

(Independent) Distribution Partner Application and Agreement Terms and Conditions

As used throughout these terms and conditions, "Agreement" collectively refers to the Organo (Independent) Distribution Partner Application and Agreement, which hereby incorporates by reference the Policies and Procedures, Compensation Plan, and any other document incorporated by reference in the aforesaid. These documents, in their current form, and as may be amended by Organo at its sole discretion, constitute the entire contract between Organo and the be binding on the parties unless in writing and signed by an authorized officer of Organo.

The (Independent) Distribution Partner and OG South Africa (Pty) LTD ("the Company" or "Organo") hereby agree to the following terms and conditions.

***Distribution Partner** as the meaning ascribed to it in the Policies and Procedures.

****ORGANO** is the trading name of OG South Africa (Pty) LTD.

1. I certify that I am at least 18 years old (or of contractual age) and that all information I have provided on this Application is accurate. Under its right of contract, Organo maintains the right to decline my application if I provide false or inaccurate information.

2. I understand that I am not required to make any product purchases in exchange for the right to distribute Organo products pursuant to this Agreement, with the exception of a required Starter Kit, which is non-commissionable, and provided at or below cost.

3. I understand that Organo does not accept initial applications from business entities.

4. I understand that as an Organo Distribution Partner: a) I am granted the non-exclusive right to offer for sale Organo products and services in accordance with the Agreement, b) I have the right to enroll persons in Organo, c) If qualified, I have the right to earn commissions pursuant to the Organo Compensation Plan.

5. I agree to abide by the Organo Code of Conduct as detailed in the Organo Policies and Procedures.

6. I agree to present the Organo Compensation Plan and Organo products and services as set forth in literature that is officially produced by Organo.

7. I agree that as an Organo Distribution Partner I am an independent contractor, and not an employee, partner, legal representative, or franchisee of Organo. I understand and agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I UNDERSTAND THAT I SHALL NOT BE TREATED AS AN EMPLOYEE OF ORGANO FOR ANY PURPOSE. Organo is not responsible for tax withholding, and reserves the right to refuse to withhold or deduct from my bonuses and commissions, if any, taxes of any kind, even if requested or agreed to by me in order to comply with any governmental order of backup withholding. I understand I am responsible to pay all applicable federal and provincial taxes and/or license fees that may become due as a result of my activities as an independent Distribution Partner.

8. If eligible, I will be compensated for the sale of products and those products sold through my sales organization. Organo never compensates for the mere act of sponsoring. The sale of products to end consumers must be emphasized in all presentations.

9. I understand that Organo's program is built upon retail sales to the ultimate consumer. Organo only pays compensation for the sale of retail products. By placing subsequent product orders, I certify that I sold at least 70% or more of all products that I previously purchased. Product certified as sold under this 70% rule not eligible for repurchase.

10. I have carefully read and agree to comply with the Agreement. I understand that I must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from Organo. I understand that these Terms and Conditions, the Organo Policies and Procedures, or the Organo Compensation Plan may be amended at the sole discretion of Organo, and by submitting this application I agree to abide by all such amendments. Amendments shall be binding immediately after notification is released through email or through publication on the Organo Canada website. The continuation of my Organo business or my acceptance of bonuses or commissions shall constitute my Term of this Agreement is one year (subject to prior cancellation for inactivity acceptance of any and all amendments).

11. pursuant to the Policies & Procedures). If I fail to annually renew my Organo business, or if it is cancelled or terminated for any reason, I understand that I will permanently lose all rights as a Distribution Partner. I shall not be eligible to sell Organo products and services nor shall I be eligible to receive commissions, bonuses, or other income resulting from the activities of my former downline sales organization. In the event of cancellation, termination or non-renewal, I waive all rights I have, including but not limited to property rights, to my former downline organization and to any bonuses, commissions or other remuneration derived through the sales and other activities of my former downline organization. Organo reserves the right to terminate any independent Distribution Partner Agreement upon 30 days notice.

12. I may not assign any rights or delegate my duties under the Agreement without the prior written consent of Organo. Any attempt to transfer or assign the Agreement without the express written consent of Organo renders the Agreement voidable at the option of Organo and may result in termination of my business.

13. I understand that if I fail to comply with the terms of the Agreement, Organo may, at its discretion, impose upon me disciplinary action as set forth in the Policies and Procedures. If I am in breach, default or violation of the Agreement at termination, I shall not be entitled to receive any further bonuses or commissions, whether or not the sales for such bonuses or commissions have been completed.

14. I represent and warrant that my participation as an Organo Distribution Partner does not breach, violate, or otherwise interfere with any current agreements, past agreements, or surviving clauses of previous agreements, into which I have entered with any other multi-level marketing, direct sales, or other business venture.

15. I understand that my participation as an Organo Distribution Partner does not restrict my participation in another multi-level marketing or direct sales opportunity.

16. I understand and agree that if I elect to participate in another non-competing multi-level marketing or direct sales opportunity, I will maintain separate organizations, independent of one-another, for each such non-competing opportunity.

17. Organo, its parent or affiliated companies, directors, officers, shareholders, employees, assigns, and agents (collectively referred to as "Agents"), shall not be liable for, and I release Organo and its Agents from, all claims for consequential and exemplary damages for any claim or cause of action relating to the Agreement. I further agree to release Organo and its Agents from all liability arising from or relating to the promotion or operation of my Organo business and any activities related to it (e.g., the presentation of Organo products or Compensation Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.), and agree to indemnify Organo for any liability, damages, fines, penalties, or other awards arising from any unauthorized conduct that I undertake in operating my business.

18. The Agreement, in its current form and as amended by Organo at its discretion, constitutes the entire contract between Organo and myself. Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.

19. Any waiver by Organo of any breach of the Agreement must be in writing and signed by an authorized officer of Organo. Waiver by Organo of any breach of the Agreement by me shall not operate or be construed as a waiver of any subsequent breach.

20. If any provision of the Agreement is held to be invalid or unenforceable, such

provision shall be reformed only to the extent necessary to make it enforceable and the balance of the Agreement will remain in full force and effect.

21. "This Agreement will be governed by and construed in accordance with the laws of South Africa. Any claim, dispute or other difference shall be exclusively resolved under provisions of the arbitration legislation for the time being in force in South Africa, as more fully described in the Policies and Procedures."

22. The parties consent to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Johannesburg for purposes of enforcing an award by an arbitrator or any other matter not subject to arbitration.

23. If an independent Distribution Partner wishes to bring an action against Organo for any act or omission relating to or arising from the Agreement, such action must be brought within one year from the date of the alleged conduct giving rise to the cause

of action. Failure to bring such action within such time shall bar all claims against Organo for such act or omission. Distribution Partner waives all claims that any other statute of limitations applies.

24. 1- I expressly agree to the collection, collation, processing, disclosure, retention and/or use of personal information (as defined in Protection of Personal Information Act 2013 ("Act") ("Data") by the Company for purposes of appointing me as a Distribution Partner of the Company and maintaining my distributorship which includes, without limitation, information contained in the Application, all calls between myself and employees of the Company which are recorded and to which recording I herewith expressly consent. 2- The nominated address of the Company is set out at the beginning of the Application. 3- The Data is required in order to enable the Company to activate and effectively manage my distributorship and as such is mandatory. 4- I acknowledge that my consent so provided is given freely and voluntarily and I am under no obligation to provide this consent should I choose not to do so. However, a failure to provide such consent shall result in me not being eligible to be a Distribution Partner of the Company. 5- I acknowledge that I am entitled to, at any time, to request information about the Data collected by the Company and may further request that the Data be corrected, deleted or blocked by the Company, in accordance with provisions of the Act. 6- I acknowledge that I may object to the processing and use of the Data for marketing and market research purposes at any time. 7- Where I suspect any interference with the protection of the Data, I further understand that I may submit a complaint to the Information Regulator as contemplated in the Act. 8- I expressly agree that the Company may transfer the Data, whether in electronic form or any other form, to a service provider which may be situated in a jurisdiction that does not have the same level of protection in respect of the processing of personal information, as is provided for in the Act. 9- I understand that I may withdraw my consent by providing the Company with 30 (thirty) days written notice but that such withdrawal, shall result in a cancellation of my distributorship with the Company and, upon cancellation, I shall no longer be a Distribution Partner of the Company. 10- I understand that as a supplier of goods to consumers in South Africa, I am required to comply with the provisions of the Consumer Protection Act 68 of 2008 ("CPA") and I am obliged to adhere to my obligations which are more fully set out in the Policies and Procedures in this regard. 11- I hereby indemnify and holds harmless the Company, its affiliates and its respective directors, officers and employees, (collectively, the "Indemnified Parties") from and against any and all claims, actions, liabilities, damages, costs and expenses asserted against, imposed upon or incurred by the Indemnified Parties as a result of or arising out of any contravention of the CPA (including, without limitation, as a result of or arising out of any harm as defined therein) ("Loss") alleged or proven under the CPA by a consumer himself or herself, or other person contemplated in section 4(1) of the CPA, to the extent such Loss is attributable to the negligent or intentional conduct of myself or any contravention by me of any applicable law. The Indemnified Party shall promptly notify me of any Loss in respect of which the Indemnified Party intends to claim indemnification under this indemnity. I authorize Organo to use my name, photograph, personal story and/or likeness in advertising or promotional materials and waive all claims for remuneration for such use.

