



OMEGATREND

MEMBERSHIP AGREEMENT

International Edition
Effective 1 February 2004

TABLE OF CONTENTS

MEMBERSHIP AGREEMENT	
PREAMBLE	10
PART A – INTRODUCTION	
1. THIS AGREEMENT BINDS MEMBERS	10
2. COMMENCEMENT DATE OF AGREEMENT	10
3. OTHER DOCUMENTS FORMING PART OF THIS AGREEMENT	10
PART B – OMEGATREND MEMBERSHIP	
4. HOW TO BECOME A MEMBER	11
5. MAINTAINING MEMBERSHIP <i>[Malaysia and Singapore only]</i>	13
6. RENEWAL OF MEMBERSHIP <i>[Australia & NZ]</i>	13
7. RESTRICTIONS ON AND TERMINATION OF MEMBERSHIP	15
8. EXPIRY, RESIGNATION AND TERMINATION OF MEMBERSHIP	16
9. EFFECT OF EXPIRY, RESIGNATION, SUSPENSION AND TERMINATION	16
PART C – BENEFITS AND RESPONSIBILITIES	
10. BENEFITS	17
11. MEMBER'S GENERAL RESPONSIBILITIES AND OBLIGATIONS	17
12. MEMBER'S SPECIFIC OBLIGATIONS	21
PART D – RESPONSIBILITIES OF OMEGATREND	
13. OMEGATREND'S OBLIGATIONS	23
14. INTELLECTUAL PROPERTY	24
PART E – THE OMEGATREND MEMBERSHIP TREE	
15. JOINING THE MEMBERSHIP TREE	25
16. EXPANDING THE MEMBERSHIP TREE	25
17. DOWNGRADING IN THE MEMBERSHIP TREE	26
18. EFFECT OF EXPIRATION, RESIGNATION AND TERMINATION ON DOWNLINE	27
19. CHANGING MEMBERSHIP TYPE, MEMBERSHIP LEADERS OR COUNTRY OF REGISTRATION	28
20. WHAT HAPPENS IF A PERSON HAS MORE THAN ONE MEMBERSHIP	29
21. CHANGING A LINE OF INTRODUCTION	29
22. MEMBERS APPOINTED TO INCORRECT LINES OF INTRODUCTION	31
PART F – CHANGES TO AN OMEGATREND BUSINESS	
23. SALE OF AN OMEGATREND BUSINESS	32
24. EFFECT OF DEATH ON AN OMEGATREND BUSINESS	33
PART G – GENERAL CONDITIONS	
25. AMENDMENT OF THIS AGREEMENT	34
26. WAIVER	35
27. GOVERNING LAW	35
28. NOTICES	35
29. PARTIAL INVALIDITY	36
30. LIABILITY OF OMEGATREND	36
31. INTERPRETATION	37
FIRST SCHEDULE – PRIVACY POLICY	48

TABLE OF CONTENTS

EXECUTIVE CLUB AGREEMENT	
PART A – INTRODUCTION	53
1. BACKGROUND INFORMATION	53
2. THE OMEGATREND MEMBERSHIP AGREEMENT	53
PART B – OBTAINING A POSITION WITH AN EXECUTIVE CLUB SUPPORT TEAM	53
3. HOW TO OBTAIN A POSITION WITH AN EXECUTIVE CLUB SUPPORT TEAM	53
PART C – ENTITLEMENTS AND RESPONSIBILITIES	54
4. ENTITLEMENTS	54
5. SPECIFIC RESPONSIBILITIES	54
PART D – MISCELLANEOUS	55
6. MISCELLANEOUS	55
WORKSHOP SPECIALIST AGREEMENT	
PART A – INTRODUCTION	57
1. BACKGROUND INFORMATION	57
2. WORKSHOP SPECIALIST AGREEMENT	57
PART B – BECOMING A WORKSHOP SPECIALIST	57
3. HOW TO BECOME A WORKSHOP SPECIALIST	57
PART C – ENTITLEMENTS OF WORKSHOP SPECIALISTS	58
4. GENERAL GUIDELINES FOR WORKSHOP SPECIALISTS	58
PART D – OMEGATREND'S OBLIGATIONS	59
5. REWARDS AND OTHER SUPPORT	59
PART E – MISCELLANEOUS	60
6. MISCELLANEOUS	60
REWARD AND RECOGNITION PLAN	
PART 1 – INTRODUCTION	63
1.1 REWARD AND RECOGNITION PLAN BINDS MEMBERS	63
1.2 COMMENCEMENT	63
1.3 GENERAL NOTES	63
1.4 INTERNATIONAL IMPLICATIONS	63
1.5 LONG DISTANCE VOLUME	63
1.6 AUTOMATIC TOP-UP VOLUME	66
PART 2 – RECOGNITION LEVELS	66
2.1 GENERAL NOTES	66
2.2 BUSINESS BUILDERS CLUB	66
2.3 FOUNDATION CLUB	67
2.4 EXECUTIVE CLUB	68
2.5 Q21 MEMBER	69
2.6 PREMIERE CLUB	69
2.7 EXECUTIVE PREMIERE	69
2.8 AMBASSADOR CLUB	69
2.9 EXECUTIVE AMBASSADOR	70
2.10 PRESIDENTIAL CLUB	70

