



SECTION I: DISTRIBUTOR / COMPANY RELATIONS

CORPORATE MISSION STATEMENT

Zija International is a global company that was the first to introduce the benefits of *Moringa oleifera* to the world. We develop natural, earth friendly products and market them worldwide. We value opportunity and are dedicated to empowering our Independent Distributors, customers and employees to reach their dreams of health and financial wellness.

1. PURPOSE OF THESE POLICIES AND PROCEDURES

This document must be read in its entirety. Distributors must be intimately familiar with these Policies and Procedures and agree to comply with all policies set forth herein. Distributors are subject to the regulations of the Policies and Procedures from the time they receive their Distributor Identification Number. Submission of the Distributor Application and acceptance of any Commissions constitutes acknowledgment on the part of the Distributor that he/she has read and agrees to abide by the Policies and Procedures. This document, in its entirety, is applicable to all Distributors. Some aspects of the document may be modified by a separate, local addendum for Distributors in other countries or regarding specific topics such as compensation. If a conflict should arise between the Policies and Procedures and any addendum, the terms of the addendum shall be controlling. Distributors must regularly review the most recent Policies and Procedures as they are published in the Back Office Library at www.myzija.com. Zija International, Inc. (the Company and its affiliated companies (collectively "the Company" herein), is a network marketing Company which honors the Policies and Procedures (P&P) outlined hereafter. This document is an integral part of the Distributor Agreement. It was created to protect the rights of all Distributors and to provide a clear, procedural framework within which they may work effectively. Adherence to these P&P is required, and will assist in the success of the Company and its Independent Distributors in several ways, including the following:

- A. By providing equal opportunity for rewards through the Zija Compensation Plan.
- B. By providing to Independent Distributors adequate definition and explanation of the Compensation Plan.

- C. By defining the contractual relationships between the Company and its Distributors.
- D. By complying with regulatory requirements and by providing specific information about the programs to appropriate agencies.
- E. By providing to Independent Distributors a guide that informs them of the Policies and Procedures to which they must adhere, both in terms of what they must do as well as what actions are prohibited.
- F. By establishing a basis for problem resolution between Distributors and the Company.

2. INTERPRETATION, ENFORCEMENT, AMENDMENT, AND WAIVER OF POLICIES & PROCEDURES

- A. These Policies and Procedures are incorporated herein and made a part of the Independent Distributor or Preferred Customer Application. The Independent Distributor or Preferred Customer Application as well as the instruments and documents referred to herein constitute the entire understanding of the parties with respect to the matter. If the Company does not receive the Independent Distributor or Preferred Customer Application within fourteen (14) days of enrollment, the AutoShip on this new account may be canceled, the Distributorship may be suspended/terminated, and Commission and Bonus Checks may be withheld. The P&P and the Independent Distributor or Preferred Customer Application and Agreement shall be controlling in defining the relationships between the Company and the Distributor.
- B. Interpretation: Any questions regarding interpretation of these P&P must be directed to the Zija Compliance Department. Distributors may only rely upon the opinion of the Compliance Department agents in interpreting these P&P. Distributors must not rely upon the opinion expressed by the employees of any other Company departments or by other Distributors.
- C. Enforcement: The most recent and applicable P&P will be posted in the Back Office Library at www.myzija.com. The P&P will be enforced from the date of posting. It is recommended that Distributors refer to the above websites each month in order to check for updates.
- D. The P&P set forth herein shall be deemed severable. The invalidity of or inability to enforce any provision shall not affect

the validity or enforceability of any other provisions. If any provision of these P&P or application thereof to any person or any circumstance is invalid or unenforceable, then the following shall occur:

- i. A suitable and equitable provision shall be substituted in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision.
- ii. The remainder of these P&P and the application of the provision in question to other persons or circumstances shall not be affected by such invalidity or inability to enforce, nor shall such invalidity or inability to enforce affect the validity or enforceability of the provision in question, or the application thereof, in any other jurisdiction.

E. Amendment: The Company reserves the right to amend these P&P at any time and will publish these P&P so that the Distributor can make examination. The Distributor will be responsible to adhere to these P&P upon publication, in any form, by the Company. Amendments shall be in effect and binding to all Distributors upon publication by the Company in any form generally made available to all Distributors.

F. Waiver: Any requests for exceptions to these P&P must be submitted in writing to the Compliance Department only. You may direct your Compliance Department inquiries or reports by e-mail to compliance@zijacorp.com, by facsimile to 801-494-2323, or by mail to: Zija International - Compliance Department, 3300 North Ashton Blvd. Suite 100, Lehi, UT 84043 USA

G. No failure of the Company to exercise any power given to it under these P&P or Distributor Application and Agreement, to insist upon strict compliance by a Distributor, or to allow any variance of the terms shall constitute a waiver of the Company's right to demand exact compliance with these P&P. No delayed action shall preclude the Company from taking that action later, with full effect. Only an authorized Compliance Department officer, in writing, can grant waiver by the Company. In no instance shall the Company be responsible for any delays or failures in performing its obligations or rights herein due to any force, major occurrences, including without limitation, circumstances such as fire, death, public insurrection, labor strikes or difficulties, interruption of Company's supply chain, government decree or orders, or any other example of occurrence that might reasonably be termed an Act of God.

3. DISTRIBUTOR STATUS AS INDEPENDENT CONTRACTOR

A. Distributors are not employees or agents of their Sponsor or of the Company. The Company does not dictate Distributor hours, expenditures, selling or marketing methods or plans, etc. No printed or verbal representations may be made, stated or implied otherwise, other than as outlined in these Policies and Procedures.

B. As independent contractors, all Distributors are responsible

for any expenses which result from building or maintaining a Downline, including but not limited to: responsibility for any required licenses, fees, insurance, liabilities, operating expenses, and taxes including sales, income, social security, and unemployment taxes.

4. ENROLLMENT AS AN INDEPENDENT DISTRIBUTOR

A. To enroll as an Independent Distributor, an applicant must fill out, sign, and submit to the Company a current Independent Distributor Application Form (appropriate to the country within which the Distributor resides) and pay the enrollment fee and applicable shipping, handling, and taxes. International applications and product shipments will be charged a higher S&H fee depending upon destination (Contact your local Zija Distributor Support Services for specific fees). Applicants who have paid the enrollment fee are provisionally authorized as Distributors.

B. The Independent Distributor enrollment fee is a non-refundable fee, and includes a Zija Enrollment Kit containing marketing and demonstration materials. There are no Commissionable products in the Zija Business Kit.

C. The Recruiting Distributor has the duty to provide the Company with correct documentation concerning Sponsor and/or Placement of the new Distributor at the time of enrollment of the new Distributor.

D. The Company reserves the right to reject any application, thus terminating provisional Distributor authorization, at any time prior to receiving an original, signed and completed application. Internet or telephone applications are processed immediately, but must be followed by an original, signed application form within fourteen (14) days. Failure to provide a copy of the signed application form within this time period may result in the AutoShip on the new account being canceled, the Distributorship being suspended/terminated, and Commission and Bonus Checks being withheld. Faxed applications will be processed when they are received by the Company and may be deemed as originals. The Company requires that a faxed or emailed version of the signed application be sent to the Company within fourteen (14) days. The initial enrollment fee of \$39.00 is meant to pay for initial startup services that are provided to the Distributor by the Company in support of sales and marketing of Company products. Other than the initial enrollment fee, the annual renewal fee of \$25.00, and the technical services fee, no additional fees are required to become and maintain an Independent Distributor status.

E. Fabricated and/or duplicate Distributor or Preferred Customer accounts, signing up an individual as a Zija International Distributor without their knowledge/consent, or setting up an individual on an AutoShip without their knowledge/consent is prohibited. Any fees or costs incurred by the Company due to P&P violations will be forwarded directly to the responsible party.

F. Applicants understand that no Zija product purchase is required to become a Zija Independent Distributor, and they further agree that the compensation opportunities available to them are sufficient; however, each applicant must enroll with a \$39.00 enrollment fee, and then they will receive a free Zija Business Kit. They may also enroll with 250 PV or more to be a Distributor, in which case we would waive the \$39.00 enrollment fee.

5. RESTRICTIONS ON BECOMING A DISTRIBUTOR

A. All individual Distributor applicants must be of the age of majority (usually 18 years of age) in the jurisdiction in which they reside.

B. Simultaneous Interests: A Distributor may not have a simultaneous beneficial interest or participate in more than one Distributorship. A Distributor may not encourage or facilitate a simultaneous, beneficial interest in more than one Distributorship. A simultaneous, beneficial interest includes, but is not limited to, any ownership or benefit interest directly or indirectly in a Distributorship as a shareholder, partner, trustee, beneficiary, or principal; any control or ability to control a Distributorship; any direct or indirect receipt of income derived from a Distributorship; spousal support derived from a Distributorship; familial support derived from a Distributorship; access to a bank account into which Commissions derived from a Distributorship are deposited; and any other similar interests pertaining to a Distributorship. An individual has a beneficial interest in the Distributorship of a spouse or cohabitant. If a spouse or cohabitant of a Distributor wishes to become a Distributor, he/she must be added to the Distributorship previously formed by the spouse or cohabitant. Zija does not encourage dual Distributorship in the same household. In the event that these circumstances exist, the newest Distributor must be in the Enrollment Tree of the Sponsor of the Senior Distributor.

C. In the case of two (2) Distributors subsequently marrying, the Company shall not cause the Distributors to abandon either Distributorship. In this case only, both husband and wife shall be allowed to retain their existing Distributorships. Written notice should be given to the Company prior to and/or within 30 days after the marriage.

D. If a married couple with a jointly held Distributorship divorces, written notification, including the notarized signatures of both parties, must be provided to the Company indicating how the Distributorship is to be managed thereafter. Otherwise, the Company shall either consider the principal account holder as the sole continuing Distributor or restructure the Distributorship pursuant to a court order. The Company reserves the right to charge the Distributor a fee for reorganization. These rules shall also be applied to non-married, co-applicant Distributorships.

6. DISTRIBUTORSHIP RENEWAL

A. Distributor authorization extends for one (1) year from the Company acceptance date. For each subsequent year, a

renewal of Distributor authorization is required. The Company assesses a non-refundable renewal fee of \$25 (USD) per Distributor. This fee is billed annually and automatically to the Distributor's account thirty (30) days before the anniversary of sign up. The fee is applied to back office and sales support. The fee is automatically deducted from the Distributor's Bonus Check for the anniversary month of the Distributor Agreement, or charged to the Distributor's credit card or checking account. Failure to collect this fee immediately does not waive the Company's right to collect.