25. I understand that I cannot, under any circumstances, incur any debt, expense, or obligation on behalf of, or for, the Company.

26. The Company reserves the right to accept or reject any applicant and is under no obligation to offer any reason for rejection. The Company is under no obligation to notify an applicant of an incomplete or faulty application.

27. An online copy of this Agreement shall be treated as an original in all respects.

28. I understand that I am entitled to cancel participation in the marketing program at any time and for any reason upon written notice to Organo. Following the notification of cancellation or termination, the Company will buy back a resigning Distribution Partner unused and currently marketable inventory and sales aids purchased from the Company within thirty (30) days prior to the date of cancellation, less any shipping and handling, and other appropriate setoffs and legal claims as set forth in the Distribution Partner Repurchases (Buy Back) provisions of the Organo Policies and Procedures.

POLICIES & PROCEDURES

Policies & Procedures – SOUTH AFRICA

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I. INTRODUCTION

Welcome to the world of ORGANO™.

Congratulations on taking the first step in a journey that could very well change your life. Though simple, the road ahead will not necessarily be an easy one. Your success as an Organo Distribution Partner will be directly related to the quality of your relationship with your customers, sponsored Distribution Partners and Organo (hereinafter the Company). A clear statement of our Policy & Procedures (P&P) promotes harmony in these vital relationships and ensures that equality of opportunity and fairness is available to everyone who comes to the table.

As an independent Distribution Partner, you agree to follow the spirit as well as the letter of the P&P. You will find that adhering to the P&P will assist you in providing quality and genuine service, which in turn will lead to greater success and rewards.

The Company's P&P constitutes part of the independent Distribution Partner Application and Agreement and they, when accepted by the Company, together with the Organo Compensation Plan and any other document incorporated by reference, form the Agreement between the independent Distribution Partner and the Company. The purpose of the Agreement is to authorize an individual to be an independent Distribution Partner of the Company and set forth the respective duties, responsibilities and obligations of all parties.

You confirm this agreement each and every time you receive Organo bonus/commission payments or place a wholesale order. It is with great anticipation of your success that we present you this P&P and urge you to follow it closely and completely.

II. CODE OF CONDUCT

First and foremost, Organo is built on a foundation of integrity, edification and trust. Whether dealing with your customers, fellow Distribution Partners or the Company, you should always give and expect to receive all of the above. All activities will be measured against the P&P. When combined with common sense and camaraderie, a powerful synergy will develop. Anything that detracts from this should be dealt with immediately, first through your upline organization, then to the Company if necessary. Destruction of this foundation will not be tolerated.

Application to become an independent Distribution Partner of the Company requires that the applicant agree to conduct business according to the following Code of Conduct. This code ensures high standards of integrity and professionalism throughout the Company's network of independent Distribution Partners and protects the Company's overall business image.

III. COMPANY OBLIGATIONS

Distribution Partners have a right to expect the Company to operate in accordance with the laws and practices that govern business in general as well as the network marketing industry in particular. The fiduciary relationship of trust between Distribution Partners and the Company is fragile and the Company, as the primary steward of that relationship, has an obligation to be fair and equitable to all.

A) The Company will:

- 1) Conduct itself in an ethical and professional manner;
- 2) Process orders and ship products in a timely fashion;
- 3) Provide Distribution Partners with the organization and volume information required to manage business activities;
- 4) Compensate Distribution Partners in accordance with the approved compensation plan;
- 5) Comply with all laws governing the sale and distribution of products and the compensation of participants;
- 6) Administer its policy fairly, without prejudice or favor, to protect the interest of all Distribution Partners;
- 7) Provide liability insurance on its products when used in accordance with the instructions on the label and marketed in accordance with the approved marketing plan.

B) The Company will not:

- 1) Guarantee success;
- 2) Provide any commissions/bonuses for the recruitment of others;
- 3) Tolerate Distribution Partners pressuring prospects or downline into purchasing large quantities of inventory;
- 4) Allow misleading product claims to be made in any form;
- 5) Tolerate Distribution Partners "stocking-up" on products merely to obtain commissions/bonuses;
- 6) Advise Distribution Partners on meeting compensation qualifications;
- 7) Terminate Distribution Partners without due process;
- 8) Represent that there is any substitute for hard work.

IV. (INDEPENDENT) DISTRIBUTION PARTNER OBLIGATIONS

A) Distribution Partners will:

- 1) Conduct their business in an ethical and professional manner;
- 2) Make it clear that success in the Company's compensation program is based on retail sales rather than recruiting;
- 3) Represent the compensation plan only as specified by the Company;
- 4) Comply with applicable consumer protection laws and regulations;
- 5) Provide bona fide training, motivation and support to Distribution Partners in their organization.

B) Distribution Partners will not:

- 1) Engage in deceptive, unlawful, or unethical business or recruiting practices (including cross sponsoring or recruiting);
- 2) Engage in high pressure selling or recruiting practices;
- 3) Make misleading sales claims or guarantees concerning the Company or its products;
- 4) Sponsor or enroll minors or persons who are not capable of making an informed decision;
- 5) Conduct business activities in countries other than those approved by the Company;
- 6) Disparage, demean, or make negative remarks about the Company, its Distribution Partners, products, Compensation Plan, officers, directors, or employees;
- 7) Seek in any way to violate or circumvent Company policy, whether in spirit or deed.

V. DEFINITIONS

All independent Distribution Partners will better understand Company policy by understanding the basic terms commonly used in Company literature, the P&P and/or public presentations.

A) Active: A Distribution Partner is considered active when they generate 50 PQV in personal product business volume in the current or previous calendar month.

B) 70% Rule: Rule stating that, by ordering products, a Distribution Partner certifies that over 70% of previously purchased products have been personally consumed or sold before further products can be ordered. Under this rule, any products certified as sold are not eligible for repurchase.

C) Commission Period: The time frame used to calculate commissions, both weekly and monthly.

- 1) Weekly Commission Period – defined as Monday @ 12:00 a.m. (midnight) to Sunday @ 11:59:59 p.m., United States Pacific Time, taking into account Daylight Savings Time. Therefore, the deadline for weekly commissions may vary by an hour in areas not observing Daylight Savings Time.
- 2) Monthly Commission Period – defined by calendar month from midnight of the first (1st) through 11:59:59 p.m. of the last day of the month, United States Pacific Time, taking into account Daylight Savings Time. Therefore, the deadline for monthly commissions may vary by an hour in areas not observing Daylight Savings Time. Notice of a time change will be given in the Distribution Partners' back office, as well as in corporate communication.

D) Commissionable Volume (CV): The assigned point value of each sold product upon which commissions are paid. Sales aids have no CV.

E) Compression: For commission calculation purposes only. If a Distribution Partner fails to qualify for non-Dual Team commissions by failing to meet the Personal Qualifying Volume (PQV) or Group Qualifying Volume (GQV) threshold published in the Organo Compensation Plan, any Point Value generated by the Distribution Partner will be compressed up to the next

qualified Upline for that monthly commission period only. Compression takes place on a monthly basis after rank qualifications have been determined.

- F) Downline:** The organization of a Distribution Partner, including those who are directly or indirectly sponsored by the Distribution Partner and continuing down the lines of sponsorship through infinite levels and legs.
- G) Frontline:** Any first level Distribution Partner, whether directly or indirectly sponsored.
- H) Household:** Spouses/Significant others and dependents residing at the same address.
- I) Identification Number (ID):** A unique number assigned to Distribution Partners and used for tracking sales and purchases and enrolling other Distribution Partners into the organization. In the case of Retail Customers, the number is used to track their personal consumption purchases. Distribution Partners and Retail Customers must refer to this number in all their correspondence and dealings with the Company.
- J) Leg:** A single line of sponsorship starting with a Distribution Partner, through their frontline and continuing down through infinite levels.
- K) Business Report/Sales Recap Statement:** The accounting report provided by the Company which tracks Downline sales activities. This information is available on the Distribution Partner's backoffice.
- L) Pay Rank:** The actual pay-rank a Distribution Partner qualifies for in the Organo Compensation Plan during a given commission period. This may or may not equal to the Recognition Rank of the Distribution Partner (see below)
- M) Recognition Rank (Lifetime Rank):** For recognition purposes, the highest rank a Distribution Partner ever achieves.
- N) Qualifying Volume (QV):** The value associated with a product for rank advancement and qualification purposes only. This value is universal and not currency-dependent.
 - 1) Personal Qualifying Volume (POV): The QV generated directly by a given Distribution Partner, including sales to Retail or personal customers.
 - 2) Group Qualifying Volume (GOV): The collective QV of a Distribution Partner and that of his/her entire downline organization.
- O) Orphan:** An applicant without a Sponsor.
- P) Qualified/Eligible:** When a Distribution Partner meets the weekly or monthly sales volume and organizational activity required to generate commissions/bonuses.
- Q) Distribution Partner:** A person currently authorized to purchase products at wholesale

prices, resell the products, sponsor other Distribution Partners into the organization to do the same, and participate in the Organo Compensation Plan.

