exists and whether to suspend or terminate a Distributor. Suspension or termination shall be effective from the first day of the month in which notice thereof is mailed to the Distributor as shown on the records of Reliv.

#### **C.8 Effect of Suspension:**

If a Distributor is suspended for cause, (i) the Distributor shall not be entitled to act as or receive any of the benefits of a Distributor for Reliv for the term of the suspension, (ii) the Distributor shall not be entitled to receive any compensation as a Distributor during the suspension period, including without limitation any commissions or overrides (except payments that may have been due for periods prior to the suspension). Reliv reserves the right to off-set losses it may have suffered due to the actions of the Distributor against any compensation that may be due to the Distributor at the time of suspension; and (iii) at the sole and absolute discretion of Reliv, the Distributor's sponsored downline organisation, for the period of suspension, may be moved up to the next sponsor in the suspended Distributor's upline and remain there during the term of suspension. The suspension of a Distributor shall be effective the first day of the month in which notice is given.

#### **C.9 Effect of Termination:**

Voluntary or involuntary termination results in the Distributor's loss of rights to his or her sponsored downline organisation, which at the sole and absolute discretion of Reliv, may move up to the next sponsor in the terminating Distributor's upline and remain there whether or not the terminating Distributor subsequently re-enrolls as a Distributor following the six month waiting period. Termination is retroactive to the beginning of the month in which the termination is effective. Thus, payment of commissions and overrides will be made only for business completed during the last full calendar month prior to termination. No terminated Distributor shall represent himself or herself as a Distributor of Reliv.

#### **C.10 Solicitation of Prospects:**

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

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

Ordinarily, Reliv corporate will not become involved in, or attempt to resolve, a dispute over the proper sponsorship of a new Distributor. We encourage Distributors to resolve conflicts over proper sponsorship by agreement, respecting the policy stated here. However, Reliv reserves the right in circumstances Reliv deems appropriate to make the determination of proper sponsorship which determination will be binding on all parties. Distributors who are unable to resolve a dispute regarding sponsorship by agreement may request arbitration of the matter as is provided in Section H.8 of these Policies and Procedures.

### **C.11 Sale, Assignment or Transfer of Reliv Distributorships:**

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

### **C.12 Succession:**

Upon the death of an individual Distributor or any shareholder, partner, member, trustee or beneficiary of an entity that is a Distributor, the decedent's interest in the Distributorship will pass to his or her successors in interest as provided by law, will or other instrument. However, Reliv will not recognise the transfer until the successor submits a new Distributor Agreement or Corporation/Partnership Form with certified copies of the death certificate and will, trust or other instrument. The successor will then be entitled to all the rights and subject to the obligations of the decedent.

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

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

### **C.13 Agreements Among Distributors:**

The relationship between Distributors will be governed by the Distributor Agreement, of which these Policies and Procedures are a part, with respect to compensation, sponsoring, payment of commissions and overrides, and all other facets of a Distributor's Reliv business. No agreement between Distributors relating to the conduct of their Reliv business or the allocation of compensation from their business shall be effective, unless Reliv consents to the agreement in writing.

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

a) Each Distributor agrees:

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

6) That the obligations under this section will survive the termination of the Distributor Agreement.

b) Reliv reserves the right to pursue all appropriate remedies under applicable laws to protect its rights to the genealogies as proprietary information of Reliv; any failure to pursue such remedies will not constitute a waiver of the rights.

### **C.15 Dissolution or Division of a Distributorship:**

a) Reliv acknowledges that Distributorships involving more than one person may be dissolved or divided by divorce or dissolution of a marriage, corporation or partnership, whether by agreement or in the course of a legal proceeding for a divorce or dissolution. Reliv requires that the parties to or beneficiaries of such a Distributorship, in connection with and during the course of such division or dissolution, conduct themselves in accordance with these rules and in a manner which will not adversely affect Reliv or the interests, business or income of sponsored downline Distributorships or upline sponsors. During the course of any proceeding for a divorce or dissolution affecting a Distributorship, the parties are restricted from engaging or involving Reliv or Reliv Distributors in any controversy or dispute among them. Violation of this provision shall be deemed personal conduct which may reflect adversely on Reliv and may result in disciplinary action including Distributorship termination.

b) While a divorce or partnership or corporate dissolution is pending, the parties must adopt one of the following methods of operation:

1) If one of the parties is willing to relinquish his or her right and interest in the Distributorship, thereby leaving his or her spouse or fellow partners, members or shareholders to carry on the business, he or she may do so by executing an Assignment form which is available from Reliv. When the Assignment is signed by the withdrawing party and filed with Reliv, Reliv's records will be changed to show ownership of the Distributorship in the sole name(s) of the remaining Distributor or partners, members or shareholders.

2) If both spouses in a divorce situation agree that, despite their domestic difficulties, they can continue to operate the Distributorship jointly on a "business-as-usual" basis while the divorce action is pending, they may do so. In this case, all compensation will continue to be paid in the joint names of the Distributors involved.

3) If all parties to a partnership or shareholders of a corporation agree that, despite their desire to dissolve the entity, they can continue to operate the Distributorship jointly on a temporary basis, they may do so, provided they continue to perform all the responsibilities of a Distributor. All compensation will continue to be paid in the name of the partnership or corporation pending the final agreement of dissolution.