B. It is the responsibility of the Distributor to maintain his/ her Distributorship status and to pay the renewal fee in a timely manner.

7. DISTRIBUTOR COMPLIANCE

A. Because such actions may result in damages that are difficult to ascertain, the Company reserves the right, at the Company's sole discretion, to immediately discipline, suspend, or terminate any Independent Distributor whose actions may be reasonably construed as illegal, unethical, dishonest, fraudulent, harmful, or in any way against the Company's Policies and Procedures, Distributor Application, or Standards of Conduct, regardless of whether such actions are or were directed toward the Company, another Independent Distributor, or any person in general.

B. The Company may terminate a Distributor's authorization for cause, including but not limited to: violation of these P&P, a breach of any other promise made in the Distributor Application and Agreement, or any misstatement or misrepresentation made by the Distributor in the agreement or on any other form, as determined within the sole discretion of the Company.

C. An Active Distributor (AD) is a Distributor who has a minimum of 75 PV in the current Period. If the current Period has not yet completed and the Distributor has no PV but is enrolled in an AutoShip, then the Distributor is considered Active. To receive a Commission, a Distributor must have been Active for the previous Commission Period and be Active at the time of the current Commission Period run. After twelve (12) months of non-activity, a Distributor or Preferred Customer will be terminated and forfeit all Sponsorship rights, Placement rights, and Positions earned, and they will be purged from the system.

D. The Company will monitor a Distributor's compliance with the established and published P&P. This may include but is not limited to reviewing advertising materials, electronic media, training materials, etc. This policy is applicable to any form of communication, whether in print, by video, or through any form of communication facilitated by or occurring in any social or networking media such as Twitter, Facebook, YouTube, and the like. Comments from the Company regarding compliance must not be interpreted or construed as approval, disapproval, or sanctioning by the Company, but must be considered only as the Company's demand and/or warning to the Distributor to comply with the agreements and established P&P between the

Distributor and the Company.

- E. In accordance with the agreements and established P&P, the Company's Compliance Department shall make determinations as to whether a Distributor has violated the Independent Distributor Agreement or the established P&P. Investigation results shall be maintained as confidential between the accused Distributor and the Company.
- F. Each Distributor must be self-policing and ensure his/her own strict compliance with established P&P and agreements by being intimately familiar with such Policies and Procedures and agreements, as well as the rules, laws, statutes, and regulations of the jurisdiction within which the Distributor operates his/her business. Failure to comply with these P&P may be cause for discipline.
- G. Distributors shall comply with all instructions from the Company's Compliance Department in a reasonable time and shall promptly provide the Compliance Department with all requested information. It is the responsibility of the Distributor or Preferred Customer to provide the Company with all of the Distributor's or Preferred Customer's contact information, including but not limited to: address(es), telephone number(s), fax number(s), website address(es), and e-mail address(es), in order to facilitate prompt communication between the Company and the Distributor or Preferred Customer. It is the responsibility of the Distributor or Preferred Customer to ensure that all contact information is current and correct in the Company's records. The Company will not be held responsible for situations arising from communication that is delayed, misdirected, or returned to the Company due to incorrect or outdated information provided by the Distributor.
- H. The Compliance Department shall respond to all questions posed by Distributors as promptly as possible. Advice rendered by the Compliance Department shall not be construed as legal advice, and the Distributor should not rely upon the Company or any of its divisions to provide legal advice. Distributors, if they need legal advice, should consult with legal counsel of their choosing.
- I. The Company reserves the right to discipline a Distributor for inappropriate and/or nuisance communications to Distributors and/or Customers. Distributors will not participate in any unlawful practices.
- J. Distributors shall not engage in the practice of generating, replicating, or repeating monthly, annual, or total sales figures of the Company unless such figures are publicly published by the Company.
- K. Distributors who intentionally circumvent P&P to accomplish indirectly what is prohibited directly, will be disciplined as if the applicable policy or rule had been broken directly. At its sole discretion, the Company shall have the right to adjust Bonuses, Commissions, and/or the Placement or status of a Distributor and of those in the Distributor's Upline who were

affected. None of the P&P herein are intended to create third-party rights in any Distributorship regarding the conduct of any other Distributor.

8. CONFLICTS OF INTEREST

- A. Company Distributors may participate in other direct selling or network marketing or multilevel marketing ventures (collectively "network marketing"), and Distributors may engage in selling activities related to non-Company products and services if they desire to do so. However, if a Distributor elects to participate in another network marketing opportunity, in order to avoid conflicts of interest and loyalties, Distributors are prohibited from unauthorized recruiting, which includes the following:
 - B. During the term of this agreement, any actual or attempted recruitment or enrollment of Company Customers or Distributors for other network marketing business ventures, either directly or through a third party. This includes but is not limited to: presenting or assisting in the presentation of other network marketing business ventures to any Company Customer or Distributor, or implicitly or explicitly encouraging any Company Customer or Distributor to join other business ventures. Because there is an extreme likelihood that conflicts will arise if a Distributor operates two network marketing programs, it is the Distributor's responsibility to first determine whether a prospect is a Zija Customer or Distributor before recruiting or enrolling the prospect for another network marketing venture.
 - C. For a period of twelve (12) months following the cancellation of a Distributor or Preferred Customer Agreement, the former Distributor or Preferred Customer may not recruit any previous Personal Enrollees to another network marketing company. They may NEVER recruit anyone that was not a Personal Enrollee. Producing or offering any literature, tapes or promotional material of any nature for another network marketing company which is used by the Distributor or any third person to recruit Company Customers or Distributors for that business venture is agreed to as forbidden.
 - D. Zija Independent Distributors may not engage in selling, offering to sell, or promoting any competing non-Company product(s) to Company Customers or Distributors. Any product in the same generic category as a Company Product is deemed to be competing; e.g.; Any dietary supplement is in the same generic category as Company dietary supplements, and is therefore a competing Product, regardless of differences in cost, quality, ingredients or nutrient content.
 - E. Offering Company product(s) or promoting Company's Compensation Plan, in conjunction with any non-product(s), services, business plan, opportunity, or incentive.
 - F. Offering any non-Company product(s), services, business plan, opportunity, or incentive at any Company meeting, seminar, launch, convention, or other Company function, or immediately following such event.

9. POLICY VIOLATION AND ACCOUNTABILITY PROCEDURES

- A. The Company reserves the exclusive right to discipline, terminate, and/or withhold payment of Commissions and Bonuses to any Distributor who violates any provision of the Distributor Application and Agreement, the P&P, amendments, addendums, or any other violation as determined by the Company upon notice to the Distributor. The offending Distributor will be notified of such action. Such termination revokes any and all rights under the Independent Distributor Agreement and Compensation Plans and will be effective upon the verification by the Company of said violations. Upon cancellation, the Company shall be entitled to seek legal remedy for any damages to which it is entitled to by law and is authorized to contact any governmental entity responsible for oversight of any laws, rules, statutes, or regulations that the Distributor may have violated.
- B. When the Company becomes aware of a violation or of an alleged violation, one or more of the following procedures may apply:
 - i. Warning: Notice of violation provided to the Distributor. Request to cease non-compliant behavior.
 - ii. Notice of violation: official commencement of disciplinary procedures. The accused Distributor is informed of the alleged violations in writing and is provided fourteen (14) days to respond to the allegations in writing. After fourteen (14) days, any response will be considered and a decision will be made by the Compliance Department as to the appropriate discipline.
 - iii. Probation: The Distributor may not maintain leadership status, is prohibited from holding opportunity meetings, from initiating or requesting Sponsor/Placement changes, and from making changes to the information in the Zija Back Office. The Distributor has sixty (60) days to make corrective changes, and must commit to comply with these P&P. Probation does not prevent a Distributor from signing off on Sponsor/Placement change requests initiated by a Distributor in his/her Downline organization.
 - iv. Suspension: The Distributor is prohibited from placing orders, from receiving Commission and Bonus Checks, from receiving an AutoShip, and from sponsoring new Distributors. The Distributor has sixty (60) days to make corrective changes, and must commit to comply with these P&P.
 - v. Termination: The Distributorship of the violating Distributor is terminated. Policies and Procedures pertaining to termination and re-application apply.
- C. The Company reserves the right to charge a fine, as determined by the Compliance Department, to a violating Distributor at any stage of the disciplinary procedures. The fine will be taken from the Commission Check or billed directly to the Distributor (payable by any means that the Distributor has provided to the Company for payment of product(s)). Failure to pay the fine after sixty (60) days may result in the automatic advancement of that Distributor to a higher disciplinary level.

10. TERMINATION

- A. Distributors or Preferred Customers may terminate their account at any time by providing the Company written notification of their intent to terminate. The written notification must be signed by the Distributor and any co-applicants (if applicable) and sent via mail, fax, or email from the email address of the account holder. A Distributor or Preferred Customer may resign at any time for any reason.
- B. After a Distributor or Preferred Customer account has been terminated, either voluntarily or involuntarily, the former Distributor or Preferred Customer must cease to represent himself/herself as a Distributor or Preferred Customer of the Company.
- C. After an account has been terminated, it will be purged from the system.
- D. A Distributor or Preferred Customer who previously re-signed is eligible to reapply to be a Distributor or Preferred Customer no less than twelve (12) months after termination. During this twelve (12) month period, he/she is not permitted to participate in any way in the building or development of their organization. The twelve (12) month waiting period is based on the last date of monetary activity, but will be official either after the Compliance Department receives a termination notice in writing from the Distributor or Preferred Customer or sixty (60) days after their annual renewal date has passed without renewal on the part of the Distributor.
- E. A terminated Distributor or Preferred Customer, upon re-application for either Distributor or Preferred Customer status, will be treated as if he/she had never been a Distributor or Preferred Customer. He/she will be required to follow standard application procedures, and will be asked to pay the enrollment fee. He/she will not retain any prior rights to Commission, Rank, Downline position, or position in any former line of descent.

11. CONFLICT RESOLUTION

- A. From time to time, there may arise disagreements or conflicts between Distributors pertaining to observance of the P&P. Problems should be handled as soon as possible after they arise. It is important that matters of dispute between Distributors be resolved between the Distributors, without Company involvement, by following the procedures described below.
- B. Distributors noticing P&P violations should bring them to the attention of the Distributor perceived to be in violation. This procedure should solve most problems, as most violations are caused by lack of understanding of the P&P. If this procedure does not solve the problem, violators should be reported to their Upline Distributor of Senior Leadership Rank (Emerald or above), together with written details such as dates, witnesses, etc.