TABLE OF CONTENTS

PART 3 – STRUCTURED VOLUME BONUSES	70
3.1 PERSONAL GROUP BONUS	70
3.2 6% DOWNLINE Q21 BONUS	71
3.3 1.5% THROUGHLINE Q21 BONUS	72
3.4 1% THROUGHLINE Q21 BONUS	73
3.5 0.5% AMBASSADOR BONUS	74
3.6 0.5% PRESIDENTIAL BONUS	75
3.7 ONE OFF PRESIDENTIAL BONUS	76
3.8 1% DOWNLINE PRESIDENTIAL BONUS	76
PART 4 – EXECUTIVE BONUSES	77
4.1 5% EXECUTIVE CLUB BONUS	77
4.2 2% EXECUTIVE PREMIERE BONUS	78
3.5% EXECUTIVE AMBASSADOR BONUS	78
2% PRESIDENTIAL BONUS	78
PART 5 – INCOME SUBSIDIES	78
5.1 FOUNDATION CLUB 500 INCOME SUBSIDY	78
5.2 FOUNDATION CLUB 1000 INCOME SUBSIDY	78
5.3 EXECUTIVE CLUB INCOME SUBSIDIES	79
5.4 PREMIERE CLUB INCOME SUBSIDIES	79
5.5 AMBASSADOR CLUB INCOME SUBSIDIES	81
PART 6 – WORKSHOP SPECIALIST BONUS	83
6.1 WORKSHOP SPECIALIST BONUS	83
PART 7 – CLUB BENEFITS	83
7.1 EXECUTIVE CLUB	83
7.2 PREMIERE CLUB	85
7.3 AMBASSADOR CLUB	85
7.4 PRESIDENTIAL CLUB	85
PART 8 – DEFINITIONS	86
8.1 DEFINITIONS	86
8.2 MEMBERSHIP AGREEMENT TERMS	86
TRAINING AND DEVELOPMENT PROGRAM	
PART 1 – INTRODUCTION	90
1. COACHING	90
2. FUNCTIONS	90
3. WORKSHOP SPECIALIST TRAINING	90
4. EXECUTIVE CLUB MEMBER (ECM) INDUCTION CONFERENCE	90
5. PREMIERE CLUB LEADERSHIP WEEKENDS	91
6. WORLD DISCOVERY SEMINAR	92
CODE OF ETHICS	
PART A – INTRODUCTION	95
1. BACKGROUND INFORMATION	95
PART B – PROMOTE ETHICAL BUSINESS PRACTICE	95
2. MEMBERS	95
3. OMEGATREND	96

TABLE OF CONTENTS

PART C – DEALING WITH THE GENERAL PUBLIC	96
4. CONTACTING AND TELEPHONING	96
5. PRESENTING THE OMEGATREND BUSINESS	96
6. CONDUCTING YOUR BUSINESS	97
PART D – PRODUCT CLAIMS	98
7. OMEGATREND'S INFORMATION	98
PART E – RETURNS, EXPRESS GUARANTEES AND WARRANTIES	99
8. RECEIPTS	99
9. RESPONSE TO SANDEN BROOK CONSUMER CLAIMS OR ENQUIRIES	99
10. UPLINE ASSISTANCE	99
PART F – REWARD AND RECOGNITION PLAN	99
11. REWARD AND RECOGNITION PLAN	99
PART G – MISLEADING AND DECEPTIVE CONDUCT	100
12. NO MISLEADING OR DECEPTIVE CONDUCT	100
PART H – INTEGRITY IN BUSINESS	101
13. STRUCTURE OF LINES OF INTRODUCTION	101
14. INTRODUCING OTHERS	101
15. ETHICAL CONTACT	102
16. COMMUNICATION WITH YOUR ZONE LEADER OR UPLINE	102
17. PROHIBITED CONTACT	102
18. STACKING	102
19. COMPLAINTS	102
20. SEXUAL HARASSMENT	102
21. FINANCIAL	103
22. PARTICIPATION IN OTHER BUSINESSES, PROMOTION OF CAUSES	103
PART I – COMMUNICATIONS	103
23. INTRA-GROUP COMMUNICATIONS	103
24. ADVERTISING	103
25. MEDIA CONTACT	103
GUIDELINES FOR THE RESOLUTION OF DISPUTES	
PART A – INTRODUCTION	106
1. BACKGROUND INFORMATION	106
2. GUIDELINES FOR THE RESOLUTION OF DISPUTES POLICY	106
3. HOW THE PROCESS IS STARTED	106
PART B – COMPLAINTS HANDLING AND DISPUTES RESOLUTION	107
4. PROCESS	107
5. PROCEDURE	107
PART C – MEDIATION	109
6. REQUEST FOR MEDIATION	109
PART D – ARBITRATION	110
7. APPLICATION FOR ARBITRATION	110
PART E – MISCELLANEOUS	111
8. TIME LIMIT FOR APPLICATION	111