4) If the parties in a divorce action or in a partnership or corporate dissolution are not agreeable to operate under alternatives 1, 2, or 3, then they must make arrangements to have their Distributorship operated by a third party until divorce or partnership or corporate dissolution is completed. Their sponsor, another Distributor or a third party acceptable to all may be selected to act as a receiver while the divorce or dissolution action is pending. The parties must reasonably compensate the "receiver" for handling the Distributorship during this time.

c) While a divorce is pending, neither party may operate or participate in the operation of any other Distributorship. Section B.4 of the Policies and Procedures provides that if a husband

and wife both wish to be Distributors of Reliv products, they must be sponsored together as a single Distributorship in the same line. They may not sponsor each other. The one exception being when single Distributors marry, provided neither is the direct sponsor of the other as set forth in Section B.4. This policy applies until the parties are no longer husband and wife as determined by a Final Order or Judgment entered by a court of law. The restriction against husband and wife operating separate Distributorships does not end until a court of competent jurisdiction has entered final decree or judgment of divorce and certified copy of the decree judgment has been filed with Reliv.

d) Divorcing parties or parties dissolving a partnership or corporation may, after final decree or judgment of divorce or final dissolution, operate as a single Distributorship or separate Distributorships in accordance with the following provisions:

- 1) Divorcing parties may agree to continue to operate their business in the form of a partnership or corporation even though they are no longer husband and wife. In such a case, however, they must enter a formal Corporation/Partnership form which defines their respective rights and obligations and file an executed copy with Reliv.
- 2) The parties may split their Distributorship into two or more separate Distributorships, which are then sponsored by their original sponsor. A new Distributor Agreement must be completed for each new Distributorship. In the event of dividing a Distributorship into two or more separate Distributorships, the existing lines of sponsorship beneath the original Distributorship must remain intact.
  - a) The parties can only reallocate among them their first-level, personally-sponsored Distributors.
  - b) This notification must be supplied in writing to Reliv no later than 30 days from receipt of written notice from the upline that they wish to divide the Distributorship.
- 3) One former spouse or partner(s) or shareholder(s) may completely relinquish all rights in the original Distributorship, including all sponsored Distributors, to the other parties. At this time, the withdrawing party is free to (a) sign as a Distributor under his or her former Distributorship, (b) sign as a Distributor under his or her original sponsor, or (c) sign as a Distributor in a completely different line of sponsorship of his or her choosing.

## **C.16 Addition of Co-Applicants**

If a Distributor (either an individual or Entity) wants to add a co-applicant to an existing Distributorship, the Company requires a written request and a new Distributor Agreement with all applicants' signatures and information. If the co-applicant is currently a Distributor, he or she must voluntarily terminate his or her existing Distributorship. The original applicant must remain a party to the Distributorship. If the original applicant wants to terminate his or her relationship with the Company, he or she must follow the procedure in Section C.11. If the above procedure is not followed, the distributorship shall be terminated upon withdrawal of the original applicant.

## **C.17 Change of Information for Entity or Multiple Individual Distributorships:**

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

## LITERATURE AND ADVERTISING

### D.1 Trademarks:

The name Reliv and the name of all Reliv products are trademarks of Reliv. Only Reliv is authorised to produce and market products and literature under these trademarks. Use of the name Reliv, or the names of Reliv products, in any way not provided for within the Distributor Guide (as provided in the Distributor Kit) and these Policies and Procedures is strictly PROHIBITED.

### D.2 Reliv Literature:

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

- a) You may use instructions provided by Reliv to order business cards, letterhead and stationary bearing the Reliv name and logo. These items may be reproduced by local suppliers of your choice, adhering strictly to the enclosed printing guidelines.
- b) Reliv literature, brochures, inserts or other sales aid items available from Reliv may not be reproduced, duplicated or reprinted.

### D.3 Print Advertising:

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

### D.4 Telephone Directories:

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

### D.5 Cheque Accounts:

Distributors who have a separate cheque account for their Reliv business should have their name or business name printed on the cheques. A Distributor may not name their business Reliv. The account title should be 'Your Name – Independent Reliv Distributor Account'.

### D.6

#### D.6A Distributor Websites:

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

The following are requirements when developing a website:

- (a) Distributors must prominently place the phrase “Independent Reliv Distributor” in the banner at the top of the Distributor’s homepage. The phrase must also appear on every web page on which a Reliv logo or trademark appears and following the Distributor’s name where contact information is provided.
- (b) On the Distributor’s homepage and any other web page that displays the Distributor’s contact information, the Distributor must include a statement that viewers who have heard of Reliv from another Reliv Distributor should contact that Distributor for further information. It is the responsibility of every Distributor with a website to ensure that all new customers and Distributors have not been previously contacted by another Reliv Distributor.
- (c) Distributors may not utilise a shopping cart or any other means to make sales directly from their website.
- (d) Distributors are strictly prohibited from using any Reliv trademark in a website’s domain name.