- C. If the problem is not solved by the Upline Distributor, or if two (2) disputing parties have different Distributors of Senior Leadership Rank (Emerald or above), the problem may be referred to the Compliance Department via email or in writing. When the dispute involves the Company as a party, Distributors have a duty to bring such disagreements to the Company before taking any dispute public through the filing of any action seeking judicial and/or arbitration intervention.
- D. Upon notice of such violation, the Company may confer with anyone at any time concerning any alleged violation of the Distributor Agreement and/or the P&P as may be necessary to conduct an investigation. Upon Company request, a Distributor must provide to the Company all documentation directly related to an alleged violation. Upon completion of an investigation, the Company may notify the involved Distributors of a hearing on the issues relating to the alleged violation. Any information ascertained during an investigation or hearing shall be treated as confidential, except in cases where the accused Distributor has been determined to have violated federal, state, or local statutes. The Company's failure to request or initially obtain documentation does not waive the Company's rights to obtain such information and/or documentation.
- E. If the involved Distributors are unable to resolve the dispute and the Company is involved, then such Distributors and the Company must submit to binding arbitration in Utah, USA, using the rules of the American Arbitration Association prior to filing any cause of action in a court having jurisdiction. The jurisdiction and venue shall be the State of Utah, USA, in the judicial district where the Company is located. Each party having a concern shall first give notice of intent to submit to arbitration prior to filing for arbitration. However, if the Company is not involved with the dispute, the involved Distributors are free to use any method of solution available to them under the law.
- F. Distributors violating any of the P&P may be required to cancel advertising, destroy unauthorized literature, remove offending signs, disconnect phones with no referral, and/or any other relevant remedy. Distributor authorization may be canceled. Violators will be liable to the Company for any damages, including attorney fees, resulting from violations.

12. SPECIAL REQUESTS

- A. The Company provides numerous services to its Distributors without charge; however, Distributors occasionally make requests that require special time and effort to fulfill. Requests in this category include copies of receipts, paperwork, in-depth Bonus information that must be calculated or extracted, research, banking instructions, stop-payment requests, reissue of payments, etc. These and other special requests are available to the Distributor for a cost of \$35 (USD) per hour, plus actual costs, with a minimum charge of \$35 (USD), plus actual costs, per request. Actual costs include banking fees, photocopy fees or expenses, legal fees, accounting fees, etc. A

limit of two (2) Commission Checks can be returned at no cost per annum; for any others, there will be a \$35 (USD) fee per check to re-print and re-mail them.

- B. Distributors may be asked for a signed confirmation of special work requests before they are started. If a special service is requested due to an error caused by the Company, charges for this request may be waived.

13. EXECUTIVE DISTRIBUTOR SUPPORT (EDS)

- A. Executive Distributor Support (EDS) is a corporate service available to all Diamond Executive Distributors. Once a Distributor achieves Diamond Executive status, they are assigned a non-exclusive EDS agent. In order to continue to receive these services, the Distributor must continue to maintain Diamond Executive status.
- B. EDS will eagerly assist Distributors in reaching their optimum qualifications; however, all Commissions will be based on computed Downline qualifications, as determined by the Company, and not titles specified by Executive Diamond Service agents. EDS can make no representation with regard to Distributor status that will be binding.

14. PRIVACY POLICY

- A. All information provided by an Applicant on the Distributor or Preferred Customer Application will be used to create the Applicant's account and for other activities of that account holder. This information will not be used for any other purpose.
- B. All information held by the Company with reference to Downline, Genealogy, and/or Placement of Independent Distributors is the property of the Company. As such, this information is confidential and proprietary. The Distributor maintains no rights or ownership with reference to this information and/or data. Distributors must treat this information as confidential and proprietary to the Company. Improper and unauthorized use of this information by a Distributor may be cause for termination and/or any other legal remedy available to the Company.
- C. By enrolling as a Distributor or Preferred Customer, the Applicant authorizes the Company to disclose the provided contact information to their Sponsors only. This information will be available for business use only and will not be provided to any other parties, including other Zija International Distributors. The Company owns this proprietary information, and it may not be sold, disseminated, or provided to any other parties.
- D. The Company will supply data processing information and reports to the Distributor concerning his/her Downline sales organization (This information does not include personal information such as Tax Identification Numbers). The Distributor agrees that he/she will not disclose such information to a third party directly or indirectly (including

other Zija International Distributors) nor use the information to compete with the Company directly or indirectly. The Distributor agrees that this information is, and remains, the property of the Company. Violation of this confidentiality requirement is grounds for termination. The Privacy Policy remains in effect even after a Distributor chooses to resign his/her Distributorship. Resignation does not bring exemption to this policy.

total equals or exceeds the amount of five hundred (\$500 USD) dollars or other amounts required by foreign laws.

15. TAXATION

- A. The Applicant must provide a Tax Identification Number with the Application before Commissions can be earned and paid. If the Applicant is an individual, a Social Security Number (or equivalent Tax Identification Number) is required with the application. A Tax Identification Number is required for individuals and business entities such as Sole Proprietors, Partnerships, Organizations, Corporations, Trusts, Limited Liability Companies, etc. Tax Identification Numbers may not be shared among different Distributors
- B. Falsification of tax information: Distributors must provide accurate and truthful tax information. If a person establishes Distributorship using a false national insurance or Tax Identification Number, or uses another person's information, Distributorship may be terminated immediately and the Distributor will forfeit any rights associated with Distributorship. The Company reserves the right to contact the person, their Sponsor, and any government agency to determine the accuracy of tax information.
- C. Invalid Social Security Number (or equivalent Tax Identification Number): If the Company has an Invalid Social Security Number (or equivalent Tax Identification Number) on file, no Retail Sales, Commissions or Bonuses can be earned.
- D. Income Tax: Distributors will not be treated as an employee for taxation purposes. Distributors are Independent Contractors for all purposes and do not have income (or equivalent) tax withheld from Commissions, unless the Distributor fails to provide the Company with information required by law. Distributors must fulfill their tax obligations as Independent Contractors. Distributors shall provide to the Company all relevant tax forms required by the jurisdiction in which they live. Failure to provide such information to the Company may result in withholding a portion of the Distributor's Commissions, as required by law. The Company will report income or sales information to the appropriate governmental authority, as required by the applicable law. Distributors are responsible for contacting proper tax authorities or an accountant for up-to-date information on tax laws. All Distributors agree to indemnify and hold harmless the Company for any tax related penalties and charges incurred because of incorrect or incomplete information provided by the Distributor.
- E. Income reports are generated and mailed by the Company on or before February 28 of the following year only for those Distributors whose Retail Sales, Commissions and Bonuses

- F. Sales Tax (or Applicable Tax) and Exemption: If a Distributor has registered as a withholding agent through their local sales tax agency, and has submitted their state resell certificate to the Company's Compliance Department, the collection of sales tax, indirect tax (or any other "sales tax equivalent") will be the responsibility of the Distributor. Such information must be provided to the Company in an appropriate form before the order is submitted. If the Distributor does not provide such certification from the appropriate tax authority, the Company will collect sales tax based on the suggested retail price. The applicable tax rate will be calculated based on the area in which the sale is made or to which products are shipped. It is the responsibility of the Distributor to provide an updated copy of their certification for exemption from sales tax each year.
- G. Self-Employment Tax: Distributors must individually pay appropriate self-employment taxes, unless an adequate amount of tax is being paid as a result of other employment. Forms and instructions may be obtained from the local taxation authority.
- H. Unemployment Tax: The Company makes no contribution to any of the various unemployment funds because of the Distributor's independent contractor status. Because contributions are not made, a Distributor is not eligible to claim unemployment compensation, Labor, Social Security (or equivalent), or make Workman's Compensation claims as a result of having been a Distributor.
- I. Distributors must not give any assurance concerning the present or future income tax consequences or estate, gift, or inheritance tax consequences of any Commission benefits. All such consequences are subject to change.

16. DISTRIBUTORSHIPS FOR NON-INDIVIDUALS

- A. For taxation purposes, when Distributor applicants are not individuals, the application must be signed by a legally authorized representative in order to bind the applying entity, and must be accompanied with the Tax Identification Number certificate.
 - i. The tax identification number certificate.
 - ii. A copy of the Articles of Organization (if LLC.), Articles of Incorporation (if corporation or non-profit), Syndication Agreement (if syndicate), Partnership Agreement (if partnership), or Trust Agreement (if trust).
 - iii. A signed authorization or resolution from the business entity, authorizing the person who signs the application to do so.
- B. A Distributor may change their status from individual to partnership/corporation or from partnership/corporation to individual, but must notify the Company in writing. The written authorization must be signed by the individual or entity changing the status, as well as the individual or entity accepting

the change. He/she must also comply with the provisions of Section 15A in providing the information requested for that entity. The Company charges a processing fee consistent with a sale or transfer fee in connection with this transaction. The Company reserves the right in its absolute discretion to decline acceptance of a replacement organization without being required to give reasons.

- C. A Distributor may change their status from individual to partnership/corporation or from partnership/corporation to individual, but must notify the Company in writing. The written authorization must be signed by the individual or entity changing the status, as well as the individual or entity accepting the change. He/she must also comply with the provisions of Section 15A in providing the information requested for that entity. The Company charges a processing fee consistent with a sale or transfer fee in connection with this transaction. The Company reserves the right in its absolute discretion to decline acceptance of a replacement organization without being required to give reasons.
- D. If a Distributor is tax exempt for any reason, they must provide the Company a photo ID with their tax-exempt verification upon enrollment.