- R) Retail Customer:** Consumers who purchase product for personal use on an occasional or regular basis, and do not participate in the Compensation Plan. Retail Customer orders are processed at the Suggested Retail Price and fulfilled directly by Organo. All Retail Customer Orders, contribute to the PQV of the Distribution Partner through whom the orders are placed. Retail Customers are not authorized to resell the product.
- S) Personal Customer:** Consumers who purchase product for personal use on an occasional or regular basis directly from a Distribution Partner, but do not participate in the Compensation Plan. Personal Customer orders are shipped or delivered directly by the Distribution Partner, who also handles all returns. Personal Customers are not authorized to resell the product.
- T) Sponsor:** A Distribution Partner who personally enrolls another individual as a Distribution Partner.
- U) Placement:** The Distribution Partner directly under whom another Distribution Partner is placed within the Dual-team organization or the position of a Distribution Partner within the dual-team organizational tree.
- V) Upline:** The line of Sponsors that links a Distribution Partner to the Company and who, subject to qualifying sales, may earn commissions on that Distribution Partner's sales activities. Upline is based on Sponsorship or Placement.
- W) ORGANO™ and/or Organo and/or the Company:** When these Policies and Procedures mentions "ORGANO™" or "Organo" or "The Company" it refers to Organo Gold Africa (PTY) Ltd.

VI. DISTRIBUTION PARTNER STATUS

Distribution Partner Status does not constitute the sale of a franchise or distributorship. The only purchase requirement to become a Distribution Partner is that of a Starter Kit, which includes the necessary information for conducting business in an efficient and ethical manner. A person will initially begin their distributorship status under individual status. A Distribution Partner may only have interest in one Distribution Partner status.

A) Independent Status:

- 1) Distribution Partners are independent contractors.
- 2) A Distribution Partner's decision to enter into this Agreement does not create, nor may the Distribution Partner claim that they are, in any way, shape or form, parties to an employer/employee, agency, partnership, franchise, or joint venture relationship between the Company and the Distribution Partner.

- 3) Distribution Partners must abide by all laws, rules and regulations pertaining to the acquisition, receipt, holding, selling, distribution and advertising of Company products and income opportunity.
- 4) Distribution Partners are solely responsible for declaration and payment of any taxes or fees associated with their independent Organo business.
- 5) Distribution Partners are solely responsible for supplying any equipment and tools necessary for operating their Organo business, such as telephone, transportation, professional services, office equipment, office supplies, and general liability insurance.
- 6) Distribution Partners are solely responsible for providing their own place of business and determine their own work hours.

B) Application Requirements:

- 1) Applicants must be at least 18 years old and authorized to work in their place of residence.
- 2) Applicants agree to abide by the official Company P&P and warrant that they understand the compensation requirements specified in the Organo Compensation Plan.
- 3) An applicant that completes an application to become a Distribution Partner with the Company agrees to receive any electronic communications from the Company include, but not limited to, electronic emails and text messages.
- 4) The Company is required by the law to ask an applicant for a personal tax identification number for income reporting purposes. Under its right of contract, the Company declines to grant a Distribution Partner position to any unnumbered person or any person unwilling to provide a tax identification number (or Social Security Number) on the Application. It is the sole responsibility of the applicant/Distribution Partner to ensure that they are functioning within the scope of their presence in the Country.
- 5) The Company reserves the right to reject an application or immediately terminate any existing contract if it is determined that the tax identification number provided during enrollment is incorrect or invalid.
- 6) By reference, the terms on the Distribution Partner Application and Agreement are incorporated herein and form part of this P&P.

C) Application Processing:

- 1) The Company reserves the right to accept or reject any applicant and is under no obligation to offer any reason for rejection.
- 2) The Sponsor and the applicant are solely responsible for the completion of the independent Organo Distribution Partner Application and Agreement. The Company will reject incomplete or faulty applications, and is under no obligation to notify neither the applicant nor Sponsor of a rejection.
- 3) If an Application is submitted by fax or through the Internet via an official Organo Website, Replicating Website or Distribution Partner Back Office, an original Application does not have to be submitted, unless requested by the Company.
- 4) Temporary telephone applications may be allowed at the discretion of the company. To finalize a phone registration, a faxed or mailed Application must be received by the Company within 7 days. Otherwise, the account will be automatically cancelled. At its

discretion, the Company may elect to transfer the account to Retail Customer status.

D) Falsified Registration:

- 1) Submitting an independent Organo Application & Agreement on behalf of an individual without that individual's permission and bona fide signature is illegal and strictly prohibited, as is submitting or encouraging someone to submit false or invalid information on an Application & Agreement. A person who submits false information on their Application & Agreement, or encourages someone to do so, will have his or her account terminated and will lose all rights to his or her Distribution Partner status. Criminal and/or civil legal consequences may result.

E) Identification Numbers:

- 1) A unique Distribution Partner Identification Number (ID) will be automatically issued upon enrollment and is to be used for enrolling other Distribution Partners and ordering products.
- 2) Retail Customers will have a separate and distinguishable identification number to use when ordering products.
- 3) Distribution Partner and Customer ID numbers must be referenced in all correspondence with the Company.

F) Multiple Distribution Partner Entities:

- 1) An individual may be part of only one Distribution Partner Entity, whether under his or her name or a business name.
- 2) A household (married or common-law spouses or other dependents residing at the same address) cannot maintain separate distributorships.
- 3) Individual rent-paying tenants, roommates, independent adult family members (i.e. not considered a dependent for income tax purposes, spouses excluded) are not considered part of the Distribution Partner's household and may be enrolled as separate Distribution Partners, but must be personally enrolled by the original Distribution Partner residing at that address.
- 4) If multiple accounts are found, the Company reserves the right to cancel the most recent account(s) without prior notification to the Distribution Partner. Refunds will not be issued for starter kits purchased under subsequent accounts (including a spouse's account). The Company reserves the right to decide whether or not to transfer to the original account any downline enrolled under subsequent accounts.
- 5) A Distribution Partner who encourages downline to maintain multiple entities or who enrolls Distribution Partners already enrolled under another Distribution Partner (crossline recruiting), will face disciplinary action against their distributorship, up to involuntary cancellation of their account.

G) Distribution Partner Status Duration:

- 1) The term of the Distribution Partner Status is one year from the date an Application is

- accepted by the Company.
- 2) A Distribution Partner shall remain eligible to renew their Distribution Partner Status so long as he/she remains in compliance with the Company P&P and other rules and regulations.
 - 3) Distribution Partners electing not to renew may only reapply for a new position six (6) months after the account has been cancelled (Section Q. Voluntary Cancellation) or after a twelve (12) month period of consecutive inactivity.
 - 4) To remain in Active status, a Distribution Partner must generate a minimum 50 PQV in a single calendar month.
 - 5) To be Eligible to be paid in the Company's Compensation Plan, the Distribution Partner must be in Active status and meet all monthly and/or weekly qualification requirements.
 - 6) The Company reserves the right to remove Distribution Partners from the system that are inactive for a consecutive twelve (12) month period, and any personally enrolled downline under their Distribution Partner Status will remain under the Distribution Partner's Sponsor organization. Unilevel compression will apply in accordance to the Compensation Plan.

H) Change in Sponsor:

- 1) To protect the integrity of all marketing organizations and safeguard the efforts of all Representatives, the Company discourages and rarely authorizes changes in sponsorship.
- 2) Sponsor Changes. Distribution Partners wishing to change sponsors have the option of canceling their current distributorship and remaining inactive for six (6) months before reapplying as a new Distribution Partner under the Sponsor of their choosing. The 6 month inactivity period begins upon receipt and acceptance by the Company of the canceling Distribution Partner's signed letter of cancellation.
- 3) Sponsor corrections must be submitted in writing by the Sponsor on record, and must meet all of the following criteria: a) Submitted within 3 business days of the enrollment date. b) Remain within the same line of sponsorship as the original Sponsor. Crossline changes will not be processed. c) Include an updated, duly signed and dated Application & Agreement for the Distribution Partner being transferred. d) Include signatures from all the affected parties. If placement is affected, the request must meet the two additional criteria: 1) Remain within the same dual-team leg (right-to-left or left-to-right corrections will not be approved). 2) Agree that the moving Distribution Partner to be placed in the first available open position at the bottom of the leg. e) Include US\$25.00 non-refundable administrative fee, per request, for updating the corporate records.
- 4) Upon acceptance by the Company, the new Sponsor of the transferred Distribution Partner becomes permanent.
- 5) Other sponsor change requests that do not fall within the scope of the sponsor corrections as described in sections 3 above must be accompanied by a non-refundable US\$100.00 review fee. This non-refundable fee will apply even if the request is ultimately denied. The Company will not consider any changes submitted more than two (2) weeks from the enrollment date.
- 6) All sponsor changes are at the sole discretion and require the final approval of the

Compliance Department, whose decision will take into account the overall good of the organization. All decisions are final.