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

- (a) Distributors may use material found in Reliv’s Graphic Library on Flickr, consisting of images (available under the “Business Tools” page in the Distributor Portal).
- (b) Subject to Reliv’s review and approval, Distributors may include a personal testimonial and the testimonial of a limited number of other Distributors or customers who have provided Reliv with written permission for the use of their testimonial on the website (please refer to Sections H.2 and H.3 of Reliv’s Policies and Procedures and Reliv’s advertising guidelines available under the “My Business” tab of your portal page.)
- (c) Distributors may link to the Reliv corporate home page or any other website produced and maintained by Reliv. A Distributor may not link to any third party website without the prior approval of Reliv.
- (d) From time to time Reliv may provide, or authorise an approved vendor to provide, Distributors the opportunity to utilise replicating websites to promote their business. The availability of such sites and the terms and conditions of their use will be displayed on Reliv’s website at such time, if any, that Reliv determines to make replicating websites available to Distributors.

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

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

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

- (a) Is unconnected to any religious or political organisation;
- (b) Does not damage or impugn the name or reputation of Reliv, its products or its Distributors;
- (c) Does not misuse Reliv’s trademarks, product names, or other intellectual property; and



- (d) Does not directly or indirectly promote any other direct selling or network marketing companies (regardless of products offered) or any products which are competitive with those sold by Reliv (including, but not limited to nutritional supplements and skin care products).

Reliv periodically conducts Internet searches to confirm Distributors are operating in accordance with this Section D.6A. In case of violation, Reliv may require the offending Distributor to immediately remove the advertisement, website and/or information which is in violation of Reliv Policies and Procedures. If a Distributor fails to remedy a violation in strict accordance with Reliv's request or repeatedly violates this Section D.6A, Reliv may take any other disciplinary actions deemed appropriate against the offending Distributor, including suspension or termination of the Distributor.

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

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

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

- A. Distributors must include their name and clearly identify themselves as an "Independent Reliv Distributor" on all posts or profiles generated in any social community where the individual mentions or discusses Reliv.
- B. Distributors are prohibited from using any Reliv trademark, product name or logo in their user name, profile photo, blog name or fan/group pages of any social community. Reliv Distributors may use the approved "Independent Distributor Logo" approved for social media from the content library. This is the only approved logo for social media use.
- C. For those Distributors who have existing fan pages, group names that include the Reliv trademark, product names or company logos they will need to change or delete this information in accordance to Reliv's Policy and Procedures. Reliv is aware that some sites such as Facebook do not allow users to change existing fan pages or groups. For this reason, users with existing sites will need to create a new page or site and redirect users accordingly.
- D. Distributors are personally responsible for the content they publish in the social community. In addition, as the site administrator, owner, or moderator, you are responsible for the content posted by others including personal testimonies. Any information provided through social media must comply with Reliv's Policy and Procedures in addition to Reliv's advertising guidelines. (Please refer to Sections H.2 and H.3 of Reliv's Policies and Procedures and Reliv's advertising guidelines for guidance).
- E. Distributors must make it clear that they are speaking for themselves and not on behalf of Reliv International, Inc. Visitors to any Distributor's blog site, fan page, group, tweets or any other form of social networking should not be left with the impression that the content is being published by or on behalf of Reliv International, Inc.

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

- 1. Respect your audience. Do not make ethnic slurs, personal insults, use obscenity or engage in any conduct that would not be acceptable to Reliv. Distributors should also show proper consideration for other's privacy and for topics that may be considered objectionable.
- 2. Add value with your posts and comments. Provide meaningful information. What you publish may reflect on not only you and your personal organisation but also Reliv as a whole.
- 3. Distributors may link to the Reliv corporate home page or any other website produced and maintained by Reliv. A Distributor may not link to any third party website in connection with the promotion or discussion of the Reliv products or business opportunity.

4. When in doubt do not publish it. Remember that there are always consequences to what you publish. You have sole responsibility for what you post and what is published on your blog, profile, or in any form of online social media.

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

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

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

Except for orders of Reliv products made through use of the Reliv corporate website, Distributors are strictly prohibited from marketing or selling Reliv products through use of Internet auctions, websites or other means utilising the Internet as a means to complete a sale. For example, any sales of products through eBay or a website (other than Reliv's corporate website) containing a shopping cart or similar capabilities are prohibited. Such sales divert potential customers from Reliv Distributors and threaten the integrity of the Reliv business model. Accordingly, any violation of this Policy and Procedure may result in immediate termination of the offending Distributor.

#### **D.8 Domain Names:**

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

#### **D.9 Media:**

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

#### **D.10 Radio and Television:**

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

**D.11 Advertising and Sales Support Material Approvals:**

In general, Distributor-created advertising is discouraged. Reliv provides classified and display advertising slicks for Distributor use. Unless you are using Reliv designed and approved classified or display ads, you must submit for approval in writing all advertising to Reliv before placing it or arranging for placement. All advertising on electronic media (Internet and radio) must also be approved by Reliv prior to placement. Please mail or fax written copies of LANGUAGE and LAYOUT for all Distributor-created advertising to the Reliv Compliance Department, allowing 7 to 10 working days for approval. Keep records of the Reliv Approval Number assigned to your ad. We encourage you to print the endorsement number on your ads.

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

**D.12 Liability:**

Violation of these Policies and Procedures is subject to disciplinary action by Reliv.

Disciplinary action may include, but is not limited to, termination of the Distributorship and loss of Distributorship privileges, including downline organisation, income, etc. The violating Distributor may also be liable for damages resulting from unauthorised use of Reliv copy-rights, trademarks and materials.