17. SELLING OR TRANSFERRING A DISTRIBUTORSHIP

- A. Inactive Distributor or Preferred Customer Positions/Nodes are property of Zija International and will be terminated and removed from the live database after twelve (12) months of inactivity.
- B. Unless a Distributor or Preferred Customer is Inactive, has been suspended/terminated, or is being investigated for possible infractions of this agreement, a Distributor may sell, assign, or otherwise transfer his/her rights or position only after receiving the express written approval of the Company. The Company reserves the right to approve the transaction, but will not unreasonably withhold permission. A sale or transfer occurs whenever one individual or entity with a Tax Identification Number transfers ownership or control to another individual or entity with a different Tax Identification Number.
- C. If a Distributor receives a legitimate offer from an individual or entity to purchase that Distributorship, the Distributor must notify Zija International in writing of their interest to sell all or part to that person, and must include the terms of the legitimate offer. Zija shall retain the right of first refusal to purchase the Distributorship at the terms provided to the Distributor within ten (10) business days. If Zija elects not to purchase the Distributorship, the Distributor in question shall be free to proceed with the sale, subject to the terms outlined herein.
- D. To transfer a Distributorship, the Distributor must be Active and in good standing with the Company. A currently existing Distributor may not purchase any part of another Distributor's business. In addition, the following must be submitted to the

Company:

- i. A written, dated, signed, and notarized (or equivalent) agreement between transferrer and transferee.
 - ii. A new Distributor Application for the person or entity that is acquiring the transferrer's position.
 - iii. The Distributor enrollment fee (paid at the time of the Company's acceptance of the transferee's application).
 - iv. A \$100 (USD) transfer processing fee. The Distributorship will be assigned a new Distributor identification number, but will maintain the same Sponsor/Placement position as before the approved transfer.
- E. An application for a sale or transfer of ownership will be processed within 10 business days (in accordance with sections 17.Ci through 17.Civ).
 - F. Incomplete, incorrect, inappropriate, or rejected applications for sale or transfer of ownership will be assessed a fee of \$35 (USD).
 - G. A Distributor or Preferred Customer who sells his/her spot will not be eligible to requalify as a Distributor or Preferred Customer for a period of at least twelve (12) months after the Company has approved the sale, and he/ she can in no way recruit from his/her former organization.
 - H. The Company will not approve any sale or transfer if it is aware that the Distributorship in question is subject to an existing garnishment order or tax violation.
 - I. If a Distributor permanently changes their country of residence, the change will be considered a sale or transfer. All P&P's and fees associated with the sale or transfer are applicable. The Distributor will be responsible for complying with all P&P and addendums specific to the new country of residence.
 - J. Distributors must comply with the restrictions described in the Termination Section 10 as well as all other P&P.

18. DISSOLVING A JOINTLY HELD DISTRIBUTORSHIP

- A. Dissolution of a jointly held Distributorship must be done in a way that does not disturb the income or interests of the Upline and Downline organizations of the Distributorship in question. Distributors should consider the following when deciding whether to dissolve a jointly held Distributorship:
 - i. After dissolution of a jointly held Distributorship, any one of the joint owners may operate the Distributorship, but the other joint owners must relinquish their rights to, and interests in, the Distributorship.
 - ii. Dissolution will never entail the division or reassignment of the Downline organization of the jointly held Distributorship. Downline Commissions will not be split between joint owners.

19. DEATH OF A DISTRIBUTOR

- A. In the case of a Distributor's death, Distributor rights will be

transferred to the legal successor in accordance with law. The Company requires certified photocopies of the death certificate (or a doctor's statement) and a certified will, court order, or other appropriate legal documentation before the transfer can be effective. Successors in interest must comply with current program requirements and are subject to these P&P. Upon notice of demise, the Company reserves the right to make payments to the estate of the deceased Distributor.

SECTION II: ORDERS

20. PRICING CHANGES

- A. The Company reserves the right to make retail and wholesale pricing changes. This would include product price changes, PV and point changes, collateral material price changes, shipping and handling price changes, and any other pricing changes deemed necessary by the Company without prior notification.

21. ORDERING PROCEDURES

- A. Orders may be placed over the telephone by calling the Customer Service Department. The phone number can be found on the corporate website www.drinklifein.com.
- B. To mail in an order, send a completed Order Form, along with full payment, to: Zija International, Orders, 3300 N. Ashton Blvd, Suite 100, Lehi, UT 84043 USA.
- C. Orders may be placed by fax via the USA number 801-494-2323 or on the Internet through the Zija Back Office at www.myzija.com.
- D. To receive Personal Volume (PV) credit for a given Period, orders must be received in the Corporate Office by the assigned cutoff date. Mail orders will be processed according to the date they are received at the Corporate Office, and not according to their postmarked date.
- E. Faxed/mailed orders must be submitted using a current Distributor Wholesale Order Form. Shipping and handling fees are calculated according to location; contact Customer Service to find information relative to specific regions. The Company will normally ship prepaid ground freight. If a Distributor chooses a shipping method other than the standard for his/her area, he/she will be billed for the difference in shipping costs.

22. WILL CALL PICK-UP

- A. Where Will Call service is available, a Distributor may pick up his/her order. The Company will ship Product(s) that have been marked for "will call pick-up" if the Product has not been picked up by the Distributor within ten (10) business days of the scheduled AutoShip date, or the end of the calendar month, whichever is latest. Applicable shipping fees will be billed to any payment method noted on the Distributorship.

23. AUTOSHIP PROGRAM (AS)

- A. A Distributor may choose to participate in the AutoShip Program (AS), and a Preferred Customer must participate in the AutoShip (AS) program in order to be considered a Preferred Customer, with a minimum purchase of one (1) case of 75 PV product(s). This helps the Distributor by ensuring that they always have their desired amount of product(s), without having to order it during each four (4) week Period. It keeps a Preferred Customer Active, and automatically ships them an order every twenty eight (28) days. Refer to the four-week rolling calendar in the Back Office Library for further details. There are thirteen (13) four week Periods per year. To establish an AutoShip order after original enrollment, the Distributor or Preferred Customer must inform the Company of the amount of product to be shipped each four week Period, the method of payment to be used, and in which week during the four week period they wish to receive their AS order. An AS may be established at the time of application by phone, fax, or paper application. An AS account will be charged on the day the order is processed for shipping. AS orders are processed and shipped on the first and second business day of every cycle, unless otherwise specified by the Distributor or Preferred Customer.
- B. Upon establishing an AutoShip (AS), the Distributor or Preferred Customer will receive the AS shipment every four week period, regardless of the Volume ordered by the Distributor or Preferred Customer at other times of any given month.
- C. Product Refusal: If a Distributor refuses any Product order that is not due to Company error, this refusal is considered grounds to cancel their AutoShip, resulting in loss of Active Distributor status.
- D. Payment: All payments will be verified with the credit card company prior to processing orders and AS. In the event that authorization is declined, either for insufficient funds or an expired card, Zija will consider your account as Active and will continue other payment processes to ensure that you receive your product(s) and Commissions, if applicable. Distributor Support may attempt to contact the Distributor or continue to attempt authorization up to three (3) times, or may elect to adjust your expiration date, if necessary. If authorization is not achieved after three (3) attempts, the order will be considered "unprocessed" and will not be included in Commission computation and processing.
- E. Changing/Cancellation of AS: In order for the Company to change a Distributor or Preferred Customer's billing address or to start/stop an AS, a written request, including the authorizing signature of the Distributor or Preferred Customer whose information is to be changed, must be received by the Company no less than five (5) business days prior to the scheduled AS shipment. No changes can be made to any AS during the five (5) business days before the actual AS shipment. Such requests include, but are not limited to, changing the number of cases, the shipping address, the payment method, etc.

- F.** Cancellation with Order Return and Refund: Upon cancellation of the AS, a Distributor may return the most recent shipment, provided the shipment is not older than ninety (90) days (See Sections 28 and 29). The mere return of product(s) is insufficient to cancel AS; the Distributor must submit a signed cancellation request.
- G.** Fraudulent AutoShip Setup: Setting up another Distributor or Preferred customer with an AS, without the understanding and express permission of that Distributor or Preferred Customer, is forbidden. The Company takes this very seriously, and there will be actions taken against those who do it, including possible suspension or termination, according to the following:
- i.** Warning: Written notice of violation provided to the Distributor.
 - ii.** Notice of Violation: Official commencement of disciplinary procedures. The accused Distributor is informed of alleged violations in writing and is provided fourteen (14) days to respond to the allegations in writing. After fourteen (14) days, any response will be considered and a decision will be made by the Compliance Department as to appropriate discipline.
 - iii.** Suspension: The Distributor is prohibited from placing orders, from receiving Commission and Bonus Checks, from receiving an (AS), and from sponsoring new Distributors. The Distributor has sixty (60) days to make corrective changes, and must commit to comply with these Policies and Procedures (P&P).
 - iv.** Termination: The Distributorship of the violating Distributor is terminated. Policies and Procedures pertaining to termination and re-application apply.

24. ORDER PAYMENT

- A.** Product orders must be accompanied by a form of payment acceptable by the Company. Payment must be for the exact amount of the order. By placing a product order, a Distributor certifies that he/she has sold or consumed seventy (70) percent of all product(s) previously ordered from the Company and that he/she is not stockpiling product(s), or “front-loading”.
- B.** Distributors may pay for orders using any of the following payment forms:
- Cashier’s Check or Money Order
 - Personal or Business Check
 - ACH (available in some countries)
 - VISA, MasterCard, American Express, Discover, and JCB
 - Bank Debit Card
 - Cash (USD)
 - Electronic Funds Transfer (High Volume Orders Only)
- C.** Telephone orders must be paid by credit card, bank debit card, or previously established ACH. After taking the order, the Customer Service agent will read back the order for approval. It is the Distributor’s responsibility to make corrections at that time. Once the call is completed, the order is released to the

shipping center and no corrections or additions can be made. A Distributor may contact the Customer Service Department regarding cutoff times for same day shipping.

- D.** The only person(s) allowed to pay for an order using a credit card or bank debit card are the authorized signer(s) on the credit or bank account. The Company cannot honor requests to pay for an order using a different person’s credit card, debit card, or ACH unless the authorized signer on the credit or bank account is on the phone or has provided prior written authorization to the Company.

25. AUTOMATIC CLEARING HOUSE (ACH)

- A.** Establishing ACH: In order to establish any ACH, a Distributor must provide written, signed notice to the Company. Such notice must include ordering status (standard orders and/or AS setup, cancellation, and/or changes), payment methods, Distributor status, etc. The notice must be signed by the applicable Distributor. The Company will not accept instructions concerning a Distributorship, ordering status, payment status, or any other matter between the Company and the Distributorship, unless the instruction is in accordance with these P&P. The notice is effective upon processing by the Company. This policy does not change deadline requirements elsewhere in these P&P.
- B.** Using ACH: The Automated Clearing House (ACH) option will authorize the Company to electronically debit a Distributor’s bank account in the amount of the order. To participate in this plan, submit a completed ACH Transfer Application and a voided check. There is a \$2.50 service fee charged for setting up an ACH. ACH may be used for all orders except for a Distributor’s initial order with Personal Sales Volume (PV). During the first ninety (90) days, orders using ACH may be subject to a shipping hold of up to seven (7) to ten (10) business days in order to verify funds. Usage of a bank account belonging to another person for ACH requires written, notarized authorization by the owner of the account.