MEMBERSHIP AGREEMENT

PREAMBLE		
PART A – INTRODUCTION		
1.	THIS AGREEMENT BINDS MEMBERS	10
2.	COMMENCEMENT DATE OF AGREEMENT	10
3.	OTHER DOCUMENTS FORMING PART OF THIS AGREEMENT	10
PART B – OMEGATREND MEMBERSHIP		
4.	HOW TO BECOME A MEMBER	11
	Clause 4.1 Eligibility for Membership	11
	Clause 4.2 Warranty	11
	Clause 4.3 Non-discrimination	11
	Clause 4.4 Application for Membership	11
	Clause 4.5 Membership Leader	12
	Clause 4.6 Acceptance as a Member	12
	Clause 4.7 Time of Membership Appointment	13
	Clause 4.8 Fee Limit	13
5.	MAINTAINING MEMBERSHIP <i>[Malaysia and Singapore only]</i>	13
	Clause 5.1 Duration of Membership in Malaysia and Singapore	13
6.	RENEWAL OF MEMBERSHIP <i>[Australia & NZ]</i>	13
	Clause 6.1 Renewal Fee	13
	Clause 6.2 Late Renewals	14
	Clause 6.3 Consequences of Non-Renewal	14
7.	RESTRICTIONS ON AND TERMINATION OF MEMBERSHIP	15
	Clause 7.1 Breach	15
	Clause 7.2 Grounds for Investigation Pursuant to the Guidelines for the Resolution of Disputes	15
	Clause 7.3 Consequences of Breach	15
	Clause 7.4 Serious Breach	15
	Clause 7.5 Termination Required by Law	16
8.	EXPIRY, RESIGNATION AND TERMINATION OF MEMBERSHIP	16
	Clause 8.1 Expiry	16
	Clause 8.2 Resignation	16
9.	EFFECT OF EXPIRY, RESIGNATION, SUSPENSION AND TERMINATION	16
	Clause 9.1 Consequences of Expiry, Resignation, Failure to Renew and Termination	16
	Clause 9.2 Consequences of Suspension	17
PART C – BENEFITS AND RESPONSIBILITIES		
10.	BENEFITS	17
	Clause 10.1 Benefits of Membership	17

MEMBERSHIP AGREEMENT

11.	MEMBER'S GENERAL RESPONSIBILITIES AND OBLIGATIONS	17
Clause 11.1	Right to Build a Business	17
Clause 11.2	Sale of Products	17
Clause 11.3	Discretion to Solicit Members	18
Clause 11.4	Expenses	18
Clause 11.5	Do Not Hold Out as Agent	18
Clause 11.6	Soliciting Funds is Limited	18
Clause 11.7	Professional Standards	18
Clause 11.8	Protect Omegatrend's Image	19
Clause 11.9	Place of Omegatrend Business	19
Clause 11.10	Making Statements	19
Clause 11.11	No On-Sale at Retail	19
Clause 11.12	Indemnity	20
Clause 11.13	Code of Ethics	20
Clause 11.14	Book and Records	20
Clause 11.15	No Compensation Purely for Recruiting	20
Clause 11.16	Independent Contractor	20
Clause 11.17	Privacy Policy	20
Clause 11.18	Liabilities of Contractor	21
Clause 11.19	Compliance with Laws	21
12.	MEMBER'S SPECIFIC OBLIGATIONS	21
Clause 12.1	Report Breach or Misconduct	21
Clause 12.2	Restrictions Against Competition with Omegatrend	21
Clause 12.3	Reasonable Restriction Against Competition	22
Clause 12.4	Not to Solicit Members	22
Clause 12.5	Confidential Information	22
PART D – RESPONSIBILITIES OF OMEGATREND		
13.	OMEGATREND'S OBLIGATIONS	23
Clause 13.1	Assistance to Build an Omegatrend Business	23
Clause 13.2	Payment	23
Clause 13.3	Product Inspection <i>[Malaysia only]</i>	23
Clause 13.4	Buyback of Product	23
Clause 13.5	Privacy Policy	23
14.	INTELLECTUAL PROPERTY	24
Clause 14.1	Ownership of Intellectual Property	24
Clause 14.2	Use of Intellectual Property	24
Clause 14.3	Official Omegatrend Literature	24
Clause 14.4	Business Cards and Letterhead	24
Clause 14.5	Use of Other Literature	25
Clause 14.6	Use of the Internet/World Wide Web	25

MEMBERSHIP AGREEMENT

PART E – THE OMEGATREND MEMBERSHIP TREE

15.	JOINING THE MEMBERSHIP TREE	25
	Clause 15.1 Omegatrend Membership Tree	25
	Clause 15.2 Position	25
16.	EXPANDING THE MEMBERSHIP TREE	25
	Clause 16.1 Introducing New Members	25
	Clause 16.2 International Membership	26
	Clause 16.3 Long Distance Program	
17.	DOWNGRADING IN THE MEMBERSHIP TREE	26
18.	EFFECT OF EXPIRATION, RESIGNATION AND TERMINATION ON DOWNLINE	27
	Clause 18.1 Treatment of Downline on Expiration, Resignation and Termination	27
	Clause 18.2 Rejoining Omegatrend	27
	Clause 18.3 Application for Re-Appointment under Clause 18.2	28
19.	CHANGING MEMBERSHIP TYPE, MEMBERSHIP LEADERS OR COUNTRY OF REGISTRATION	28
	Clause 19.1 Change of Membership Type, Membership Leaders or Country of Registration	28
	Clause 19.2 Effect of a Change in Eligible Person, Membership Leaders or Country of Registration	28
	Clause 19.3 Nature of Membership Leaders	29
	Clause 19.4 Companies and Partnerships and Trusts	29
20.	WHAT HAPPENS IF A PERSON HAS MORE THAN ONE MEMBERSHIP	29
21.	CHANGING A LINE OF INTRODUCTION	29
	Clause 21.1 A Change by an Omegatrend Member	29
	Clause 21.2 Notice Requirements	30
	Clause 21.3 Omegatrend May Make a Decision	30
	Clause 21.4 Time When the Change Takes Effect	30
22.	MEMBERS APPOINTED TO INCORRECT LINES OF INTRODUCTION	31
	Clause 22.1 Incorrect Positioning	31
	Clause 22.2 Consequences	31
	Clause 22.3 Notification After Time Has Elapsed	32