**D.13 Repackaging Prohibited:**

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

**D.14 Recordings:**

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

**D.15 Telephone Answering:**

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

**D.16 Independent Distributor Telephone Solicitation:**

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

**D.17 Sales Forums/Retail Outlets:**

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

In any case, Reliv products cannot be publicly displayed, as in display windows, but only in a manner visible to clientele inside the place of business.

Examples of businesses through which the sale of Reliv products is prohibited include:

Supermarkets	Health Food Stores
Drug Stores	Swap Meets or Flea Markets
Pharmacies	Shopping Mall Booths
Shops or Military Stores	

This policy does not prohibit a store owner, for example, from being a Distributor. Meetings may be held in retail outlets after the close of regular business hours, and Reliv products may be sold at these meetings.

Distributors may display the Company's products at certain trade shows and professional expositions at the sole discretion of the Company. Distributors must contact Reliv's Compliance Department for approval prior to the event. The Company may refuse authorization to participate in the event if the forum is not deemed suitable for promotion of the Reliv products or business opportunity.

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

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

## **E**

### **COMMISSIONS**

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

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

#### **E.2 Calendar Month:**

Commissions and achievement levels are calculated on a calendar month basis. The last working day of the month is regarded as the last day in that month on which Reliv is open for business (up to normal close of business).

NOTE: ALL ORDERS MUST BE RECEIVED BY CLOSE OF BUSINESS AT RELIV OFFICE IN THE COUNTRY WHERE THE ORDER IS PLACED, ON THE LAST WORKING DAY OF THE MONTH IN ORDER TO BE INCLUDED IN THAT MONTH'S VOLUME. (UNLESS OTHERWISE INDICATED BY RELIV).

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

Commission cheques are paid and mailed on the 18th day of the month following the month in which those commissions were earned. For example, commissions based on sales made in January are paid on February 18th.

## **F**

### **PRODUCT SALE RULES**

#### **F.1 No Purchase Required to Become a Distributor:**

Under the Reliv system, no person is required to make any purchase of product at any time in order to become or remain a Reliv Distributor. Any statement or suggestion to the contrary by a Reliv Distributor is strictly prohibited.

## **F.2 7-Day Clause:**

The MAXIMUM amount of money that Reliv (or a Distributor) can accept from a new UK Distributor in the first 7 days is £200 in total. This INCLUDES the Distributor Kit/Registration plus product at the discount price, sales aids and shipping and handling.

In accordance with DSA rules, the 7-day clause starts once an application has been received in the office. So, for example, if you sign the application form on the Monday, but the office staff do not receive it until the Thursday, then the 7-day clause does not come into effect until the Thursday.

## **F.3 Excessive Purchases Prohibited:**

Seven days after acceptance of their application, Reliv Distributors may purchase Reliv products from Reliv (or from other Reliv Distributors) in amounts which are reasonably necessary and appropriate to establish and maintain an inventory of products for resale to retail customers, to other Reliv Distributors in their downline, and for personal use and consumption. Purchase of products in excess of the amounts reasonably necessary and appropriate for such purposes is strictly prohibited, as well as suggesting, encouraging or inducing any other Distributor to make excessive purchases of Reliv products. The purchase of Reliv products, or encouragement of such purchases, in excess of reasonable amounts for appropriate uses, for the purpose of qualification or advancement under the Reliv Compensation Plan, or for qualification for any bonus or award is also strictly prohibited and may result in disciplinary action including suspension or termination.

## **F.4 Price of Reliv Products:**

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

## **F.5 Retail Receipts:**

Reliv Distributors will provide all retail Customers of Reliv products with a written retail receipt. Reliv provides a list of suggested retail prices. This list forms the basis for the discounted purchase price at which you may purchase products from Reliv and may assist you in product pricing for retail sales.

## **F.6 Value Added Tax:**

Reliv Distributors shall comply with all taxes, regulations and licensing requirements which govern the sale of Reliv products. (Reliv products, services and sales aids may be subject to VAT).

# **G**

## **GUARANTEE POLICY**

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

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

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

- a) A signed Customer Request for Refund Form identifying the reasons for the return; and
- b) A copy of the original Retail Customer Order form.

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

## **G.2 Quality of Product:**

Reliv will replace any product within 60 days of purchase for reasons of substandard quality. Prior written request to the Reliv home office is required before any exchange will be made. The following procedures must be completed before a refund or replacement will be issued:

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

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

a) A Distributor may cancel his or her Distributor Agreement without penalty within 14 days of entering into the Agreement by giving written notice of cancellation to Reliv and;

1) the Distributor may require Reliv to repay the Distributor within 14 days any monies which the Distributor has paid to or for the benefit of Reliv or any of its other Distributors in connection with the Distributor's participation in this trading scheme or paid to any other Distributor in accordance with the provisions of this trading scheme; and

2) the Distributor may return to Reliv's address any goods which the Distributor has purchased under the trading scheme within such 14 day period and which remain unsold, provided that such unsold goods remain in the condition in which they were in at the time of purchase, whether or not their external wrappings have been broken, and may recover any monies paid in respect of such goods; and

3) the Distributor may cancel any services which the Distributor has ordered under the trading scheme within such 14-day period and may recover any monies paid in respect of such services, provided that such services have not yet been supplied to the Distributor.