- 7) If the changes are approved, adjustments will not be processed for previously paid commissions/bonuses.

I) Sale or Transfer of Distribution Partner Status:

- 1) Distribution Partner Status that has reached the rank of Sapphire or above may be sold, transferred or assigned (within the same country) only with prior Company approval, which will not be unreasonably withheld.
- 2) The Distribution Partner agrees to give the Company the first right of refusal to purchase the Distribution Partner Entity under the same terms as the original offer. If the Company chooses not to accept, the Distribution Partner's Sponsor will be given the opportunity to make an offer or find a purchaser, under the original terms, within a 30-day period.
- 3) All transactions must maintain the integrity of the organizational genealogy.
- 4) A US\$100.00 Sale/Transfer Fee will apply and must be submitted along with a notarized Transfer Affidavit, new Application & Agreement for the transferee, and any additional supporting documents requested by the Company.
- 5) Company approval of a proposed sale or transfer must be in writing. Until written approval is received, the transferee or buyer is not authorized to conduct business under the distributorship. Commissions/bonuses will continue to be paid under the name of the original Distribution Partner until approvals are granted. Previously earned commissions/bonuses under the distributorship will not be reissued under the transferee or buyer's name.
- 6) By reference, the terms on the Transfer Affidavit are incorporated herein and form part of this P&P.
- 7) The transferee cannot have any interest in another position or account.
- 8) The Company may terminate the Distribution Partner Status if the seller/transferor does not meet any of the above requirements.

J) Dissolution of Marriage:

- 1) Should a marriage or common-law union dissolve, the parties must notify the Company in writing with details as to who will retain the Distribution Partner position. The notification must contain the signatures of both parties.
- 2) Until said notification, commission payments and bonuses will be payable in accordance with the current Distribution Partner Application & Agreement on file. Under no circumstances will the Company interfere in settlement disputes or split commission and bonus payments between divorcing spouses.
- 3) Once the dissolution is finalized, the second party may be entitled to enroll as a new Distribution Partner under the Sponsor of his or her choice upon submission of a completed Application & Agreement, if he or she remains in good standing with the Company.

K) Beneficiaries:

- 1) Upon death or incapacity, the benefits of this Agreement shall inure to the Distribution Partner's heirs or successors in interest and the obligations and benefits of this P&P shall be binding upon the respective successors, upon completion of a new Distribution Partner Application and Agreement.
- 2) In the event of death, the designated beneficiary shall provide the Company with a certified copy of the final will and testament (or probate decision in absence of a will), if any, along with a certified copy of the Death Certificate.
- 3) In the event of an extended probate, the legal representatives of the deceased Distribution Partner should contact the Company to discuss how to proceed. In the absence of any instructions, all communications and payments will be made in accordance with the original Application.

L) Sponsoring Rights and Responsibilities:

- 1) Distribution Partners have the right to sponsor others within authorized territories. Only Organo will determine and announce which territories are authorized for Organo business activity.
- 2) Sponsors must fulfill the obligation of performing bona fide supervisory and training functions in the marketing of products and program benefits.
- 3) Sponsors must not make any income claims or exaggerated claims of financial rewards during marketing presentation. The displaying of commission/bonus payments is considered an income claim and is prohibited.
- 4) At all times Sponsors must emphasize that success in the Company's marketing program will vary from Distribution Partner to Distribution Partner and will depend on personal efforts, including, but not limited to skill and time invested in developing the business. Distribution Partners are compensated solely for the sale of products sold by them and their downline organization. The mere act of sponsoring a new Distribution Partner does not generate any compensation whatsoever.
- 5) The ultimate purpose of the Organo business is the sale of products to end consumers; this must be emphasized in all opportunity presentations.
- 6) Sponsors will refrain from mentioning competitor brands in a negative, disparaging, or otherwise illegal manner, or to evaluate companies negatively or disparagingly.

M) International Distribution Partner Status:

- 1) Distribution Partners may only conduct business in countries where the Company officially announces that it is authorized to conduct business. This includes prospecting, lead generation, and sales of product. In addition, due to differing requirements in labeling and compliance from country to country product originating in one country may only be sold or delivered within that country. In order to protect the integrity of the Company as well as the organization, violations of this policy will not be tolerated.
- 2) Legal requirements for conducting business differ for each country, so Distribution Partners should not assume that Distribution Partner Status requirements are the same

worldwide. Distribution Partners interested in participating in other international Organo ventures should contact their local office to obtain instructions.

- 3) Distribution Partners are subject to the policies and procedures set forth by the Company in each country.
- 4) Distribution Partners must utilize only authorized distribution channels to build their marketing organizations.

N) New Market Development:

- 1) Distribution Partners may not individually import, export or distribute products or business building tools in any country.
- 2) The Company has the sole responsibility of contacting and coordinating with government or legal agencies for the purpose of initiating the approval process to introduce Organo products to any country. Notwithstanding the Distribution Partner's enthusiasm and good intentions, circumvention of this policy could have harmful effects on the Company's ability to conduct business. Therefore, attempts to market in countries outside of Organo's official list of open countries will result in sanctions, up to and including immediate termination of the Distribution Partner's status.
- 3) Distribution Partners understand that conducting any pre-launch activity in countries not officially open for Organo business is against Company policy and may be illegal in some countries.
- 4) Violators of this policy shall be subject to the laws governing that country, termination of their Distribution Partner Status and subject to civil and/or criminal prosecution to recuperate any damages to the Company.

O) Orphans:

- 1) If the Company receives inquiries from the public about its products and opportunity, it will attempt to ascertain whether contact resulted from a Distribution Partner's sponsoring efforts and if so, the inquiring party will be referred to that Distribution Partner.
Other prospects, who have simply heard of the Company without any discoverable contact with a Distribution Partner, will be referred to an Active Distribution Partner pursuant to the Company's lead distribution policy.

P) Yearly Account Administration Fees:

- 1) A yearly account administration fee of US\$25.00 will apply on the Distribution Partner's anniversary date.

Q) Voluntary Cancellation:

- 1) Distribution Partners may cancel their Distribution Partner status at any time with a signed and dated letter indicating their intent to discontinue their Status.
- 2) Any Downline organization affected by the resignation will remain under the Distribution Partner's Sponsor organization. Unilevel compression will apply in accordance to the Compensation Plan.

- 3) Once an account has been cancelled, the former Distribution Partner may not re-apply for Distribution Partner Status, either as an individual or part of an entity, for six (6) months from the date of cancellation, provided he or she was in good standing at the time of voluntary cancellation.
- 4) Cancelled accounts will not be reinstated to their original placement position or rank under any circumstance.

R) Involuntary Termination:

- 1) The Company may terminate a Distribution Partner immediately and without notice if any provision of the Agreement, including any amendments that have been made by the Company in its sole discretion, is violated.
- 2) Any Downline organization affected by the termination will remain under the Distribution Partner's Sponsor organization. Unilevel compression will apply in accordance to the Compensation Plan.
- 3) Cancellation shall become effective on the date on which written notice is mailed, faxed, or emailed to the Distribution Partner's last known address (physical or electronic), or when the Distribution Partner receives actual notice of cancellation, whichever occurs first.

VII. COMPANY PRODUCTS & SERVICES

The Company opportunity is built upon retail sales to the ultimate consumer. Distribution Partners must certify that over 70% of previously purchased products have been sold before further products can be ordered (this is commonly referred to as the 70% Rule). Products certified as sold under this 70% rule are not eligible for repurchase. Distribution Partners may be asked at any time to verify the certification in writing and document said retail sales.

A) Ordering:

- 1) The Company will accept orders for products and services from Distribution Partners only when a valid Distribution Partner Application is on file.
- 2) When submitting orders to the Company, Distribution Partners must use official order forms that may be downloaded from the Distribution Partner's backoffice.
- 3) Orders are accepted via telephone, facsimile, mail or the Distribution Partner section of the Company website. It is the sole responsibility of the Distribution Partner to verify receipt of the order by the Company and to ensure that the order is received in time to meet the deadlines for weekly and monthly commission periods.
- 4) Unless otherwise indicated, products and services are processed at Distribution Partner wholesale prices.
- 5) The Company has established a Suggested Retail Price (SRP) as a recommendation for selling a particular product or service to Customers.
- 6) Initial orders may not be in excess of US\$ 2,000.00 (or its ZAR equivalent). Subsequent orders will be subject to verification of the 70% Rule and cannot exceed US\$2,500.00 (or its ZAR equivalent) each. The Company reserves the right not to sell product to a

Distribution Partner if verification cannot be confirmed.