PART F – CHANGES TO AN OMEGATREND BUSINESS

23.	SALE OF AN OMEGATREND BUSINESS	32
	Clause 23.1 Sale Procedure to be Followed	32
	Clause 23.2 Sale to a Related Entity or Related Body Corporate	33
	Clause 23.3 No Assignment	33
	Clause 23.4 Omegatrend Waiver	33
	Clause 23.5 Sale Does Not Breach Conflict Rule	33
	Clause 23.6 No Right of Appeal	33
24.	EFFECT OF DEATH ON AN OMEGATREND BUSINESS	33
	Clause 24.1 Ownership on Death of an Individual Member	33
	Clause 24.2 Legal Representatives Must Advise Omegatrend	33

MEMBERSHIP AGREEMENT

Clause 24.3	Omegatrend May Impose Conditions	34
Clause 24.4	Death of Membership Leader	34
Clause 24.5	Interim Management of Omegatrend Business	34

PART G – GENERAL CONDITIONS

25.	AMENDMENT OF THIS AGREEMENT	34
Clause 25.1	We May Amend this Agreement	34
Clause 25.2	Approval for Amendments	35
26.	WAIVER	35
Clause 26.1	Omissions	35
Clause 26.2	Breaches	35
27.	GOVERNING LAW	35
28.	NOTICES	35
Clause 28.1	Form of Notice	35
Clause 28.2	Delivery of Notice	35
Clause 28.3	Published Notice	36
29.	PARTIAL INVALIDITY	36
30.	LIABILITY OF OMEGATREND	36
Clause 30.1	Limitation of Liability	36
Clause 30.2	Maximum Liability	37
31.	INTERPRETATION	37
Clause 31.1	Application of Definitions	47
Clause 31.2	References	47
Clause 31.3	Omegatrend's discretion	47
Clause 31.4	Statutory rights not affected	47
Clause 31.5	Currency	48
Clause 31.6	Headings	48
Clause 31.7	Derivative Words	48
Clause 31.8	Warranties etc.	48
Clause 31.9	Clause, Schedule and Agreement References	48
Clause 31.10	References to Statutes etc.	48
Clause 31.11	Parties	48
Clause 31.12	Working Days	48
FIRST SCHEDULE – PRIVACY POLICY		48
Clause 1	Overview	48
Clause 2	Collection of Information	49
Clause 3	Information Held by Omegatrend	49
Clause 4	Disclosure of Information	50
Clause 5	Accuracy of Information	50
Clause 6	Electronic Communications – Do we use Cookies?	50
Clause 7	Security of Your Personal Information	50
Clause 8	How to Contact Omegatrend	51

MEMBERSHIP AGREEMENT

PREAMBLE

As defined in our mission statement, Omegatrend is a business, which provides an opportunity for people to enhance their lives, so they might improve their world.

As a business, we offer a direct sales system, where independent contractors like you can personally use the range of Sanden Brook products and promote those products to others. We also offer you the opportunity to lead and manage a team of other independent business owners who do the same.

Just like any business, there are no guarantees of success and developing your Business will require you to demonstrate a desire to succeed, a willingness to take action and a preparedness to invest to help your Business grow.

While your decision to follow our Business Building Program and system is voluntary, it is a proven system that has helped to enhance the lives of thousands of people throughout our Countries of Operation.

PART A – INTRODUCTION

1. THIS AGREEMENT BINDS MEMBERS

This Agreement sets out the terms and conditions of an agreement between you and us. You agree to be bound by the terms and conditions of this Agreement which we Notify you from time to time are applicable in the Country of Operation in which your Membership is registered and in every other Country of Operation in which you build a Business.

2. COMMENCEMENT DATE OF AGREEMENT

Subject to your cooling off rights under the Membership Application, and any statutory rights of cancellation, this Agreement takes effect from the date that your Application for Membership is processed by us.

3. OTHER DOCUMENTS FORMING PART OF THIS AGREEMENT

You agree to be bound by all of the following documents, which form part of this Agreement:

- (a) the Executive Club Agreement and the Executive Club Handbook;
- (b) the Workshop Specialist Agreement;
- (c) the Reward and Recognition Plan;
- (d) the Training and Development Program;
- (e) the Code of Ethics;
- (f) the Guidelines for the Resolution of Disputes;
- (g) the Membership Application.