b) In order to recover any monies paid in accordance with sub-clauses G.3(a.1) or (a.3) above the Distributor must give notice to Reliv requesting the repayment of such monies (and if applicable, returning the starter kit purchased by him) to Reliv's address within 14 days of entering into the Distributor Agreement and Reliv shall repay such monies as the Distributor may be legally entitled to recover within a reasonable period of time after the date of receipt of such notice.

c) In order to recover monies paid for goods under sub-clause G.3(a.2) above, the Distributor must deliver the goods to Reliv within 14 days of entering into the Distributor Agreement. The Distributor shall bear the cost of such delivery. The monies paid in respect of those goods is payable to the Distributor on delivery of the goods, or forthwith if the goods have not yet been delivered to the Distributor.

d) A Distributor may terminate his or her Distributorship at any time without penalty by giving 14 days written notice of termination to Reliv. If the Distributor gives notice to terminate this Agreement more than 14 days after the Distributor entered into the Agreement, the Distributor may return to Reliv any goods which the Distributor has purchased under the scheme within 12 months prior to such termination and which remain unsold and Reliv will refund to the Distributor the original cost of such goods (inclusive of VAT) less any delivery

costs and less 10% restocking fee. Where the condition of any such goods has deteriorated due to any act or default on the part of the Distributor and such products are not in a resalable and reusable condition, Reliv reserves the right to reject such product return and refuse repurchase.

e) Reliv may terminate the Distributor Agreement at any time by giving written notice to the Distributor. If Reliv terminates a Distributorship the Distributor may return to Reliv any goods which the Distributor has purchased under the scheme within 12 months prior to such termination and which remain unsold for a refund of the original cost of such goods (inclusive of VAT) less any delivery costs incurred by the Distributor for returning the goods to Reliv and less 10% restocking fee.

f) In order to exercise his rights under clause G.3(d) or (e) the Distributor must deliver the goods to Reliv within 21 days of such termination. Reliv will bear the cost of such delivery upon Reliv's termination of the Distributor Agreement under G.3(e). The Distributor will bear the cost of such delivery upon their termination of the Distributor Agreement under G.3(d). The refund due is payable to the Distributor on delivery of the goods, or forthwith if the goods are already held by Reliv.

g) If a Distributorship is terminated for any reason, the Distributor will have the right to be released from all future contractual liabilities towards Reliv in relation to this trading scheme, except;

- 1) any liability to pay the price of goods or services already supplied to the Distributor by Reliv where the Distributor has not returned such goods to Reliv in accordance with sub-clauses G.3(a) or (d); and

- 2) the provisions of clause B.15 which relate to competition with the business of Reliv after termination of this Agreement and which shall remain in force after the date of termination.

h) On termination of the Distributorship for whatever reason the Distributor shall be entitled to retain any commission paid to the Distributor in accordance with the Distributor Agreement unless:

- 1) the commission was paid in respect of goods returned to Reliv (or another Distributor who paid the commission);

- 2) Reliv has refunded any monies due to the Distributor in accordance with clauses outlined above; and

- 3) repayment of the commission is claimed within 120 days of the date of having been made, in which case the Distributor shall repay such commission to Reliv forthwith on demand or Reliv may set-off the amount of such commission against any amounts due from it to the Distributor.

#### **G.4 Buyer's Right to Cancel:**

Local selling regulations allow a buyer to cancel certain sales without penalty within fourteen (14) days after the transaction. This rule covers contracts of £35 or more during an unsolicited visit by a Distributor to a consumer at the consumer's home, or someone else's home, or place of work. The Reliv Retail Sales Receipt contains all legally required notices. It must be signed by the buyer and a copy given to him on every sale. In addition, the Distributor must insert the date of the sale and cancellation date on the notice and orally inform the buyer of the fourteen day right to cancel at the time the buyer signs the contract of sale or purchases the goods.

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

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

**GENERAL PROVISIONS****H.1 Record Keeping:**

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

**H.2 Product Claims:**

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

**H.3 Income Claims:**

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

**H.4 Governmental Endorsement:**

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

**H.5 Amendments:**

Reliv reserves the right to amend the Distributor Agreement, including these Policies and Procedures, its wholesale or suggested retail prices, product availability and formulations, the Compensation Plan, and any other published materials and forms as it deems appropriate. Amendments will be communicated to Distributors through an appropriate Reliv publication or other means, including the methods stated in the Introduction above. Amendments are effective and binding on all Distributors when issued. The continuation of a Distributor's Reliv business or a Distributor's acceptance of compensation (commissions, bonuses) constitutes acceptance of any and all amendments.



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

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

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

## **H.7 Severability:**

If any provision of the Distributor Agreement which incorporates these Policies and Procedures, or any part thereof or application thereof to any person or circumstance shall be finally determined, in arbitration or by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of such document or the remainder of such provision or the application of such provision to persons or circumstances other than those as to which it has been held invalid or unenforceable, shall not be affected thereby and each provision of such document shall remain in full force and effect to the fullest extent permitted by law. The parties also agree that all provisions of the document will be interpreted and construed to the fullest extent possible so as to be valid and enforceable. Further, the parties agree that, if any portion of the document, or any part or application to any person or circumstance is determined by arbitration or by a court of competent jurisdiction to be invalid or unenforceable to any extent, the arbitrator(s) or any court may so modify the objectionable provision so as to make it valid, reasonable and enforceable.