26. UNCOLLECTED BANK DRAFT

- A.** The Company will assess a handling fee of \$35 (USD) or an amount equal to five (5) percent of the face amount of the check, ACH, or bank draft, whichever is greater, on any check, ACH, or bank draft that is returned uncollected from a Distributor’s bank. After a second returned check or bank draft, the Distributor may lose the privilege of placing orders by using a check, ACH, or bank draft for a period of six (6) months. During that six (6) month period, the Distributor must use cash, credit card, cashier’s check, or money order to place orders. Any returned check or ACH that is not resolved in a timely manner is grounds for termination and for legal action to obtain payment. Any uncollected amount may be deducted from current or future Commissions. In addition to the above described fees, the Company is entitled to interest of one and one half (1.5) percent of any uncollected balance per month. All chargebacks due to credit card declines, non-sufficient funds (NSF) checks, ACH, or any other charge back,

must be resolved by the last business day of the Commission Cycle or the Volume on such sales will not be included in the computation of Commission for that Cycle's Commission payments. Chargebacks may also be sent to a collections agency as deemed appropriate by the Company.

27. BACK ORDERS

A. Out-of-stock items will be backordered; however, Personal Volume (PV) will be immediately given for the order. Backorders will be canceled upon a Distributor's request. Canceled backorders will create a credit on the Distributor's account. The Distributor may deduct the amount of this credit from the payment for his/her next order. Because PV credit will have already been given, the Distributor will need to make sure he/she orders enough extra PV to offset the amount credited to the account in order to maintain PV Qualifications.

28. INITIAL ORDER GUARANTEE

A. All Customers and/or Distributors have a ninety (90) day, 100 percent satisfaction guarantee with their Initial Order (see Glossary for definition of "Initial Order") or until the second order has been placed, whichever is sooner. The Company will refund the net purchase price (less shipping charges), or replace product(s), of any initial product order. Initial Orders of 150 PV or less (or 250 PV if the Initial Order was made with a qualifying system such as the Zija Personal System) will qualify for the 100 percent (less shipping charges), but all remaining product(s) must be returned to the Company within seven (7) days after contacting Customer Service by a traceable means of delivery. Zija will refund a maximum of eighty five percent (85%) of the purchase price of any Initial Order in excess of 150 PV or less (or 250 PV if the initial order was made with a qualifying system such as the Zija Personal System); again all remaining product must be returned to the Company within seven (7) days after contacting Customer Service by a traceable means of delivery. Upon receipt, the return will be noted and a refund will be issued to the customer and/or Distributor within thirty (30) days. In order to receive this refund, customers and/or Distributors must call the Customer Service Department within ninety (90) days of purchasing their Initial Order and request a Returned Merchandise Authorization (RMA) number. Any second order made after the initial order follows all rules applying to the Return Policy.

29. RETURN POLICY

A. Returns on Initial Orders are covered in the Initial Purchase Guarantee above. Any subsequent product orders may be returned based upon this Return Policy. These product(s) must be shipped (pre-paid) to the Company's Headquarters after following the procedures outlined in the Return Policy.

B. In order to be classified as "resalable", the product must be unopened and unencumbered, with current labels and intact seals in good condition. This condition will be determined after thorough examination by the Company. The customer and/or Distributor will then be refunded ninety (90) percent of the

net cost less appropriate fees such as cost of legal claims if any, commissions paid if any, including shipping fees, rebates granted, promotions, rewards, etc., that would have been previously credited to the Distributor when purchasing the product(s) that is being returned. Any Bonuses or Commissions paid to the Distributor's Upline on the returned merchandise Product Volume will be debited from any Upline beneficiaries' account. A "chargeback" transaction will appear as a debit on the Upline's next Commission report.

C. If this policy conflicts with a particular law of a jurisdiction, where a specific buy-back requirement has been enacted by law, the Company shall repurchase resalable product(s) in accordance with the applicable statute. The Return Policy must be followed in order to return product(s).

D. If, in Zija's sole discretion, any product was ordered in an effort to qualify a Leg, such Product is not returnable and no refunds will be given.

E. High Volume Product Orders, i.e. orders containing twenty (20) or more cases of Product(s), cannot be returned.

F. The Company will not honor product refund requests made after thirty (30) days of Distributor receipt of any given order. When Distributors have been in possession of any given shipment for more than thirty (30) days without written notification to terminate their account, the Company will assume that the account status is Active and will maintain the account. Requests to retroactively refund or replace shipments for multiple previous months will not be honored by the Company. In order to assess the length of time that has transpired from the initial order of the Product in question, Zija may require any or all of the following:

- The original shipping label; or
- The original shipping box; or
- The original invoice

G. The Company will not regard inventory as "resalable" if the shelf life or expiration date is within thirty (30) days of expiration, if the Product seals have been broken or tampered with, if the item has been discontinued, or if a particular item had been originally sold under a clearly defined, discontinued, seasonal, or special promotion.

H. Refunds or buy backs will not occur on inventory previously certified as "sold" under the Seventy (70) Percent Rule required for Distributor orders.

I. The Independent Distributor Application enrollment fee is non-refundable as it provides services and marketing and demonstration materials.

J. Returns and exchanges on promotional sales tools and marketing materials may be classified as "resalable" if currently being offered for sale by the Company. This condition will be determined after examination by the Company. The

Distributor will then be refunded ninety (90) percent of the net cost of the materials, less any shipping, rebates, promotions, etc., previously credited to the Distributor for purchasing the materials being returned or exchanged.

- K. Yearly Renewal/Membership Fee (\$25 USD) is non-refundable after 30 days from billing. If an order has taken place since the renewal has occurred the fee is non-refundable.

30. RETURN PROCEDURE

- A. In order for a Distributor to obtain a refund for returned merchandise, the Distributor must do the following:
 - i. Request the refund from the Company and provide verification of the original orders, receipts, or proofs of purchase.
 - ii. Contact the Company's Customer Service Department to obtain a Returned Merchandise Authorization (RMA) number for the refund request. The RMA number shall be valid only for thirty (30) days from issuance by the Company.
 - iii. Ship the Product, prepaid, to the Company in a protective container or carton, along with a brief explanation of the contents and the RMA number given by the Customer Service Representative. The Distributor's return address and RMA number should be printed clearly on the outside of the package.
- B. Any or all shipping or courier costs for the return of product(s) to a Distribution Center will be borne solely by the Distributor. Any damage or loss that occurs to returned product(s) during shipping will also be the responsibility of the Distributor. Should the package containing returned product(s) arrive at the Company damaged (thereby rendering it non-resalable), the Company's Distribution Center will reject the shipment. It is recommended that a reliable, traceable courier service be used for shipping.
- C. When the above procedure has been completed and the return process and product(s) have been verified, a refund for up to eighty five (85) percent of the wholesale product value will be issued and sent to the Distributor. Refunds will be made through the method used to pay for the order initially (ACH, credit card, and check) within thirty (30) days. Local, state, or provincial repurchase laws or requirements may cause variance to this procedure.
- D. If the Company has given a refund for which the Distributor has been paid Commission on the sale, the Distributor may be required, at the Company's option, to return any applicable Commission received.
- E. Retail Return Policy: Retail customers may return product(s) following the Return Policy outlined herein.

31. DAMAGED, DEFECTIVE, OR UNDELIVERED PRODUCT(S)

- A. Product Care. All Company Product(s) should be stored in a cool, dry, and hygienically safe area or as otherwise directed by the label. As a general rule, the product(s) should be kept at least four inches (4") above the floor. The Company is not responsible for product(s) that are damaged due to improper storage.
- B. Do not consume any products(s) produced by the Company if the seal is broken or tampered with in any way.
- C. If product(s) are damaged or defective, a Distributor should contact the Company within ten (10) days of receipt of the order. The Company will issue a call tag for the product(s) and immediately send a replacement order. The Company will inspect the undesirable product(s) upon receipt.
- D. In the event that a shipment does not arrive at the address specified for the order, the Distributor must report to Customer Service that the product(s) were not received. Such report must occur within fourteen (14) days after the order was placed.
- E. In the event that a Distributor receives extra product(s), he/she will contact the Company. The Distributor can either refuse the product(s) upon delivery or send payment to cover the cost of the additional items.

32. INTELLECTUAL PROPERTY

- A. The Company extends no product warranties, either expressed or implied, beyond those specifically articulated in Company publications. The Company disclaims and excludes all warranties regarding possible infringement of any United States or foreign patent, trademark, trade name, copyright, etc. by the Distributors' operations and the Distributor shall not have claim therewith. The Distributor shall immediately notify the Company as soon as he/she learns of any claim or suit relating to any of the matters discussed in this paragraph.

33. UNFAIR BUSINESS PRACTICES

- A. Distributors shall not violate any applicable unfair competition or business practice statutes, including any statute or ordinance prohibiting the advertising, offer to sell, or sale of merchandise at less than cost, which shall mean the invoice cost of the merchandise.

SECTION III: SPONSOR & PLACEMENT

34. SPONSOR AND PLACEMENT POLICY

- A. All currently authorized Distributors may enroll other Distributors or Preferred Customers in the Company program. A Distributor may not use the placement function to place a Distributor outside of his/her Enrollment Tree.

B. Each Distributor is solely responsible for the development and success of his/her Independent Distributor business. All new Distributors may request free, reasonable training and support from their Sponsor or Upline with regard to Company product(s), P&P, and business practices. Each Sponsor is encouraged to maintain an ongoing, positive, professional association with the Distributors in his/her organization. When requested by a Downline Distributor, a Sponsor may choose to provide reasonable training, sales, and business development support. All Distributors must understand that their perception of reasonable training and support may differ from that of their Sponsor. Failure to agree to sign a Sponsor and/or Placement Change Request does not constitute failure to support. Any potential disagreement on this matter should be resolved between the Distributors involved; the Company will not mediate such disagreements.

C. Any Distributor found signing on behalf of another Distributor without an authorized Power of Attorney is subject to discipline.