- 7) The order must be accompanied by authorized payment covering the full order amount, shipping, processing and tax.
- 8) Separate payment must be included for each order submitted.
- 9) Multiple Distribution Partners cannot combine two or more orders on the same form.
- 10) Accepted payment methods are noted on the Order Forms.
- 11) At its discretion, the Company may require the Distribution Partner to submit a credit card billing authorization form before processing an order. By reference, the terms of the credit card billing authorization form are incorporated into this document.
- 12) Orders are credited to the commission period in which they are received, provided that full payment is also received.
- 13) For an order to be credited to a given commission period, it must be COMPLETED: 1) if by mail, phone or fax - by the end of the last working day prior to the commission period deadline (generally, for weekly commissions/bonuses by the end of the Company's posted business hours on Friday (unless a holiday); or 2) online via back office or corporate website - by 11:59:59 p.m. Pacific on the final day of the commission period. In the event of disagreement, the Company's timepieces will prevail.
- 14) The Company will correct any charge errors reported within 15 days of the date the order was placed, but will not be responsible for any errors or omissions not reported within 15 days.
- 15) Once an Order is placed it cannot be cancelled. The Distribution Partner will have to follow the return or exchange procedures as outlined in this document. Retail Customers must call Distribution Partner Support for instructions.
- 16) By reference, the provisions on the Order Form are incorporated into this Agreement.

B) Retail Customer Program:

- 1) The Retail Customer Program is designed as a convenience for Distribution Partners to easily reach and service their customer base.
- 2) The primary relationship in these transactions is between the Distribution Partner and their customer. Organo fulfills a third-party merchant and fulfillment service role only.
- 3) Distribution Partners will operate their Retail Customer business in accordance with all the rules, regulations, policies, and procedures set forth by the Company.
- 4) In the event of a Retail Customer dispute, resolution is the responsibility of the selling Distribution Partner. The Company may step in as a third-party intermediary in the case of non-resolution.
- 5) Distribution Partners agree that if within 30 days of purchasing product directly from the Company the Retail Customer is not satisfied with the results for any reason, the Retail Customer may contact the Company for an exchange or refund on the purchase amount of the product(s) and any applicable taxes (Shipping and Handling charges excluded). The product(s) must be returned in an unopened undamaged and saleable condition.
- 6) Distribution Partners are responsible for paying the Company the expenses of a Retail Customer product return or credit card chargeback. Should the Retail Customer initiate a product return or a credit card chargeback, the Distribution Partner agrees that the Company may debit from the Distribution Partner's commission /bonus payments all reasonable expenses incurred and commission/bonus or incentives paid on the returned

- products.
- 7) Distribution Partners acknowledge that the Company reserves the right to discontinue service to a Retail Customer if the Retail Customer returns more than 50% of total purchases over any six-month period or files for a credit card chargeback.
 - 8) Retail Customers purchase product directly from the Company at the current Suggested Retail Price (SRP). Distribution Partners receive the difference between the SRP and the wholesale price (Retail Profit).
 - 9) Retail Customers are not authorized to sponsor any individual or entity, resell Company products or services, or participate in the Organo Compensation Program.

C) Non-payment:

At the Company's discretion, commission/bonus payments may be debited or withheld until the issue is resolved.

D) Distribution Partner-Company Employee Relations:

- 1) In order to protect the rights of Distribution Partners and Organo employees alike, all calls may be recorded for training and compliance purposes.
- 2) Company employees are trained to be courteous and professional in all contact with Distribution Partners and the public.
 - (a) Should a Distribution Partner ever receive less than respectful treatment from Company personnel, they should document the situation and forward it to the Compliance Department for immediate review.
- 3) Distribution Partners are expected to extend these same courtesies when dealing with corporate staff, via telephone, Internet, or in person.
 - (a) Company employees are not expected to endure abusive behavior from Distribution Partners; in the event an employee feels that this is occurring, they are instructed to politely end the conversation, document the incident, and report it to a supervisor.
 - (b) Documentation will be forwarded to the appropriate executive officer for review.
 - (c) In severe circumstances, offending Distribution Partners may be subject to immediate suspension or termination of their account.
- 4) Distribution Partners wishing to acknowledge exceptional service from an employee are encouraged to write letters of appreciation to be added to the employee's file. The Company discourages Distribution Partners from giving gifts to individual employees.
- 5) To avoid any conflict of interests, Distribution Partners may not solicit or sponsor Company employees into any program. Such attempts may be viewed as hostile and may result in termination of the Distribution Partner and/or the employee.

E) Shipping and Handling:

- 1) The Company will ship product orders to the street address specified by the Distribution Partner.
- 2) The Company will not ship product orders to P.O. Box.
- 3) Distribution Partners are solely responsible for notifying the Company, in writing, of any

change in their address. If delivery is unsuccessful due to outdated or incomplete address information, or if the Distribution Partner refuses the shipment, the original shipping charges will be recovered from the Distribution Partner and additional charges will be levied for reshipping the product.

- 4) Orders received and posted Monday through Friday, over the weekend, or on a holiday, will normally be shipped the following business day.
- 5) The Company has no minimum order restrictions, although minimum shipping charges may apply.
- 6) All orders are shipped ground service via the carrier under contract with the Company.
- 7) Shipping charges are subject to market variables, so Distribution Partners should consult their backoffice for freight updates.
- 8) Distribution Partners should report any order shortages or errors to the Company immediately upon receipt of the order. In the event a shipment is damaged in transit, the Distribution Partner should refuse the package and immediately contact the Company.
- 9) When concerned that an order is lost, the Distribution Partner should wait a minimum of seven (7) business days before requesting assistance or replacement. Package tracking information is available through the Distribution Partner's backoffice.
- 10) All orders must be properly completed with appropriate payment attached. The Company is not responsible for orders that are delayed or not processed if order or payment information is illegible or incomplete, or insufficient payment was enclosed. The Company is not responsible for notifying Distribution Partner of order delays caused due to incomplete information.
- 11) The Company will not be responsible for shipping delays caused by circumstances beyond its control.

F) Out of stock items:

- 1) If any products are temporarily out of stock, the Distribution Partner will receive notification of the back-order at the time of the order or on the invoice.
- 2) Back-ordered product is paid for when ordered and commissionable volume is accrued for the corresponding commission period.
- 3) Back-orders are always filled first and will be shipped at no additional charge.
- 4) At its discretion, the Company may substitute contents of pre-set product packs with items of equal or greater commissionable value.

G) Product Exchanges:

- 1) Distribution Partners or Retail Customers may exchange products within 45 days of the invoice date if the products are unopened, undamaged and in resalable condition. Components of product packs cannot be exchanged individually.
- 2) Refer to section VII. L. for return procedures.

H) Distribution Partner Repurchases (Buy Back):

- 1) Upon cancellation or termination of the Distribution Partner Agreement, Distribution

Partners may return for refund Starter Kits, products and sales aids that (a) he or she personally purchased from the Company; (b) are in resalable condition. Any items that have been clearly identified at the time of sale as non-returnable, discontinued, or as seasonal items shall not be considered resalable; and (c) were purchased by the independent Distribution Partner within twelve months before the date of cancellation less a reasonable handling charge up to 10% of the net purchase price. Products purchased in breach of the 70% rule are not returnable.

- 2) To be eligible for refund, Starter Kits or Product Packs must be returned complete; individual components will not be refunded.
- 3) Upon acceptance of a resalable Starter Kit and/or resalable products and sales aids, the Distribution Partner will be reimbursed 100% of net cost of the original purchase price(s) in the same form as the original payment was submitted. Shipping charges incurred at the time of purchase will not be refunded. If a Distribution Partner was paid a commission based on a product that was subsequently returned for a refund, the Company may (a) deduct from the amount of the refund any commission that was paid based on that product purchase or (b) deduct the applicable PQV/GQV from the commissionable month in which the return was processed.
- 4) Distribution Partners who voluntarily cancel their Distribution Partner Status will be ineligible to participate actively or passively in the Organo Compensation Plan for a period of at least six months.

I) Retail Customer Refunds:

- 1) Please refer to section VII.C Retail Customer Program for returns by Retail Customers (customers who purchase products directly from the Company)

J) Personal Customer Refunds:

- 1) Products are provided to Distribution Partners at wholesale prices and may be retailed directly to customers at a competitive price.
- 2) Distribution Partners must provide all personal customers with a Retail Sales Receipt at the time of the sale that specifies the total amount the customer will be required to pay, the Customer's Right to Cancel policy, and the contact information for the Distribution Partner.
- 3) Distribution Partners agree that within 30 days of purchasing product, the Personal Customer may contact the Distribution Partner who sold them the product for a refund on the purchase amount and any applicable taxes upon return of the product to the Distribution Partner. The product(s) must be returned in an unopened undamaged and saleable condition.
- 4) The Distribution Partner may keep the returned product for their personal inventory or contact the Company within 45 days of the original purchase date to initiate a product exchange for any unopened products. Product exchanges will be subject to section VII.H above.
- 5) The Company does not accept returns from a Distribution Partner's Personal Customers.