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

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

## **H.9 Governing Law/Arbitration:**

The Distributor Agreement and these Policies and Procedures are governed by and construed in accordance with the laws of the United Kingdom. If any dispute or difference whatsoever shall arise between the parties with respect to or arising out of the Distributor Agreement or any part of it with respect to its construction or its effect or any matter connected with it or arising out of it or with respect to its operation or determination or the rights or duties of any party in connection with it then in any case the same shall be submitted to arbitration in accordance with the Arbitration Acts 1950 – 1979, and in so far as is permitted, the decision of any arbitrator appointed pursuant to the Act as to the dispute or difference and as to the costs of the arbitration shall be final and binding on the parties.

## **FIELD ENFORCEMENT PROCEDURES**

This is a step-by-step summary of the methods by which Reliv Distributors may deal with observed violations of Reliv's Policies and Procedures.

STEP 1 If you learn of or observe a violation, your first duty is to inform the offending Distributor of the rule being violated. Often a misunderstanding of the Policies and

Procedures can be reconciled in the field through this type of amicable communication. If this is the case, the problem is considered solved, and does not need to be referred to Reliv, although your Master Affiliate or group leader should be notified.

STEP 2 In cases where the offender refuses to comply with the rules, or believes that he or she is in compliance, a detailed letter must be forwarded to Reliv Distributor Relations. Names, places, events and any pertinent documentation should be included, and the letter must be signed. Maintain communication with the offender both before and after contacting Reliv. Be sure you have a strong foundation for the complaint, as false reporting of violations is also a serious offence.

STEP 3 Once the complaint is received by Reliv, the Company will take all measures deemed necessary to correct any transgressions. No action will be taken until all available information can be reviewed. Reasonable opportunity for explanation and appeal will be extended to the offender. The Company reserves the right to take action or no action in order to ensure compliance with the Policies and Procedures and decisions in these matters rest ultimately with Reliv in its sole and absolute discretion.

# RELIV'S POSITION STATEMENT

## REGARDING FIRST CONTACT

The purpose of this Position Statement is to set forth the guidelines by which Reliv resolves disputes regarding First Contact and to provide a framework for Reliv Distributors to evaluate a First Contact issue in light of Reliv's position on First Contact. Sponsoring and line integrity are critical to the success of Reliv and its Distributors and the guidelines and positions set forth in this Position Statement have been developed and refined throughout Reliv's operating history.

### I. FIRST CONTACT

In general, Reliv defines First Contact as a purposeful action that induces a prospect to take a meaningful step towards becoming a Distributor or Customer. This may occur through presenting the opportunity or products to a prospect, introducing a prospect to an element of the Reliv system or by providing proper follow up with an existing Distributor or Customer. Merely mentioning Reliv in a passing communication or promoting Reliv without indulging any action on the part of the recipient does not constitute First Contact.

Reliv understands that there are a myriad of ways in which more than one Distributor comes in contact with a prospect prior to that prospect becoming a Distributor or Customer. In most cases, the facts and circumstances of a potential dispute are unique.

Accordingly, while every action that results in First Contact cannot be described in this Position Statement, Reliv intends that the guidelines and analysis set forth herein will provide the basis for an amicable resolution in the field of any dispute. Accordingly, the primary responsibility for resolving disputes lies with the upline Ambassadors of the Distributors involved. Only when a dispute cannot be resolved in the field, will Reliv apply the tenets of this Position Statement to a dispute and deliver a final and binding decision based on the facts and circumstances involved in the dispute.

When rendering a First Contact decision, Reliv will protect the efforts responsible

Distributors make to build their business and provide Distributors the opportunity to share Reliv in a timely and professional manner. Reliv acknowledges that there is a process in which Distributors engage as they seek to introduce prospects and those within the prospect's circle of influence to Reliv. Reliv will respect and uphold the efforts of Distributors that act responsibly in a timely and professional manner. Reliv requires a high level of integrity and ethics throughout the sponsorship process and when a Distributor learns that a prospect has been subject to First Contact from another

Distributor, the prospect should be referred back to the Distributor that established First Contact and no other Distributor may sell product to or work with the prospect.

### II. GUIDELINES

When evaluating a First Contact dispute, Reliv will apply the following guidelines to reach a resolution of the dispute:

1. A Distributor that initiates First Contact will retain First Contact privileges with respect to that prospect irrespective of who that prospect may know or with whom the prospect may wish to be involved.

2. Sponsor shopping by a prospect or Customer is wholly disallowed.
3. First Contact privileges do not extend indefinitely.
4. Distributors must act responsibly and in a professional manner in order to secure First Contact privileges.
5. When utilising passive internet-based marketing, Distributors receiving inquiries regarding Reliv must inquire how the prospect heard about Reliv and from where the prospect's connection to Reliv derives. When the active efforts of another Distributor generated that connection, the prospect must be directed to contact that Distributor. Thereafter, the Distributor utilising internet-based marketing must wait a minimum of four weeks before contacting the prospect to determine if the prospect has taken further action towards Reliv.