D. Occasionally, one or more Distributors may contact the same prospective Distributor and a question may arise as to who has recruiting rights for that prospective Distributor. The Company will not mediate such disputes and will recognize as the Sponsor the individual whose name appears on the original, written Independent Distributor Application first received and accepted by the Company. The Company reserves the right to consult with the applicant regarding the possibility of error. Once a Distributor has submitted an application to become an Independent Distributor, other Distributors shall not attempt to convince the applicant to change Sponsor and/or Placement to another Downline organization or encourage the violation of the letter and/or spirit of these P&P. All requests for modification of Distributor status, including Sponsor and/or Placement, should be submitted in writing to the Compliance Department.

35. SPONSOR AND/OR PLACEMENT CHANGE

A. A Distributor may apply to change the Sponsor and/or Placement of any Personally Enrolled Distributor or Preferred Customer. This method allows the changed Distributor to retain Sponsor and Placement control over all Downline Distributors. A Sponsor/Placement change can be made once within the first thirty (30) days of enrollment or placement in the tree, as long as the Distributor or Preferred Customer being moved has no Downline attached to them. If the Distributor or Preferred Customer being moved has a Downline attached to them, the Company may require approval from all affected Distributors. Proposed moves will not affect Commissions paid in previous Cycles.

B. Resignation: Distributors who resign from the Company program and remain outside the program for twelve (12) months lose their original position over all previously sponsored Downline Distributors. The sponsored Downline of the resigning Distributor will move up to the resigning Distributor's Sponsor position. The Placement in the organization will also

move up to the resigning Distributor's Sponsor position. After twelve (12) months of full inactivity, the resigning Distributor can rejoin Zija and is not required to rejoin under their original Sponsor. Upon rejoining, they can in no way recruit from their former organization, and doing so will be grounds for immediate termination of their Distributorship.

36. SIGNING ON BEHALF OF ANOTHER PARTY

A. All documentation being signed on behalf of another party must be submitted with a valid and notarized Power of Attorney (or equivalent legal document). Such document must grant authority to the signing person by the person on whose behalf the document is being executed.

37. INCENTIVE TRIPS, AWARDS, AND EXECUTIVE GETAWAYS

A. From time to time, the Company may award Incentive Programs or Incentive Points, possibly in the form of "getaway trips." These awards or trips are based on high Distributor performance. The Company rewards the Distributor(s) whose name appears on the original application of the Distributorship which has qualified for the applicable award. Trip substitutions will not be made. No payment or credit will be given to those who cannot or who choose not to attend. Trip qualifiers may not defer attendance toward future trips. Children on trips may be allowed, at the Distributor's expense, if approved by the Company.

B. Although the Company may pay the cost of such "get-away trips," the Distributor, as an independent contractor, agrees to indemnify and hold harmless the Company for any injuries sustained in association with the trip by the Distributor and/or their guests. The Distributor cannot make claim upon, or rely upon, any insurance policy of the Company to cover the costs and expenses of any injuries to the Distributor and/or the Distributor's guests.

C. The Company is required by law to include the fair market value of any incentive awards, trips, etc. on the end of the year tax report. The Distributor is liable for applicable taxes and agrees to hold the Company harmless from claims of tax liability relating to these Incentive Programs.

D. If it is discovered that the Distributor has made any misrepresentations or has violated any of these P&P in becoming eligible for these incentives, the Company has the right to charge back the costs incurred by the Company relative to these incentives.

38. CORPORATE MEETINGS

A. Distributors may not use video or audio recording devices at any meetings or events hosted by the Company. No documents regarding such meetings may be created or circulated, unless provided by the Company to those in attendance.

SECTION IV: DISTRIBUTOR ADVERTISING AND SALES

39. USE OF THE NAME 'ZIJA' or 'ZIJA INTERNATIONAL'

- A. An Independent Distributor or Preferred Customer may not use the name 'Zija', 'Zija International', or any confusingly similar variation (i.e. Xija, Ziga) in a business name, e-mail address, website domain name or subdomain name, telephone number, or in any other way other than in advertising text referring to the Company or to the Product, without prior approval of the Compliance Department.
- B. No Distributor business name will imply that it constitutes a regional or organizational component of the Company.
- C. An Independent Distributor may select a business title. This business title must clearly state that he/she is an Independent Distributor and may not imply that the Distributor is an employee or agent of the Company. Permissible Business Title: John Smith, Zija International Independent Distributor

40. ADVERTISEMENTS

- A. Only Company issued materials reflect the position of the Company with respect to the uses and benefits of any Company product(s) or service(s). Distributors are prohibited from using any advertisement or commercial enticement that is not provided directly by the Company. In no cases shall a Distributor advertise pricing, bonuses, free product(s), or any other benefit for purchasing directly from the Distributor that is not generally and widely available directly from Zija for all Distributors or Customers. Distributors are personally liable for any and all advertising and media they produce in direct contradiction to this prohibition. Distributors agree to indemnify and hold the Company harmless from any claims made as a result of advertising and promotional materials produced and distributed by the Distributor. If an advertisement published by a Distributor contains non-compliant health and/or income claims, disciplinary action may be taken against the Distributor. The Company may take action when the Company's trademarks are utilized or when any harm to the Company may result from the claims as determined by the Company.
- B. Company Logos: The approved Independent Distributor logos may not be modified, changed, or altered in content or design. The logos should be placed at the top of, or in a prominent place on, any printed or electronic media published and used by an Independent Distributor in the promotion of his/her business. This includes but is not limited to: websites, flyers, ads, brochures, pamphlets, posters, banners, business cards, stationery, envelopes, letterhead, etc. The Company reserves all rights to revoke or rescind prior approval of the use of the Company's registered marks and/or usage of its name.

- C. Newspaper: A Distributor may advertise in newspapers, provided the advertisement conforms to these P&P; however, Distributors may not use untrue or dishonest enticements to attract potential new Distributors or Customers, such as job postings, management training opportunities, income amounts or salaries, taste tests, scientific studies, or any other misleading statement.
- D. Phone Directory: Any Distributor may place a listing of his/ her name in the white or yellow pages of the telephone directory followed by "Zija International Independent Distributor."
- E. Business Cards, Stationery, Pens, etc.: Zija has provided authorized letterhead, business cards, and promotional items for Distributor use in the United States and Canada. No other unauthorized items including but not limited to: the above, pens, key chains, letter openers, calendars, may be created by Distributors, with or without the Zija Independent Distributor Logo or any other Zija trademark. Zija will endeavor to provide access to all such items in other countries, but in circumstances where Zija cannot provide such items, Distributors interested in creating them for their own use must receive written approval from Zija prior to creating them.
- F. Electronic Mail Advertisements: All advertisements sent via email, telephone, or facsimile must comply with all anti spamming laws for the state or country where the intended recipient resides. The Distributor is under obligation to research and comply with all laws concerning unsolicited commercial e-mail. In many countries, it is unlawful "to use any telephone, facsimile machine, computer, or other device to send an unsolicited advertisement. Electronic mail advertisement means any email message, the principal purpose of which is to promote, directly or indirectly, the sale or other distribution of goods or services to the recipient." In every case, Distributors using email to advertise Zija Products or the Zija opportunity must send emails from a fully functional and recognizable return email address, and must allow anyone to 'opt-out' of receiving future e-mails.

41. WEBSITES

- A. Zija has provided authorized replicated websites for its Independent Distributors. If a Distributor opts to create their own website, it must comply in full with the Policies and Procedures, and must be submitted within thirty (30) days for review by the Compliance Department. Personally created websites may only be used for marketing purposes. All sales must be directed through the replicated websites provided to Independent Distributors by Zija. In all cases, products sold must be sold at or above Distributor wholesale pricing, and may not include any discounts or rebates whatsoever. Distributors may not use any Internet forum not provided by Zija for advertising promotions not currently offered directly from Zija. This would include, without limitation, websites like Facebook, MySpace, YouTube, and the like. Advertising additional free product(s) for purchase or any other benefit not offered concurrently directly from Zija is prohibited. Selling or

attempting to sell products on Amazon.com, Ebay.com, or any other website NOT directly linked to the replicating websites by Zija is prohibited. This compliance is the responsibility of the Distributor creating or causing the creation of the website in question. The Compliance Department will not review or approve the contents of a website for adherence to the P&P. Using the word 'Zija' or 'Zija International' in a domain name is not permitted. However, Zija does not waive its rights or obligations to enforce the compliance either before or after the completion of the website in question.

grocery stores, drug stores, pharmacies, etc.)

- B. Distributors must use the approved Zija International Independent Distributor Banner at the top of each published website page. The banner must be static (i.e., it must remain visible at the top of each page, even after downward scrolling). Distributors must also include the words "Independent Distributor" in the title of the website.
- C. On the far right side of the Independent Distributor Banner, a Distributor must include an image of the flag of each country in which he/she is authorized to do business. To be authorized to do business, the Distributor must comply with all laws necessary in the jurisdiction in which the Distributor operates. Proof of such authorization must be provided to the Company upon request.
- D. If the Distributor's website is linked to a third party website, then such link must follow the "two click rule" (i.e., linking to a neutral website before linking to the referred website).
- E. As a general rule, Zija discourages Distributors from using any website for promotion other than those replicated websites provided by Zija to its Distributors. Distributors using weblogs ('blogs'), chat rooms, social networking sites or systems, video streaming websites, Online forums, or other Internet based systems are subject to the guidelines of the Zija Policies and Procedures. Zija reserves the right to investigate reported infractions, and to enforce its Policies and Procedures.

- B. No Distributor shall encourage any Distributor or Preferred Customer in his/her Downline organization to resell or retail product(s) in violation with the foregoing restrictions. Such encouragement is grounds for disciplinary action pursuant to these Policies and Procedures. No Distributor or Preferred Customer shall sell Company product(s) for the purpose of resale by others if the manner of that resale violates these Policies and Procedures. In many countries or regions, Zija operates as a "not-for-resale" opportunity, meaning that its Distributors or Preferred Customer may not resell or retail Zija product(s) in any fashion, but they may become Distributors or Preferred Customers, and may encourage others to do the same. In such instances, Distributors or Preferred Customers engaging in retailing or reselling Zija product(s) may be subject to disciplinary actions in keeping with the Zija Policies and Procedures.