MEMBERSHIP AGREEMENT

PART B – OMEGATREND MEMBERSHIP

4. HOW TO BECOME A MEMBER

Clause 4.1 (Eligibility for Membership)

We may accept a Membership Application from an Eligible Person if they:

- (a) are a citizen of, or are resident pursuant to the tax law in force, in the Country of Operation in which they wish primarily to conduct their Omegatrend Business (we reserve the right to require the Eligible Person to produce proof of identity and citizenship or tax residency status);
- (b) are not already a Member and do not have an Interest in a Membership and no Related Entity of the Eligible Person is already a Member;
- (c) are introduced by a Member and have fully completed and signed a Membership Application;
- (d) (where the Eligible Person is a natural person), are of legal age under the law of the relevant Country of Operation and are not under any legal disability as at the date on which the Membership Application is submitted to us;
- (e) (where the Eligible Persons are the partners in a Partnership) have obtained the signatures of all partners on the Membership Application before it is submitted to us;
- (f) (where the Eligible Persons are the trustees in a Trust) have obtained the signatures of all trustees on the Membership Application before it is submitted to us; and
- (g) (where the Eligible Person is a company or any other form of entity whose members or shareholders have limited liability) have obtained the signatures of all directors or officers of that entity on the Membership Application before it is submitted to us and those directors or officers have agreed to accept personal liability for the Member's obligations pursuant to this Agreement

Clause 4.2 (Warranty)

You acknowledge and warrant to us that such of the matters referred to in clauses 4.1(a)–(g) as are applicable to you have been complied with in full. You agree that you are liable for all and any loss or liability that may accrue to you or us where you are found by us to have breached this clause 4.2.

Clause 4.3 (Non-discrimination)

We are a non-discriminatory organisation and none of the parties to this Agreement shall discriminate against people on any unlawful grounds, including, but not limited to, the grounds of sex, marital status, religious belief, ethical belief, colour, race, ethnic or national origins, disability, age, political opinion, employment status, family status or sexual orientation.

Clause 4.4 (Application for Membership)

You must apply for Membership by:

- (a) completing and signing a Membership Application which provides full details of your postal address and your bank account (both of which must be in the Country of Operation in which you are applying for Membership), for the purpose of paying Bonuses and notifying us of any previous Omegatrend Memberships that you have been directly associated with by truthfully and fully completing the declaration section of the Membership Application;

MEMBERSHIP AGREEMENT

- (b) paying the Membership Fee by any means acceptable to us; and
- (c) handing the Membership Application and (where payment has not been made directly to us under clause 4.4(b) above) the Membership Fee to the Introducing Member who must then forward them to their Executive Club Member, who must forward them to us.

Clause 4.5 (Membership Leader)

Where you are the sole owner of your Membership, you will be deemed to be the Membership Leader for your Membership.

If your Membership is owned by two natural persons, the partners in a Partnership, the trustees of a Trust or a company [or any other form of entity whose members or shareholders have limited liability] then the Membership must appoint no more than two Membership Leaders.

All such appointments must be approved by us acting in our sole absolute and unfettered discretion. We may refuse to approve an appointment in certain situations including, but not limited to, situations where we believe such appointment is an attempt to circumvent the provisions of clause 20.

You acknowledge and agree that your Membership Leader(s) must be actively involved in building your Business and furthermore are the only people authorised to do so.

You agree that the Membership Leaders so appointed shall have the right to receive all non-monetary benefits and benefits (other than Points, which the Membership shall receive) such as but not limited to Club Benefits and Training and Development benefits, on behalf of the Membership appointing them. All monetary benefits will be paid direct to the Membership's nominated bank account.

You acknowledge and agree that, if your Membership is owned by two natural persons, the partners in a Partnership, the trustees of a Trust, a company or any other form of entity whose members or shareholders have limited liability, where any matter requires the written consent or direction of your Membership, such consent or direction must be signed by all of your Membership Leaders and such signatures shall be deemed to represent the consent and direction of the Membership.

You further acknowledge and agree that we will not be obliged to act on any such consent or direction where that requirement has not been complied with.

You will ensure that your Membership Leaders agree in writing to be bound by such of the terms of this Agreement as are applicable to them.

Clause 4.6 (Acceptance as a Member)

Following receipt by us of a Membership Application (which for the avoidance of doubt must be received by us within fourteen (14) days of the date on which the Membership Application was signed by you) and payment of the Membership Fee, we may:

- (a) accept you as a Member and register you as such;
- (b) accept you as a Member subject to any conditions that we may deem necessary (including, for example, a thirty (30) day probation period during which period you shall have the status of a Provisional Member); or
- (c) reject the application for Membership, without giving any reasons for our decision, and refund any Membership Fee.

MEMBERSHIP AGREEMENT

Clause 4.7 (Time of Membership Appointment)

Subject to the Membership cooling off period set out in the Membership Application, appointment as a Member commences from the date that your Application for Membership is processed by us.

You will then be deemed, for the purpose of calculating Reward and Recognition benefits, to have been a Member from that date onwards.

You acknowledge and agree that your Membership must have been processed by the Executive Club Member or by us by the close of Business on the last day of the Month in which you signed the Membership Application in order for you and your Introducing Member to be eligible for recognition under the Reward and Recognition Plan for that Month.