### III. APPLICATION AND ANALYSIS OF GUIDELINES

1. A Distributor that initiates First Contact will retain First Contact privileges with respect to that prospect irrespective of who that prospect may know or with whom the prospect may wish to be involved. When a prospect is subject to First Contact, that prospect is connected to the initiating Distributor for as long as the initiating Distributor acts professionally and maintains a line of communication with the prospect. This holds true no matter who the prospect may later find out is involved with Reliv or under whom the prospect would prefer to join.

Example: A prospect attends a Reliv meeting at the invitation of a Distributor who is merely an acquaintance. The prospect had no knowledge of Reliv prior to the meeting. At the meeting the prospect sees her best friend who had not yet shared Reliv with the prospect. Regardless of the prospect's desire to work with her best friend, the initial Distributor will maintain First Contact privileges with respect to the prospect. This same analysis applies even if the initial Distributor were in a different city or country, whether the original connection was a result of cold market advertising or if the prospect is related to another Distributor.

Sponsor shopping by a prospect or existing Customer or Distributor is wholly disallowed. Line integrity is vitally important to the success of Reliv and its Distributors. Line integrity ensures Distributors reap the benefits of their efforts and fosters cohesiveness and cooperation among Distributors. Reliv is committed to providing an open system where a Distributor may feel free to refer a prospect to a meeting in another city without fear of losing that prospect. Accordingly, under no circumstances will Reliv support or permit line shopping.

Example: A prospect attends a Reliv appointment or meeting. After the Reliv presentation, the prospect declines involvement with Reliv.

- A. The prospect makes an immediate effort to get involved through a second Distributor. Reliv will redirect sponsorship to the initial Distributor as it is akin to shopping for a sponsor.
- B. The prospect waits a period of time and then initiates contact with a second Distributor. Although some amount of time has elapsed, it is the prospect that made the effort to get connected with a second Distributor. Reliv will support the First Contact privileges of the initial Distributor so long as the initial Distributor has maintained contact and a professional relationship. Reliv's prohibition against line shopping applies equally among existing Customers and Distributors as it does prospects.

- C. Example: A new Distributor has a customer that has refused to hear about Reliv's business opportunity. After receiving improved health results, the Customer finally agrees to attend a Tuesday night meeting. At the meeting the customer is impressed with the presentation of an experienced Ambassador and decides he would rather be a business partner with the Ambassador than the new Distributor. The Customer will only be permitted to sign up under the Distributor that is selling him products.
- D. The same analysis applies to former Customers and Distributors depending upon the period of inactivity. Reliv's Policies and Procedures require that a Customer be inactive for a period of six months before becoming a Customer or Distributor under a different sponsor. Further, a former Distributor must have resigned or terminated their distributorship agreement for a period of six months before they may become involved under a different sponsor. A former Customer or Distributor may renew their Reliv involvement with the same sponsor at any time. Distributors who come in contact with a former Reliv Customer or Distributor within this period should use all efforts to convince the Customer or Distributor to contact their previous Distributor.

First Contact privileges do not extend indefinitely. First Contact privileges necessarily require an ongoing level of commitment and attention to a prospect in order to secure First Contact privileges. Reliv is aware that there is a process through which Distributors attempt to convert prospects into Customers or Distributors and Reliv will support and respect that process. However, responsible Distributors act in a timely manner and understand that there exists a sense of urgency with respect to prospects. Actions which would constitute First Contact initially but are later coupled with a complete disregard for and lack of follow up with a prospect, will not result in the award of First Contact privileges.

Example: A Distributor sets an appointment with a prospect. The prospect, while interested, initially declines involvement with Reliv due to a personal situation that is consuming the prospect's time and attention. The Distributor indicates they will follow up with the prospect in a couple of weeks. The Distributor does not call or make a personal attempt to follow up with the prospect after the initial appointment. Six months later, the prospect is contacted by a second Distributor at a time when their personal situation has been resolved and they would like to become a Distributor. The initial Distributor failed to act in a timely and responsible manner and, as a result, the second Distributor will be permitted to sponsor the prospect. In those situations where a Distributor has made soft contact with a prospect, whether through an online discussion or a passing conversation, the Distributor has a period of four weeks within which to properly follow up and take action that results in First Contact.

Example: A Distributor briefly tells a prospect at church about the Reliv products or business opportunity and asks if the prospect would like to hear more about Reliv. The prospect is interested and agrees to the Distributor calling to set up an appointment. A few days later, the prospect is talking to a neighbour who mentions they are a Reliv Distributor and he would like to tell her more. The prospect remarks that they heard about Reliv from a friend at church last week. The second Distributor should refer the prospect back to the initial Distributor since very little time has passed since the soft contact. If it had been more than four weeks and the initial Distributor failed to call the prospect, then the second Distributor would be free to share Reliv with the prospect.

- 5. Distributors must act responsibly and in a professional manner in order to secure. First Contact privileges. Reliv expects Distributors to be courteous and respectful and to present the Reliv opportunity in a professional manner that reflects favourably on Reliv, the opportunity and Reliv's products. If a Distributor significantly deviates from these

expectations when initiating First Contact, that Distributor will not maintain First Contact privileges in the event a prospect is later contacted by another Distributor that presents Reliv in a way consistent with Reliv's expectations and requirements.