- C. Displays/Advertisements in Retail Establishments: The display of Independent Distributor information within the premises of a retail establishment is acceptable if it complies with the restrictions in this and other Sections of the P&P. It is permissible to incorporate one image of the product(s) per retail establishment, and/or several images of the product(s), into a display for the sole purpose of advertising. No product(s), including the display, may be sold on the premises of the retail establishment. No retail establishment shall display or advertise Company product(s) or opportunity in a manner that is visible from outside of the store. The Company designated disclaimer must be prominently posted near the displayed product(s). The disclaimer may not be altered in size, color, content, etc. The disclaimer may be downloaded at www.myzija.com, and should state the following: 'Thank you for your interest in Zija International. As a direct selling company, Zija International's Products are distributed and sold by Independent Distributors and not in retail stores. Please contact (Distributor's Name) at (Distributor's Contact Information) in order to purchase (Product name).'

42. RETAIL SALES

- A. Retail Establishments: The Company has chosen a Direct Selling business model instead of other possible retail models. The Company therefore encourages its Distributors to rely on networking to sell product(s) and recruit new customers and Distributors. The Company has established Policies and Procedures relative to the sale of Company product(s) in retail establishments. No Distributor shall engage in a retail structure where:
 - i. The place of sale is permanent and freely accessible to the general public and,
 - ii. The sale constitutes part or all of the regular business of the retail establishment (i.e., where the product(s) are displayed together with other retail product(s) and is processed through the cash register in a fashion similar to product(s) offered for retail sale through the retail establishment. Such retail establishments may include but are not limited to: health food stores, flea markets,

- D. Private offices: Company product(s) may be sold in private or restricted access offices, businesses, or private associations. Such establishments are those where the general public does not have ready access, unless through appointment or membership, and/or where the primary function of the business is the rendering of professional services.
- E. Restaurants: Sale of Company product(s) by restaurants is prohibited without prior written Company approval. Sale by the drink or in a mixture with other juices is acceptable. Cafés and juice bars are included in the general category of restaurants.
- F. Auctioning Product(s): Distributors or Preferred Customers may not sell or facilitate the sale of Company product(s) on websites. Distributors or Preferred Customers who violate this policy may have their Distributor status altered (see Section 9B), may be issued a fine (\$100 USD per case listed), or may be subject to termination or other disciplinary action, at

the sole discretion of the Zija International. The prohibition of auction style sales remains in effect even after a Distributor or Preferred Customer chooses to resign his/her Distributorship. Resignation does not bring exemption to this policy.

- G. Telemarketing: As a general rule, Zija Distributors are discouraged from using telemarketing attempts to promote and sell Zija product(s) or the Zija opportunity. Using calling services or machines in telemarketing efforts falls under the restrictive laws of the FTC and FCC, and carries heavy penalties and fines for those using such methods. As such, Distributors are discouraged from using such methods, and expressly indemnify and protect Company from legal, financial, or other damages that might result from telemarketing efforts in their Zija Independent Distributor efforts.

43. TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS

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

44. SEVENTY (70%) PERCENT RULE

- A. The Distributor certifies that he/she has sold or consumed, or intends to consume, at least seventy (70) percent of all product(s) purchased at any given time by the Distributor from the Company. Each Distributor that receives Commissions agrees to retain documentation that demonstrates compliance with this policy, including evidence of retail sales, for a period of at least four (4) years. Distributors agree to make this documentation available to the Company at the Company's request. Failure to comply with this requirement constitutes a breach of the contract and agreements between the Distributor and the Company. Furthermore, a breach entitles the Company to recover any Commissions for any period of time during which such documentation is not maintained. The Distributor must also be aware of the applicable "cooling off" period required in the jurisdiction where he/she is making sale. The Distributor must give notice to the purchaser of any "cooling off" requirements in such applicable jurisdiction.

- B. "The Cooling Off Rule": The Federal Trade Commission has initiated a regulation to protect consumers entitled "The Cooling Off Rule." This regulation is designed to allow consumers the opportunity to reconsider a purchase from a direct seller. Customers are allowed to cancel the sale within three business days of the purchase for the full purchase price; they do not need to provide a reason for the return. Zija International Distributors are responsible to orally disclose this law to Customers. They must also provide the designated Zija International sales receipt to the Customer, while maintaining a copy for personal records, with written disclosure of this law.
- C. Sales Receipt: Distributors shall provide all Customers with an official Sales Receipt, which includes the Distributor's name, date, address, phone number, a complete list of product(s) sold, their prices, and the "The Cooling Off Rule" or cancellation notice information where applicable. The Sales Receipt shall conform to all local, regional, state, and country requirements.

SECTION V: PROHIBITED BEHAVIOR

45. CROSS-LINE RECRUITING

- A. A Distributor may not solicit or entice any other Distributor whom he/she did not personally recruit and who is not on their frontline to sell or purchase Products or services other than those offered by the Company. To do so constitutes an unwarranted and unreasonable interference with the contractual relationship between the Company and its Distributors. Distributors may not sell or promote any directly competing Products or services to Zija International Distributors. This includes any product(s) or service(s) in the same generic category as a Zija International product(s) or services. The Distributor agrees that a violation of this rule inflicts irreparable harm on the Company and agrees that injunctive relief is an appropriate remedy to prevent that harm.
- B. Distributors may not promote Company product(s), programs, or opportunities in conjunction with any non-Company product(s), plans, or incentives. Distributors may not offer any non-Company product(s) or opportunities in conjunction with the promotion of Company product(s) or opportunities.
- C. Distributors may not recruit a prospective member who accompanies another Distributor to any recruiting meeting or function for a minimum of forty five (45) days after the meeting or until notified of the prospect's decision not to enroll. Furthermore, an invitation to a Distributor or Preferred Customer by another Distributor (where the invited Distributor or Preferred Customer is not in the Sponsor or Placement Downline of the inviting Distributor) to sales training or any company function, such as a product seminar, is prohibited.
- D. If a Distributor observes a violation of this policy, the Distributor must submit a written complaint to the Compliance Department.

- E. Distributors will not enroll or create fictitious Distributors in order to achieve a specific rank Qualification.
- F. Distributors who used to or still participate in network marketing in other companies may yet be subject to that company's policies and procedures, specifically with regard to recruiting and participating in other programs. As such, Distributors may be sued or involved in arbitration/ mediation with past or current companies. The Distributor agrees to defend and hold harmless Zija in all such instances. Zija will not be liable for the defense of Distributors, their legal fees, or lost incomes, nor will Zija indemnify Distributors from any such actions or the result of such actions.

46. COMPANY AND PROGRAM CLAIMS

- A. Distributors shall neither misstate nor omit any significant material fact about the Company's programs, product(s), or organization. Distributors shall truthfully describe product(s) and programs in discussions with customers, potential customers, other Distributors, and potential Distributors.
- B. Distributors are expressly forbidden to state or imply that additional product(s) or services will be added to the product(s) and services currently offered, that enhancements to the Compensation Plan are forthcoming, or that specific areas are about to be added to existing areas of operation unless and/or until the event has been announced by the Company. Doing so is grounds for immediate termination.
- C. No government body, whether it be a State Attorney General's Office, Secretary of State's Office, Consumer Protection Agency, State or Federal Trade Commission, or any other regulatory body approves or endorses any marketing program; therefore, no Distributor may ever imply that the promotion, operation, or organization of the Company has been approved, sanctioned, or endorsed by any regulatory authority. Such statement or implication constitutes grounds for termination from the program. Information and statements regarding dietary supplements have not been evaluated by the Food and Drug Administration and are not intended to diagnose, treat, cure, or prevent any disease.

47. PRODUCT CLAIMS

- A. Unjustified product claims shall not be made or used to sell and/or promote a product or service. The Distributor shall not distort or misrepresent any statements about the quality of Company products.
- B. Curative Claims: The Distributor shall not make any expressed or implied medical claims relating to the product(s) of the Company. No claims as to therapeutic or curative properties of any product(s) offered by the Company may be made. In particular, no Distributor may make any claims that Company product(s) are useful to cure, treat, diagnose, mitigate, or prevent any disease or class of diseases, or for the improvement of health. Such statements can be perceived as medical or drug

claims. Not only are such claims in violation of the Distributor Agreement and these P&P, but they may also violate the laws and regulations in the jurisdiction where Company product(s) are available.

- C. A Distributor may not diagnose or treat illnesses or other body conditions, or otherwise provide medical advice, unless he/she is a licensed health care professional. Any information provided by the Company is not meant to substitute for the advice provided by a physician or other licensed health care professional.
- D. These policies and procedures regarding limitations on product claims and distributor promotional activities are applicable to any form of communication, whether in print, by video, or through any form of communication facilitated by or occurring in any social or networking media such as Twitter, Facebook, YouTube, and the like. Distributors should use the utmost care when utilizing social media to assure compliance with these P&P. A Distributor's failure to use social media lawfully to advertise Company product(s) may be cause for discipline or termination.
- E. Distributors may not combine Company produced information with information provided by outside sources. This prohibition is specifically meant to prevent the Company's product(s) from being inappropriately labeled and to avoid any other violations of law. Distributors may not repackage, relabel, or otherwise change the trademark branding of Zija product(s). Distributors may reference third party literature in the sale of Company product(s) if the literature complies with the following guidelines:
 - i. The third party literature is reprinted in its entirety
 - ii. It is not false or misleading
 - iii. The information does not promote a specific brand or manufacturer
 - iv. It is presented with other materials to present a balanced view of the scientific information
 - v. The materials are physically separate from the Company's product(s).
 - vi. The literature does not have appended to it any information by sticker or any other method.

48. INCOME CLAIMS

- A. Distributors will clearly state in all presentations to prospective Distributors the following:
 - i. No Product purchase is required of anyone at anytime to participate as a Zija International Distributor.
 - ii. Commissions will not be provided solely for sponsoring a new Distributor.
- B. Distributors will not make untrue, deceptive, misleading, or exaggerated claims about the Company's Compensation Plan or Distributor income potential. If income examples, extrapolations, or geometric progression are used to project earnings, growth, or success, actual current average income of all Company Distributors at all levels shall be stated. Any

earnings or sales representations that are made by Distributors shall be based on documented facts. Any Distributor representation that does not comply with this policy will result in disciplinary action by the Company.

- C. Distributors shall make clear that profits are not guaranteed and that the Commissions program is based upon sales of Commissionable product(s).