K) Procedures for Returns:

- 1) To exchange or return a product, the Distribution Partner or Retail Customer must:
 - (a) Call Distribution Partner Support,
 - (b) provide them with the original invoice number,
 - (c) notify them of the product(s) being exchanged or returned,
 - (d) receive a Return Merchandise Authorization (RMA) number, and
 - (e) if exchanging, place and pay any difference for an order for exchange products; the total must be equal to or greater than the products being returned, excluding shipping and taxes. Appropriate shipping charges and taxes will also be charged. No credit will be allowed towards future purchases.
 - (f) Clearly print the RMA number in indelible ink on the outside of the box. Packages without visible RMA numbers will not be accepted by the Company.
 - (g) The Distribution Partner or Retail Customer is responsible for pre-paying all shipping costs related to the returned or exchanged items to be sent. The Company does not accept shipping-collect packages.
 - (h) Distribution Partners or Retail Customers are encouraged to add a pre-paid tracking or delivery confirmation service to all return packages. If the returned product is not received by the Company, it is the responsibility of the Distribution Partner to trace the shipment.

L) Product Liability and Business Insurance:

- 1) The Company has product liability insurance, which covers claims arising from the use of the products in accordance with the label.
- 2) Product tampering, is strictly forbidden by state, provincial, and federal laws, and completely nullifies the liability insurance.
- 3) Distribution Partners who tamper with products become personally liable and are subject to immediate termination, as well as criminal and/or civil legal consequences.
- 4) The Company does not release copies of its insurance certificates or policies.
- 5) Distribution Partners may wish to contact their insurance agent to arrange insurance coverage for their business property. The protection of business property may be frequently accomplished with a simple "Business Pursuit" endorsement attached to your present home owner's policy.

VIII. COMPENSATION

The Organo Compensation Plan is based on a Network Marketing system of person-to-person distribution and direct sales to end consumers. Distribution Partners are compensated for the products sold and distributed through their sales and marketing organizations. By reference, the Organo Compensation Plan is incorporated into this P&P.

A) Qualifications & Payments:

- 1) To qualify for bonuses, commissions, rank advancements and incentives, Distribution Partners must be Active and in compliance with the Agreement.
- 2) As long as the Distribution Partner complies with the terms of the Agreement, the Company shall pay commissions/bonuses to such Distribution Partner in accordance with the Organo Compensation Plan.
- 3) The Company recommends that all Distribution Partners service at least three to five retail customers each qualification period.
- 4) Commissions/bonuses are not paid on the purchase of any promotional business material such as sales aids.
- 5) Distribution Partners receive bonuses and commissions based on the actual sales of products to end consumers.
- 6) Monthly commission/bonus are paid via Company's established mode of payment on the 20th day of the month (or nearest succeeding business day) following every commission period.
- 7) Weekly commission/bonus are paid via Company's established mode of payment.
- 8) If a Distribution Partner finds any commission/bonus discrepancies, these must be reported to the Commissions Department within 15 days of receipt of the commissions/bonus payments for adjustments to be made.
- 9) In drawing down on any commission/bonus payments, or placing a wholesale order, the Distribution Partner reaffirms his or her commitment to abide by this P&P, as may be amended from time to time.
- 10) Under no circumstances will the Company split commission and bonus payments between divorcing spouses or members of dissolving entities.

B) Commission/Bonus Payment Fees:

- 1) Monthly accounting fees covering withholding tax, currency conversions, general account and organizational tree maintenance may be deducted from the Distribution Partner's commission/bonus payments.
- 2) The Company may debit or place a hold on any commission/ bonus payments for any amount owed it by the Distribution Partner.
- 3) When a product is returned to the Company for a refund, the Company, at its discretion may, in the month in which the product is returned, and continuing each pay period thereafter until the bonuses or commissions are recovered:
 - (a) Deduct any bonuses and commissions attributable to the returned or repurchased products from the Distribution Partner(s) who received the bonuses and commissions on the sales of said products.
 - (b) Deduct the corresponding points from the Personal or Group Qualifying Volume of the Distribution Partner who earned commissions/bonuses based on the sale of the returned products.

IX. RESTRICTIONS

The Company has a fiduciary obligation to protect and safeguard Distribution Partners who have placed their trust and confidence in the Company mission and management. In conducting their business, Distribution Partners should endeavor to promote the reputation of the products and services of the Company, and refrain from all conduct that might be harmful and inconsistent with the greater public interest of Organo. By reference, any compliance updates distributed by the Company are automatically incorporated into this Agreement.

A) Representations: Distribution Partners...

- 1) shall truthfully and fairly represent the Company, its products, and programs in discussions with current or prospective Distribution Partners.
- 2) may not enter into a contract or transaction on behalf of the Company or represent themselves as employees, agents or preferred vendors of the Company.
- 3) may not make any claims as to any therapeutic or curative properties of the Company's products. The Company's products are not intended to diagnose, treat, cure, mitigate, or prevent any disease and should never be offered as such.
- 4) shall not suggest any diagnosis, prognosis, evaluation, treatment, description, management or remedy of illness, ailment or disease.
- 5) may not make any false, unreasonable, misleading, or intentionally misrepresentative income projections to prospective or current Distribution Partners.
- 6) shall stress that success in the Company's marketing program will vary from Distribution Partner to Distribution Partner and will depend on personal efforts, including, but not limited to skill and time invested in developing the business.
- 7) may not claim that the Company's plan or product portfolio has been approved or endorsed by any governmental agency.
- 8) are fully responsible for any verbal or written statements they make regarding the Company, its products, services, and opportunity, which are not in compliance with the current, official Company sales support material.

B) Advertising:

- 1) Organo compensates its Distribution Partners for marketing products person to person. This may be done in a by-appointment environment where personal services are provided (e.g.: barbershops, salons, real estate offices, and health clubs) so long as the products are not displayed in areas where other similar products are displayed.
- 2) Retail Establishments: Company products cannot be sold, marketed or distributed at any retail location, including but not limited to stores, markets, restaurants, bakeries, chain convenience stores, big box retailers, etc.
- 3) Swapmeets, Flea Markets, Bazaars, Vending Carts: Company products cannot be sold, displayed, or distributed at swapmeets, flea markets, bazaars, vending carts, or similar venues.
- 4) Fairs, Expos, Tradeshow: The booth displays, advertisement or promotion of Company

products, services or business opportunity at fairs, trade shows, open-air markets or any similar events, requires prior written approval from the Company. Requests must be made a minimum of 30 days prior to the event and before any contracts are signed with the venue.

- 5) To protect person to person marketing efforts, the Company retains the discretion to restrict its products from being sold at any location which it does not deem acceptable.
- 6) Exterior Signs or Window Displays: Exterior signs or window displays advertising the Company or its products will not be permitted at any non-corporate location.
- 7) Promotional Items: Except for pre-approved promotional items that may be available for sale by the Company, no Distribution Partner or business entity may use Company trademarks, logos, or designs on any independently produced promotional items (e.g: vehicle decals/magnets/clings, key chains, hats, shirts, mugs, business cards, banners, stickers, stationary, etc.).
- 8) Use of Company Trademarks: Distribution Partners may not use, reproduce or disseminate the Company trade name, logo or any trademark or service mark except those found in literature published and made available by the Company. This includes, but is not limited to, using the term "Organo Gold" (or any derivative or confusingly similar variation thereof that may confuse someone into believing that they are dealing with the Company), the corporate logo, and all marks or slogans designating products or services offered by the Company.
- 9) All Distribution Partner material should display the phrase "Organo independent Distribution Partner" in a prominent position, using the same (or larger) font size (min 14 point), color, and type as the surrounding text, and must be submitted for approval by the Company prior to production.
- 10) Distribution Partners agree to avoid any references or website links to any third party literature for the purpose of verifying or stressing any medicinal or therapeutic effects of any Company product or its components. By reference, these third party claims become direct claims without proper validation.
- 11) Distribution Partners must avoid any false appeals to authorities (e.g.: deities, doctors, nurses, therapists, scientists, officers of the company, etc.) when presenting the Company's products or opportunity.
- 12) Distribution Partners may not charge any for-profit fee for any services, trainings, literature, materials, websites, memberships, or other Company-related material.
- 13) To avoid a conflict of interest, Distribution Partners will not sell, display, or advertise the Company's products in conjunction with similar non-Company products in any physical or electronic retail sites, displays, or advertisements.
- 14) The Company prohibits Distribution Partners from promoting another company's products along with the Company's products on any physical or electronic retail sites, displays, or advertisements. (Competitor is defined as another ganoderma or coffee beverage company).
- 15) It is strictly prohibited for Distribution Partners to advertise or display Organo's products below the suggested retail price published by the Company in any advertising material, whether in print, electronic, or other.
- 16) All advertisement approval requests must be submitted along with a hardcopy copy of the proposed material, prior to the material being published or distributed. These

advertisements include, but are not limited to: literature, audio or video tapes, emails, displays, vehicle signs, bulletin boards, websites, internet communications, telephone messages, print ads, merchandise, etc. Any approved material is for personal use and distribution within the Distribution Partner's personal downline only.