Example: A prospect sees an advertisement for Reliv in the local newspaper and calls the telephone number listed in the advertisement. It takes three tries for the prospect to make contact with the advertising Distributor. After an appointment is set, the advertising Distributor arrives 15 minutes late and is dressed in a sloppy manner. The Distributor's presentation is disorganised and hurried and the Distributor is abrasive and unwilling to listen to the prospect's concerns. The prospect declines involvement with Reliv. After a period of time during which the advertising Distributor makes no effort to contact the prospect, the prospect is contacted by a second Distributor who is a trusted business associate. Following a meeting with the second Distributor, the prospect has a completely different opinion of Reliv and determines to get involved with Reliv. Under these circumstances, First Contact privileges would not extend to the initial Distributor as his conduct and presentation were unprofessional and irresponsible.

6. When utilising passive internet-based marketing, Distributors receiving inquiries regarding Reliv must inquire how the prospect heard about Reliv and from where the prospect's connection to Reliv derives. When the active efforts of another Distributor generated that connection, the prospect must be directed to contact that Distributor. Thereafter the Distributor utilising internet-based marketing must wait a minimum of four weeks before contacting the prospect to determine if the prospect has taken further action towards Reliv.

Reliv recognises that the natural reaction for many people in modern society that wish to learn more about a subject is to search the internet for information. Reliv encourages and promotes the use of the Internet to share information, promote the Reliv business and develop leads. A website, blog or social media can be an effective way to update a Distributor's organisation and prospects on current events, share ideas and exchange information and promote Reliv products and the business opportunity. Internet-based marketing, and a website in particular, however, is predominantly passive. As mentioned above, Reliv recognises that there is often a process that Distributors undertake to convert prospects into Customers and Distributors. Reliv will protect and honour that process where a Distributor is acting responsibly in building his or her business. When a Distributor is actively promoting and generating interest in Reliv, Reliv allows that Distributor a period of four weeks during which to convert that interest into a bona fide First Contact before any web-based contact will be given priority.

Example: A Distributor is responsibly sharing and building a Reliv business. Among others, they have a Customer that they call to ask her how they're doing, they ask them for referrals and they provide their cards to share with their friends so that they can enjoy the benefits of Reliv as well. Customer's friend asks Customer what they're doing because they've lost 10 pounds and look great. Customer tells their friend about Reliv and gives their Distributor's business card or phone number. Distributor calls Customer as part of their routine follow up a couple of days later and Customer gives Distributor their friend's information. Distributor calls Customer's friend to discover that the friend has gone online and found a second Distributor via the internet. The second Distributor upon discovering the friend learned of Reliv through the Customer should refer the friend back to the initial Distributor and wait a period of four weeks before reconnecting with the friend to determine if the initial Distributor had established First Contact.

In the above example, the initial Distributor is acting in a professional and responsible manner by doing proper follow up, asking for referrals and generating activity. The Distributor with a website is also acting in a professional and responsible manner by advertising his business

through the internet. It is Reliv's position that a Distributor that receives an internet-based lead generated through the efforts of a local Distributor should refer that lead back to the local Distributor generating the interest. While Reliv recognizes that First Contact privileges do not typically extend to Customers or their upline until the upline Distributor makes contact, Reliv will permit local Distributors acting responsibly and generating interest in Reliv a period of four weeks in which to establish First Contact. Websites held by Reliv distributors should not impede or interfere in the normal process of active Distributors generating leads and referrals. In the event a local Distributor fails to timely follow up on referrals and potential leads within a four-week period, then the Distributor utilizing internet-based advertising is free to fill that void and initiate First Contact.

It is imperative that Distributors generating internet-based leads inquire of the prospect how they heard about Reliv. In many cases, a prospect seeks information about Reliv through the internet because of the actions of a local distributor. The best way to handle this situation is to ask the prospect, "Tell me how you heard about Reliv and came to my website?" Prospects are typically unfamiliar with network marketing and first contact guidelines, so it's important to decipher how a prospect learned of Reliv. Accordingly, it is the responsibility of each Distributor to elicit the whole story surrounding how a prospect first heard of Reliv. Getting the prospect's story allows the Distributor to address the situation in accordance with these guidelines. A response of "I googled nutrition and found your web site" is quite different from "I heard about Reliv from my cousin who is on the products." In the former instance, the Distributor is free to proceed with the prospect. In the latter instance, the prospect should be referred to the cousin's Distributor. Again, the process is what should be honoured. No responsible Distributor should seek to build their business based on the efforts of another.

#### **IV. SUMMARY**

There is no limit to the number of examples that can illustrate First Contact disputes and no one black and white set of rules that can be applied to every situation. The objective of this Position Statement is to prevent sponsoring disputes in the field from escalating to a point of requiring resolution by Reliv. In the event of a sponsorship dispute and prior to its submission to Reliv for resolution, Reliv requires that the upline Ambassadors of each Distributor be advised of the situation and attempt to resolve it in the field. Reliv's Ambassadors typically have experience addressing sponsorship disputes and are familiar with Reliv's position regarding such disputes.

In the event a dispute cannot be resolved in the field, Reliv will make every effort to fully investigate the facts and circumstances surrounding a dispute and make an informed judgment based upon the sequence of events and application of the guidelines set forth in this Position Statement. Reliv retains sole and absolute discretion to render a final and binding decision upon the parties involved. In the event a Distributor repeatedly creates sponsoring issues, that Distributor may be subject to disciplinary action, including suspension or termination, at the sole and absolute discretion of Reliv.



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