Clause 4.8 (Fee Limit)

The Membership Fee will not exceed any limit mandated by statute in the Country of Operation in which you apply to become a Member.

5. MAINTAINING MEMBERSHIP

Clause 5.1 (Duration of Membership in Malaysia and Singapore)

[Malaysia and Singapore only]

Subject to any changes in the law of the relevant Country of Operation in which your Membership is registered, you must maintain your Membership pursuant to this clause 5.

Where you are appointed as a Member and your Country of Operation is Malaysia or Singapore, you shall, subject to clauses 7 *[Restrictions and Termination]* and 8.2 *[Resignation]* of this Agreement, be appointed indefinitely and provided that you have placed an Order with us at least once in the six (6) Months immediately preceding the anniversary of your acceptance as a Member, you:

- (a) need not renew your Membership; or
- (b) pay any Renewal Fees for Membership.

On the first anniversary of your acceptance as a Member, if you have not generated Personal Volume during the preceding six (6) months you will be deemed to have not maintained the Membership. From this time forward, if you do not place an Order with us that generates Personal Volume for a period of six (6) consecutive months you will be deemed to have not maintained the Membership. A Membership that has not been maintained will then be downgraded to a Sanden Brook Consumer on the 15th day of the next Month.

6. RENEWAL OF MEMBERSHIP *[Australia and New Zealand only]*

Clause 6.1 (Renewal Fee)

Renewal Fees will be payable by you pursuant to the following provisions.

We operate a Common Renewal Date system which allows all of our Members to focus on a common date for renewing their Memberships, and ensures that Memberships do not lapse unnecessarily.

The Common Renewal Date falls on the 1st July annually. However, in your first year of Membership, if you have been accepted as a Member in the Months of May or June prior to the Common Renewal Date, then your Membership does not have to be renewed until the Common Renewal Date in the immediately following calendar year. For example, if you were appointed as a Member in June 2005 you, would not be required to pay a Renewal Fee until 1st July 2006.

MEMBERSHIP AGREEMENT

In your first year of Membership, if you were not accepted for Membership in May or June, and in every year thereafter, you must renew your membership in the sixty (60) days before the Common Renewal Date by paying your Renewal Fee to Omegatrend.

The amount of the Renewal Fee you must pay will be published in Official Omegatrend Literature prior to the due date.

You should pay your Renewal Fee to your Upline Executive Club Member who will pay the Renewal Fee to us as an order using the special Product Code as advised by us. Your Upline ECM may pay your Renewal Fee by using your Registered Payment Method, but only if you have first authorised them to renew your Membership.

In your first year of Membership, where you have joined Omegatrend in the period July to April (inclusive) in the twelve (12) Month period prior to the Common Renewal Date, the Renewal Fee will be calculated on a proportional basis using the following formula.

$$\text{RF} \times \frac{\text{Days}}{365}$$

Where:

RF = the Renewal Fee; and

DAYS = the number of days between the date on which you were accepted as a Member and the Common Renewal Date.

For example, a Member joins on the 1st March 2005. The Common Renewal Date is 1st July 2005 and the Renewal Fee is \$70.00. There are 122 days between 1st March 2005 and 1st July 2005.

$$70 \times \frac{122}{365} = \$23.40$$

Therefore the proportional Renewal Fee of \$23.40 is payable by the Common Renewal Date (1st July 2005) to bring the Membership into line with the Common Renewal Date in the following year (2006).

Clause 6.2 (Late Renewals)

Provided that we have first received a completed Application for Late Renewal that has been signed by your Membership Leaders, we may accept a Late Renewal of Membership:

- (a) up to thirty (30) days past the due date without further requirement; or
- (b) between thirty (30) and sixty (60) days past the due date if it is accompanied by an additional sum of 25% of the Renewal Fee owing by you.

Clause 6.3 (Consequences of Non-Renewal)

You are responsible for keeping your Membership renewed and paid up and we are not liable for any loss which may accrue as a result of your failure to do so. Where you fail to renew your Membership by the due date for renewal, you will lose all benefits with effect from such date. Where you renew your Membership after the due date, but before the next Bonus Calculation Date, benefits will accrue to you with effect from the date on which we accept your renewal.

A Membership not renewed within sixty (60) days of the due date is deemed to have lapsed and will be downgraded to a Sanden Brook Consumer on the 15th day of the next Month.

MEMBERSHIP AGREEMENT

7. RESTRICTIONS ON AND TERMINATION OF MEMBERSHIP

Clause 7.1 (Breach)

Any breach of this Agreement or the law which causes consumer concerns, reflects adversely on the Member involved, on us and also on other Members. In extreme cases, breaches may attract attention from the media, regulatory authorities or other branches of the government. This is bad for business.

Where we find that you have breached this Agreement or that you have breached any law in the course of carrying on your Business, we reserve the right to place Restrictions on or Terminate your Membership.

The Restrictions set out in the Clause 31 (*Interpretation*) of this Agreement are indicative only. We will assess each case on its merits, which means that the most serious of Restrictions may be imposed or your Membership may be terminated at the first occurrence if the breach is serious enough to warrant this.