- 17) Mass-media marketing is not authorized and any requests for such projects will be denied. Examples of this type of marketing include radio and television appearances or infomercials or commercials, billboards and/or online feeds.
- 18) Distribution Partners may not produce for sale or distribution any recorded Company events and/or speeches without written permission from Organo. Nor may Distribution Partners reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations.
- 19) The Company retains the right, at its sole discretion, to request the immediate removal of any and all non-compliant or offensive material used by Distribution Partners to promote the Company's products or opportunity.
- 20) Violation of any of the above restrictions may result in instant suspension and/or termination pending an investigation (See XI. Disciplinary Measures).
- 21) Distribution Partners must utilize only authorized distribution channels to build their marketing organizations.

C) Internet Advertising:

- 1) All general advertising policies apply to internet/electronic advertising, including posts on any social media sites (e.g.: Facebook, Twitter, MySpace, LinkedIn) or opinion sites (e.g: blogs, Yelp, etc.)
- 2) Distribution Partners will not promote or sell Company products in any electronic or physical auction or sale sites (including, but not limited to e.g.: eBay, Craigslist, Yahoo, etc.). To protect person to person marketing efforts, the Company retains the discretion to restrict its products from being promoted or sold on any electronic site which it does not deem acceptable.
- 3) Domain names intended for use in marketing the Company's products or opportunity must be submitted for approval prior to purchase.
- 4) Distribution Partners are not allowed to use the trade name "Organo Gold" or any Company trademark (or any derivative or confusingly similar variation thereof that may confuse someone into believing that they are dealing with the Company) as part of their email address, domain name, online ads, business name, username(s) and/or contract details. At their own expense, Distribution Partners agree to transfer to the Company any domain names that violate this policy.
- 5) Under no circumstance can an independently created website be presented as an official site of the company.
- 6) The Company offers replicated retail websites on the Internet with pre-approved text and photos for Distribution Partners to manage their retail customers and enroll new Distribution Partners. Enrollment pages or shopping carts independent of those on the Company-issued replicated websites will not be authorized for promoting Company products or opportunity.
- 7) Distribution Partners may create their own websites independent of the websites available from the Company, provided these have been approved by the Company. To initiate

the personal website approval process, please contact the Compliance Department for instructions and the current required legal fee requirements.

- (a) Once the request for approval is received, the Distribution Partner agrees that any changes to the site in the future must be submitted to and authorized in writing by the Company.
- (b) Distribution Partners are responsible for keeping their independent site current, including product, promotion, event and marketing information.
- (c) Any approved websites are authorized for personal use only. Distribution Partners cannot supply other Distribution Partners with independently-created replicated websites.
- 8) Violation of any of the above restrictions will result in instant suspension and/or termination pending the removal of the offending material and/or an investigation (See XI. Disciplinary Measures).

D) Spamming:

- 1) The Company maintains a zero-tolerance policy regarding any spamming activity by Distribution Partners. Spamming is the sending of electronic or other messages in an attempt to force information upon others who have not specifically expressed a desire or granted an approval to receive said information, regardless of whether or not a signature is included in the message.
- 2) Unsolicited Email:
Organo does not permit Distribution Partners to send unsolicited commercial emails unless such strictly comply with applicable laws and regulations, and they have been approved by the Company prior to distribution. Any email sent by a Distribution Partner that promotes Organo, the Organo opportunity, or Organo products and services must comply with the following:
 - (a) There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice). There must be a functioning return email address to the sender.
 - (b) The email must include the Distribution Partner's physical mailing address.
 - (c) The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
 - (d) The use of deceptive subject lines and/or false header information is prohibited.
 - (e) All opt-out requests, whether received by email or regular mail, must be honored. If a Distribution Partner receives an opt-out request from a recipient of an email, the Distribution Partner must forward the opt-out request to the Company.
 - (f) The Company may periodically send commercial emails on behalf of Distribution Partners. By entering into the Distribution Partner Agreement, Distribution Partner agrees that the Company may send such emails and that the Distribution Partner's physical and email addresses will be included in such emails as outlined above. Distribution Partners shall honor opt-out requests.
- 3) Automatic Dialing and Unsolicited Faxes:
 - (a) Except as provided in this section, Distribution Partners may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of their Organo businesses.
 - (b) The term "automatic telephone dialing system" means equipment, which has the capacity

- to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.
- (c) The terms “unsolicited faxes” means the transmission via telephone facsimile of any material or information advertising or promoting Organo, its products, its compensation plan or any other aspect of the Company which is transmitted to any person, except that these terms do not include a fax: (a) to any person with that person’s prior express invitation or permission; or (b) to any person with whom the Distribution Partner has an established business or personal relationship.
 - (d) The term “established business or personal relationship” means a prior or existing relationship formed by a voluntary two way communication between a Distribution Partner and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such Distribution Partner; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.
- 4) Telemarketing Techniques:
- (a) Distribution Partners must not engage in telemarketing in the operation of their Organo businesses. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of an Organo product or service, or to recruit them for the Organo opportunity. Every Country has laws that restrict telemarketing practices and Distribution Partners are responsible for observing these laws. “Cold calls” made to prospective customers or Distribution Partners that promote either Company products or services or opportunity constitutes telemarketing and is prohibited.

E) Media Inquiries:

- 1) It is the Company’s policy that spokespersons from the corporate office handle all media inquiries (whether radio, television or print).
- 2) Distribution Partners must not attempt to respond to media inquiries regarding the Company, its products, or their independent Organo business, and agree to immediately refer all media inquiries to the Company at compliance@organogold.com.

F) Trademark, Proprietary Information, and Trade Secrets:

The Company’s trademark is an important and valuable business asset. The trademark helps identify the Company’s products worldwide and distinguish the products from those of its competitors. The Company must protect its trademark from misuse and infringement, or it can be lost. Each time a trademark or symbol is used improperly or is used by someone other than its owner, the value and importance of the trademark can be greatly diminished. Therefore, the Company makes every effort to protect its trademark, its corporate logotype, and designs, so that others cannot use them. The rules set forth below have been developed to maintain the integrity of the Company Trademark and to ensure that the Company’s name and marks will be available exclusively for the Company’s business.

- 1) Permission Prior to Use Required: The Company will not allow use of its trade name (company name), trademarks (product names), designs, or symbols by any person, including a Distribution Partner, without its prior permission. The Company will issue

cease-and-desist orders to any persons using its trade name, trademarks, designs, and symbols without its permission and will, if necessary, follow with appropriate legal action for failure to comply with a cease-and-desist order. If the Company did not do this, Distribution Partners would soon find the market flooded with the Company's products not produced by the Company or sold by its Distribution Partners. Obviously, the Distribution Partners would be greatly harmed by such unfair competition.

- 2) Distribution Partners may not use or attempt to register any of the Company's current or after-acquired trade names, trademarks, service names, service marks, logotypes, product names, Company name (collectively referred to as Intellectual Property), or any derivative or confusingly similar variation thereof, in a manner that may possibly cause confusion, mistake, or deception as to the source of the products or services advertised.
- 3) Distribution Partners may not use Company's intellectual property or any confusingly similar variation of this property in a business name, e-mail address, internet domain name or sub-domain name, telephone number, online ads, username(s) or in any other address, contact details or title.
- 4) Distribution Partner agrees to immediately re-assign to Company any registration of the Company names, trade names, trademarks, or Internet domain names registered or reserved in violation of this policy. Failure to do so will result in immediate termination of the Distribution Partner Status. These provisions will survive the termination of the Agreement.
- 5) Distribution Partner information including: names, addresses, email addresses and telephone numbers of other Distribution Partners, are the Company's proprietary trade secret information.
- 6) Proprietary information is transmitted to the Distribution Partner in confidence and, but for this agreement of confidentiality and non-disclosure, the Company would not provide this information to the Distribution Partner.
- 7) Distribution Partners agree not to disclose such information to any third party or use such information for non-Company purposes or to compete with the Company.
- 8) The Distribution Partner acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to the Company and to independent Distribution Partner businesses.
- 9) Upon demand by the Company, any current or former Distribution Partner will return the original and all copies of proprietary information to the Company.
- 10) The Company and its independent Distribution Partners will be entitled to injunctive relief to prevent violation of this policy.
- 11) The Company prohibits current and former Distribution Partners, either directly or through a third party, from promoting another company's business, during Company-related or sponsored activities or any activity promoted as such.
- 12) The Company prohibits Distribution Partners from selling or promoting another company's products, along with the Company's products, on any physical or virtual sites, displays, or advertisements.
- 13) Distribution Partners are independent contractors, and the Company imposes no restrictions on any Distribution Partner's participation or sales activities in other multi-level marketing or direct sales opportunities, so long as it is not an opportunity that directly competes with Organo in offering ganoderma-based products and/or healthy

beverages.