49. TRADEMARKS

- A. Distributors will not use the marks, product(s), programs, trademarks, copyrighted materials, or any other materials produced by the Company in a manner that is likely to cause confusion, mistake, or deception as to the source of the product(s). The following logos, terms, and trademarks are the sole property of the Company: Zija, every use of the word Zija, Drink Life In, Z-Atin, Gap Nutrition, Beba Zija, Beba Vida, and any other trademarks and registered trademarks of the Company, in any type of printed or electronic media, must be accompanied by the trademark (TM) or (R) identifiers.
- B. Distributors are not authorized to use the Company's marks or proprietary information on advertising material beyond those specifically designed and authorized by the Company for the purpose of Distributor advertising. Any unauthorized usage of the Company's marks or proprietary information may be cause for disciplinary action, pursuant to these P&P.
- C. The word 'Zija' or 'Zija International' may not be used in Independent Distributor website names, Unified Resource Locators (URLs), email addresses, or business names without the accompanying term 'Independent Distributor'.
- D. Distributors shall not relabel, alter, or repackage any Company product(s), except in materials produced and/or approved by the Company in writing.
- E. A Distributor who develops and/or uses materials of any kind that uses or describes Company names, product(s), programs, trademarks, etc., in any way that does not comply with these P&P will be subject to disciplinary action.
- F. All Company literature and programs are copyrighted by the Company and may not be duplicated without written consent of the Company. The Company will terminate any Distributor found to be making and/or distributing unauthorized copies of literature or programs that violate the Distributor Agreement.
- G. A Distributor shall not make purchases, enter into any transaction in the Company's name, or represent himself/herself as an agent for Company product(s).
- H. Immediately upon expiration, termination, or cancellation of a Distributor membership, the affected Distributor will remove and discontinue the use of, and will not thereafter use names, marks, signs, labels, stationery, advertising, and reading material referring or related to any Company product(s).

50. UNAUTHORIZED INTERNATIONAL AND/OR TERRITORIAL EXPANSION

- A. Distributors shall not engage in the business of importation or exportation of Company product(s). A Distributor has no authority to take any steps in any country or other political jurisdiction to introduce or further the Company's business. This includes but is not limited to: any attempt to register or reserve Company names, website URL's, trademarks, or trade names; to secure approval for Products or business practices; or to establish business or governmental contacts of any kind in the Company's behalf. A Distributor agrees to indemnify the Company for all costs and attorneys' fees incurred by the Company for any remedial action needed to exonerate the Company in the event the Distributor improperly acts on behalf of the Company. The Distributor agrees to assign immediately any registration of Company names, trademarks, or trade names registered or reserved in violation of this section to the Company. The provisions of this section survive the termination of the Contract.
- B. Distributors are authorized to sell Company product(s) and services and to participate in the Compensation Plan in any location where the Company makes product distribution available. Each individual country may have a P&P Addendum that pertains to that particular country. The Distributors must obtain copies of the P&P for their particular country, read them, and comply with them. Distributors are not authorized to enter into countries and/or markets where the Company has not made product distribution available.
- C. There are no exclusive territories for anyone to sell product(s) or to sponsor other Distributors. No Distributor will profess that such territories exist. No Distributor may allege or imply that they have a unique relationship with, advantage with, or access to the Company executives or employees that other Distributors do not have.

51. UNAUTHORIZED CONTRACTS OR PAYMENTS

Each Zija Independent Distributorship is intended to be solely built and operated by that individual who applied to become an Independent Distributor. No Independent Distributor shall request or require any payments or contracts from another Independent Distributor to perform services that might be reasonably construed as promoting or building that Independent Distributor's business on their behalf.

52. THIRD PARTY CONTRACTS AND PROGRAMS

A Distributor may not solicit, entice, or enter into a third party relationship or contract with any vendor without expressed authorization from the Company.

53. EMPLOYEE GIFTING

Gifts from Distributors to Company employees are not to exceed \$50 USD value in any calendar month.

SECTION VI: GLOSSARY

Many companies and industries have special vocabularies. Our Company and industry are no exception. As you master the terms located in the glossary, all participants will be able to communicate with increased effectiveness.

ACTIVE DISTRIBUTOR (AD) - To be an Active Distributor, you must make a Volume product purchase each month.

APPROVAL BY THE COMPANY - Written approval by a designated Company official.

AUTOSHIP - A service in which anyone can elect to schedule a regular shipment of a specified amount of Product(s) each four-week Period. (Minimum of one case per Period).

COMMISSION - Monies earned by a Distributor on sales made by Distributors within their Downline organization. To be eligible for any Commissions, a Distributor must have achieved the requirements currently in effect as detailed in the Zija Compensation Plan.

COMPANY - Zija International, Inc, a Utah Company, the corporate entity, or any assignee or successor corporation in various geographic locations, or any affiliate of Zija International, Inc. (Zija International Affiliate).

CURRENT PERIOD - Determined based upon Commissions or Bonuses in question. Zija uses 13 separate four week Periods, called a 'Period'. Each Period is comprised of four seven day weeks, called a 'Cycle'. The term 'Current Period' may refer to either 'Period' or a 'Cycle', depending upon the use and connotation.

CURRENT RANK - Also referred to as Pay Rank. This is the real time Rank currently achieved during the Current Period.

CUSTOMER - A Customer includes any retail customer, Preferred Customer, or Distributor that you personally sponsor that has no Downline and makes a Volume product purchase each month.

DISTRIBUTOR (or Independent Distributor) - An independent contractor who is authorized to sell Company product(s) and services and to participate in the Zija Compensation Plan, as qualified, regardless of level attained in the plan.

DOWNLINE - All Distributors emanating from and below any particular Distributor in Sponsor and/or Placement.

EARNED RANK - Also referred to as Current Rank. This is the real time Rank achieved during the Current Period. This is the Rank used to determine Commission and Bonus payouts.

ENROLLER - The Distributor who has enrolled a new Distributor

in the Zija International program, regardless if the Enroller places the new Distributor on their own front line (thus also becoming the Sponsor) or placing the new Distributor on someone else's front line within their organization, making that Distributor the new Distributor's Sponsor.

FRONT LINE - A Distributor who appears on the first level of his/ her immediate Upline through Sponsorship and/or Placement.

INDEPENDENT DISTRIBUTOR APPLICATION - The two page, legally-binding document that forms a part of and is incorporated into the contract established between the Distributor and Zija International. The Distributor Application is to be completed by the person or entity applying to become a Distributor, and is subject to acceptance or rejection by Zija International, Inc. The terms and conditions are found on the reverse side of the Distributor Application.

LEG - The organization resulting from either of two sponsored Distributors in any Distributor's first level.

MEMBER - Term to describe all Customers and Distributors of Zija International, Inc.

PERSONALLY RECRUITED - A Member who was personally recruited and enrolled. People personally recruited and signed up for Zija as a customer or Distributor.

PLACEMENT - Placement may be selected by the Enroller, thereby "placing" a recruited Distributor in the sponsoring Distributor's Downline to gain whatever advantage that the Enroller believes may be available through such Placement. In all instances, new Distributors belong to the Enroller. In some cases, the Enroller may also be the Sponsor, if that new Distributor is placed front line to the Enroller.

POINT - Unit of measure assigned to any given Product to quantify the value of that Product for Commissions and Qualifications.

PRODUCT - Company product with a fixed value of Personal Volume associated with its purchase or sale.

PERSONAL VOLUME (PV) - The amount of Zija product you personally order each month that you either consume or sell to others.

QUALIFICATION - A combination of PV/GV, and structure requirements, to be eligible for a Commission Check in any given Cycle or Period.

RECRUITER (also referred to as Enroller) - Any Distributor who has enrolled the new Distributor in the Zija International program, regardless if the Recruiter has placed the new Distributor on their front line or has placed the new Distributor on the front line of another Distributor in their organization, making that Distributor the new Distributor's Sponsor.

RESALABLE - Product or merchandise in original new condition, without fault or blemish, that is fit for resale.

RETAIL (Customer Cost) - The price the Company charges Customers for product(s).

RETAIL SALES - Sales made to non-Distributors and/or retail customers.

RETURNED MERCHANDISE AUTHORIZATION (RMA) NUMBER - To be obtained through Distributor Support Department when a Distributor wishes to return product(s).

SPONSOR - The person on whose front line a Distributor is placed. The Sponsor may be the person who enrolls a new Distributor, or the new Distributor may have been placed on the Sponsor's front line.

VOLUME - A PV or Point Value assigned to an item for Commission purposes.

WHOLESALE (Distributor Cost) - The price the Company charges Distributors for Product(s).

ZIJA INTERNATIONAL AFFILIATE - Any corporate entity, company, or other business entity which is owned, either directly or indirectly, greater than fifty (50) percent by Zija International, Inc. or under common control with Zija International, Inc.

APPENDIX A: STANDARDS OF CONDUCT

In addition to providing high quality products and developing strong corporate leadership and organization, the secret to success as a Zija International Independent Distributor lies in a Distributor's ability to build and maintain positive business relationships. Zija strongly encourages all Independent Distributors to observe the highest standards of conduct in their relations with other Independent Distributors, retail customers, prospective Distributors and customers, other Distributors of other direct sales companies, and within the business world at large. These standards could include, but are not limited to, the following Standards of Conduct:

1. I will strive to follow the spirit as well as the letter of the Company P&P.
2. I am familiar with the rules, regulations, and laws of the jurisdiction within which I operate my business and will comply with such rules, regulations, and laws.
3. I will strive to conduct my business affairs in a way that will contribute to a positive experience for other Distributors, customers, the Company, and myself.
4. I will truthfully identify myself, the Company, the products, and the purposes of any solicitation to all prospective customers. Contact with the customer will be made in a reasonable manner and during reasonable hours so as to avoid intrusiveness. I will

immediately discontinue a sales presentation upon the request of the customer.

5. I will offer product(s) for sale in an accurate and truthful manner as to price, grade, quality, make, value, performance, quantity, currency, and availability.
6. I will not require or encourage an Independent Distributor or customer to purchase product(s) in any amount that unreasonably exceeds that which can be expected to be resold and/or consumed within a reasonable period of time.
7. I will strive to make service the key principle of my Zija International business.
8. I will strive to provide reasonable support, when it is requested, to the Distributors I sponsor, realizing that my success is directly related to my ability to sell Zija International products and to help others to do the same.
9. I will strive to safeguard and protect the reputation of the Company and its products. I will refrain from all conduct which might be harmful to the reputation of the Company and its products or will damage the ability of others to participate in the Zija International business opportunity.

Copyright © 2010 Zija International, Inc.
All rights reserved. (08.12)