Clause 7.2 (Grounds for Investigation Pursuant to the Guidelines for the Resolution of Disputes)

We may conduct an investigation pursuant to the Guidelines for the Resolution of Disputes where we believe for any reason that any of the following apply to you:

- (a) you breach the terms and conditions set out in this Agreement (including, to avoid any doubt, the documents listed in clause 3 of this Agreement);
- (b) you have committed repeated breaches of this Agreement;
- (c) you have acted in a manner which we consider amounts to serious misconduct;
- (d) you have been convicted of any criminal offence;
- (e) any action is brought against you or us in any Country of Operation in which you are building a Business because of any thing you do or fail to do in relation to such Business;
- (f) you do or fail to do something in relation to your Business and we believe that act or omission may adversely affect us or any of our Member's or Sanden Brook Consumers; or
- (g) you are placed into bankruptcy or are otherwise subject to an Insolvency Event.

Clause 7.3 (Consequences of Breach)

Where we find that you have breached this Agreement, or, where we have given you Notice to remedy a breach and you have not remedied such breach within thirty (30) Working Days of that Notice, we may impose Restrictions by giving Notice to you.

Clause 7.4 (Serious Breach)

Where we suspect that you have:

- (a) breached this Agreement and we consider that the breach is serious; or
- (b) breached this Agreement on three or more separate occasions during a period of three (3) consecutive Months; or
- (c) done or failed to do something in relation to your Business which we consider has brought or may bring us or any of our other Members into disrepute;

we may suspend your Membership with immediate effect by giving you a Suspension Notice. We will then carry out an investigation pursuant to the Guidelines for the Resolution of Disputes. If as a result of such investigation, we find that any of subclauses (a)–(c) of this clause apply to you, we may terminate your Membership by Notice, effective from the date of the Suspension Notice.

MEMBERSHIP AGREEMENT

We need not give any reasons for our decision under clause 7.3 or this clause 7.4, but you may appeal under the Guidelines for the Resolution of Disputes against our decisions.

Clause 7.5 (Termination Required by Law)

Notwithstanding the provisions in clauses 7.1 to 7.4 (inclusive) of this Agreement, you acknowledge that we may terminate your Membership with immediate effect by giving you Notice where we are required to do so by the laws, regulations or other government policies of any Country of Operation in which your Membership is registered.

8. EXPIRY, RESIGNATION AND TERMINATION OF MEMBERSHIP

Clause 8.1 (Expiry)

Your Membership Expires if you fail to Maintain or Renew your Membership pursuant to clause 5 or 6.

Clause 8.2 (Resignation)

A Member or Membership Leader may resign at any time by giving Notice to us. Notwithstanding clause 4.5, all of the persons referred to in clauses 4.1(d)–(g) (as the case may be) must sign the notice.

We will send a Notice to the resigning Member or Membership Leader informing them that their resignation has been accepted and in the case of a Member, reminding them of the requirements for rejoining pursuant to clause 18.2 of this Agreement.

The resignation will be effective as at the date of the notice of resignation given by the Member or Membership Leader (as the case may be).

We will process resignations as soon as is practicably possible and in accordance with any waiting periods or other requirements that we may determine are appropriate from time to time.

Resignation pursuant to this clause is deemed to be a termination of this Agreement and any other contracts or agreements between you and us, but all clauses of this Agreement which are intended to be for our protection shall survive such termination. We may request that you perform any matters which we consider reasonable, to enable the resignation to be accepted, including, but not limited to, payment of any outstanding monies, return of any outstanding Products, termination of any other contract held between you and us, and the return of any Intellectual Property, any Business Building Materials and any Confidential Information required by us.

9. EFFECT OF EXPIRY, RESIGNATION, SUSPENSION AND TERMINATION

Clause 9.1 (Consequences of Expiry, Resignation, Failure to Renew and Termination)

If you:

- (a) fail to maintain your Membership pursuant to clause 5 of this Agreement;
- (b) fail to renew your Membership pursuant to clause 6 of this Agreement;
- (c) resign; or
- (d) have your Membership terminated,

then you must not represent yourself to be, or hold yourself out as, a Member and all benefits under the Reward and Recognition Plan will cease immediately unless otherwise determined by us, provided that any Bonuses earned prior to the failure to maintain, non-renewal, resignation or termination of your Membership remain payable to you, subject to our right to set off such sums against any monies owed by you to us.

MEMBERSHIP AGREEMENT

Clause 9.2 (Consequences of Suspension)

- (a) If you are suspended then you must not, for the period of suspension, act as, represent yourself to be, or hold yourself out as, a Member. However all benefits under the Reward and Recognition Plan will continue and any bonuses earned prior to the date of suspension remain payable to you, subject to our right to set off such sums against any monies owed by you to us.
- (b) The suspension shall be for such period and, subject to clause 9.2(a), shall be on such terms as we may advise you from time to time by Notice.

PART C – BENEFITS AND RESPONSIBILITIES

10. BENEFITS

Clause 10.1 (Benefits of Membership)

Subject to the provisions of this Agreement, you are entitled to all of the benefits of Membership including, but not limited to:

- (a) the full privileges, benefits and rewards set out in the Reward and Recognition Plan and Training and Development Program (although only your Membership Leaders at the time of qualification are entitled to the Club Benefits and Training and Development benefits);
- (b) the right to promote, demonstrate and pass on Orders to us for the exclusive range of Sanden Brook Products;
- (c) the right to solicit applications for acceptance as a Member or Sanden Brook Consumer;
- (d) the rights of Sanden Brook Consumers under the Sanden Brook Terms and Conditions;
- (e) subject to clause 14 of this Agreement, the right to use Official Omegatrend Literature; and
- (f) the benefit of the Business Building Program and system.