- 14) Should they elect to participate in another non-competing direct selling opportunity, Distribution Partners agree to maintain separate organizations independent of one another. Distribution Partners will not engage in cross sponsoring. This policy shall apply to all countries in which the Company officially operates and shall survive the cancellation of this Agreement.
- 15) Violation of the letter and/or spirit of the P&P constitutes voluntary resignation and cancellation of the independent Distribution Partner Agreement, effective the date of the violation, and the forfeiture of all commissions/bonuses payable for and after the calendar month in which the violation occurred.
- 16) Violations of this policy are especially detrimental to growth and sales, and the Company may seek and obtain damages for violations of this policy.

X. DISCIPLINARY MEASURES

- A) All of the policies in this P&P, which includes the independent Distribution Partner Application & Agreement, the Organo Compensation Plan, and any other agreements incorporated by reference, and entered into by and between the Company and the Distribution Partners, are material terms to the agreement between the Company and the Distribution Partners. Any violation of the terms and conditions entered into by and between the Company and the Distribution Partners or the P&P or any illegal, fraudulent, deceptive or unethical business conduct by a Distribution Partner may result, at the Company's discretion, in one or more of the following corrective measures:
 - 1) Issuance of a written warning;
 - 2) Imposition of a fine to be withheld from future commission or bonus payments;
 - 3) Reassignment of all or part of their marketing organization;
 - 4) Suspension of their independent Distribution Partner agreement;
 - a) Suspension means that, pending investigation and/or final decision, the Distribution Partner will not be able to conduct any Company business until such time that the suspension has been lifted (No commission/bonus payments and no communication with his/her downline or upline). Any Distribution Partner found conducting Company business during a suspension will have their distributorship immediately terminated with the Company.
 - 5) Termination of their independent Distribution Partner Agreement (Distribution Partner forfeits all outstanding commission/bonus payments and rights to any downline organization); and
 - 6) Any other measure expressly stated within the policies set forth in the P&P.

XI. FOREIGN TRANSLATIONS

From time to time, the Company may make available foreign language translations of marketing, sales and policy materials. If discrepancies are found in wording, meaning, or interpretation between the English and foreign language translation, the English version will always prevail.

XII. PRIVACY STATEMENT

- A) The Company maintains a firm commitment to privacy and does everything possible to protect the security of those Distribution Partners and Customers who choose to do business with Organo. The Company has security measures in place to protect against loss, misuse, and alteration of the confidential Distribution Partner or Customer information we collect and manage. The Company uses industry-recognized leaders in secure server and encryption technology to protect the transactions of Distribution Partners and Customers, and takes the necessary precautions to protect against identity theft or credit card fraud, including the verification of Distribution Partner or Customer information with each transaction. The Company will never sell the information it collects or use it to promote non-Company-related products or services.
- B) Distribution Partners acknowledge that they will receive or have access to Personal Information. Distribution Partners will hold such information separate and apart from any other information used or held by Distribution Partner and, undertakes to the Company, that it will collect, use and/or disclose Personal Information only for the purposes authorized by the Company with respect to the use and/or disclosure of Personal Information. Distribution Partner shall comply at all times with applicable Privacy Legislation and Distribution Partner shall promptly advise the Company of any breach or suspect of breach of security protecting and Personal Information.

XIII. INDEMNITY

Each Distribution Partner shall hold the Company harmless for any claims, damages, or liabilities arising from the Distribution Partner's misrepresentation, negligence or failure to follow the P&P. This provision will survive the cancellation of the Agreement.

XIV. STATUTORY PRECEDENCE

The Company's P&P is subject to the prevailing territorial, provincial, or federal laws governing our industry. These laws take precedence over any item included herein.

XV. PROGRAM MODIFICATIONS

In order to maintain a viable business and to comply with governing laws and economic conditions, the Company has the sole right and discretion to modify its compensation plan, product line, pricing, terms or P&P. Such modifications shall be immediately binding upon notice to Distribution Partners. Updates shall be posted in the Distribution Partner's backoffice. A hardcopy will be made available at the Distribution Partner's written request. Distribution Partners agree to abide by any such modifications.

XVI. NON-WAIVER PROVISION

Failure by the Company to exercise any rights to the provisions stated in this P&P, Organo Compensation Plan, Distribution Partner Application & Agreement, or any other document referenced herein, shall not constitute a waiver of the Company's right to demand exact compliance therewith. Waiver of this right by the Company can only be made effective by an authorized officer of the Company in writing.

XVII. POLICY ENFORCEMENT

If any provision of the P&P is found to be invalid, illegal or unenforceable for any reason, the Company may amend or delete that provision. The amendment or deletion of any clause or provision, will not affect the remaining clauses and provisions, which will remain in full force and effect.

XVIII. ARBITRATION

- A) Both the Distribution Partner and the Company hereby agree that their relationship is governed by this P&P. Any claim, dispute or other difference shall be exclusively resolved under provisions of the arbitration legislation for the time being in force in South Africa. Distribution Partners waive their right to obtain relief from a court. All arbitration proceedings shall be held in the city of Johannesburg, South Africa with only the parties and their legal representatives present thereat.
- B) Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and, if necessary, be reduced to a judgment in any court of competent jurisdiction. Nothing in this Agreement shall prevent the Company from applying to and obtaining from any court having jurisdiction, a writ of attachment, an injunction, or other relief available to safeguard and protect the Company's interest prior to, during, or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding. This agreement to arbitration shall survive any termination or expiration of the Agreement.

XIX. GOVERNING LAW, JURISDICTION & VENUE

The parties consent to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Johannesburg for purposes of enforcing an award by an arbitrator or any other matter not subject to arbitration.

XX. CONTACT INFORMATION

Website:	www.organogold.com
Email:	southafrica@organogold.com
Help Desk:	support@organogold.com
Phone:	+ (27) 0 800 998 226
Mailing Address:	Unit 14B, Five Star Junction, Cnr. Beyers Naude and Juice Streets, Honeydew, Johannesburg 2001, South Africa

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INCOME DISCLOSURE STATEMENT

What started as a small company focused on providing a better cup of coffee ten years ago has now expanded into an international corporation providing the treasures of the Earth to the people of the world. ORGANO™ now offers a wide range of convenient, easy to use, every day products, including beverages, nutraceuticals, personal care and skincare products.

At ORGANO™, we blend the unequalled power of unique products with an unparalleled business opportunity that lets our independent Distribution Partners capitalize on the growing health and wellness industry. For those who join our ORGANO™ Family, our compensation plan rewards individuals for their commitment and, although success will vary from independent Distribution Partner to independent Distribution Partner, the power of ORGANO™ has already created life-changing income opportunities for many.

We welcome all who want to be part of this great endeavor and commit to providing an ever-expanding support system for your success.

* Figures stated represent the annualized average earnings in 2019 of those Active independent Distribution Partners who are qualified to receive compensation through the ORGANO™ Compensation Plan. Active independent Distribution Partner is defined as an independent Distribution Partner that a) has registered by executing an ORGANO™ independent Distribution Partner Agreement, b) has placed at least one product order in the preceding 12 months (January to Dec 31,2019), and c) has earned at least one weekly or monthly bonus. The aforementioned criteria exclude Retail Customers and independent Distribution Partners that did not renew their contract.

Typical participants (88%) who participate in the ORGANO™ compensation plan earned between \$0-\$599/year. The remaining 12% of the independent Distribution Partners that were considered active reached a leadership rank and earned anywhere from \$600 to more than \$100,000 dollars during the year.

The earnings stated are not necessarily representative of the typical income or profit, if any, that an independent Distribution Partner can or will earn through his or her participation in the ORGANO™ Compensation Plan. The success of an independent Distribution Partner will depend on personal efforts, including, but not limited to, skill and time invested in developing the business. ORGANO™ does not guarantee any level of income or success.

Participants	88.00%	Leadership Ranks	34.23%	30.03%	16.78%	7.38%	6.21%	1.34%	2.35%	1.68%
Compensation received (Annualized average)	\$0-599		\$600-1,000	\$1,001-2,000	\$2,001-4,000	\$4,001-8,000	\$8,001-20,000	\$20,001-30,000	\$30,001-100,000	over \$100,000

Amounts expressed in USD