11. MEMBER'S GENERAL RESPONSIBILITIES AND OBLIGATIONS

Clause 11.1 (Right to Build a Business)

You acknowledge and agree that your relationship with us is contractual and that this Agreement entitles you but does not require you to build your own independent Business pursuant to the rights and benefits contained in this Agreement.

You further acknowledge that your investment in your own independent Business both in respect of your own time and your own expenditure is entirely a matter at your own discretion and not a matter prescribed by us.

You further acknowledge that your rights, obligations and benefits under this Agreement to develop your own independent Business constitute a system that is fair and reasonable in all respects. You acknowledge that you have carefully read and considered this Agreement and regard our system to be fair and reasonable.

Clause 11.2 (Sale of Products)

You acknowledge and agree that you are intended to facilitate sales of Products by actively soliciting Orders from other Members and Sanden Brook Consumers. You further acknowledge and agree that you are obliged to receive and forward to us such Orders as Members or Sanden Brook Consumers may deliver to you and to otherwise to act as salesperson of our Products. However, you also acknowledge and agree that you do not have any authority to accept any offer to purchase Products made by another Member or any other person, nor to make any agreement for the purchase of any Product. For the avoidance of doubt, we possess the sole and exclusive right to accept or reject any offer to purchase any Products.

MEMBERSHIP AGREEMENT

Clause 11.3 (Discretion to Solicit Members)

You acknowledge and agree that you may, but are not under any obligation to, solicit new Members or new Sanden Brook Consumers, and may, subject to the terms and conditions set out in this Agreement, carry on your Business in accordance with this Agreement as you see fit.

Where you choose to introduce a prospective Member or Sanden Brook Consumer, you must:

- (a) get the prospective Member or Sanden Brook Consumer to complete and sign a Membership Application; and
- (b) pass the completed and signed Membership Application to your Upline Executive Club Member who will process it on your behalf.

Clause 11.4 (Expenses)

You acknowledge and agree that you are responsible for all costs and expenses incurred in relation to your Business (which, for the avoidance of doubt, does not include costs and expenses incurred by the Downline of that Business), including the payment of all income and other taxes.

Clause 11.5 (Do Not Hold Out as Agent)

You acknowledge and agree that you:

- (a) are an independent contractor and not our employee;
- (b) must not pledge our credit, nor represent yourself as being our agent, employee or partner, and no part of any of the Intellectual Property or the name "Omegatrend" may form part of your corporate or trading name;
- (c) will be responsible for any and all taxes, expenses, premiums, contributions and other payments arising from your income and the activities you conduct under this Agreement;
- (d) will be treated as a non-employee under all laws covering employees;
- (e) will not be eligible for health care, retirement or death benefits;
- (f) are responsible for obtaining any business or other permits required by law or public authority relating to the operation of your independent Business, and you will comply with all applicable laws; and
- (g) must not enter into any contracts, agreements or arrangements on behalf of us or by using our name.

Clause 11.6 (Soliciting Funds is Limited)

Given the position of power and trust that you occupy, you acknowledge and agree that you must only solicit funds from other Members and Sanden Brook Consumers to pay us for Products ordered by such Members and Sanden Brook Consumers.

Clause 11.7 (Professional Standards)

You acknowledge and agree that you will conduct your Business in accordance with:

- (a) good business practice and principles;
- (b) this Agreement;
- (c) all handbooks we may issue to you from time to time;
- (d) all applicable laws; and
- (e) reasonable care and skill; and

will ensure that all people in your Business also conduct themselves accordingly.

MEMBERSHIP AGREEMENT

Clause 11.8 (Protect Omegatrend's Image)

You acknowledge and agree that you will:

- (a) act in a manner that will ensure that our Business interests and image are maintained; and
- (b) not become involved in any act, situation or occurrence that in our opinion, tends to subject either you, us, any other Member or any Sanden Brook Consumer to any ridicule, contempt or scandal that reflects unfavourably on us or our Products.

Clause 11.9 (Place of Omegatrend Business)

You acknowledge and agree that you must not carry on your Business in any place that is not a Country of Operation of Omegatrend.

You further acknowledge and agree if you want to build a Business outside of your Country of Registration you must obtain our approval pursuant to clause 16.2(b) or use the Long Distance Contact Program.

In particular, but without limitation, you:

- (a) must not solicit for, introduce or attempt to introduce new Members or Sanden Brook Consumers or solicit for, take, or attempt to take Orders outside the Country of Operation in which your Membership is registered with us, or in any Country of Operation other than your Country of Registration, unless it is another Country of Operation in which you have approval to build a Business;
- (b) may only give out business cards in the Country of Operation in which your Membership is registered with us, or in another Country of Operation in which you have approval to build a Business;
- (c) must not directly or indirectly, by yourself or through others, promote, train other people about, sell or distribute (including importing or exporting) our Business opportunity or your own Business in any market that is not the Country of Operation in which your Membership is registered with us, unless it is another Country of Operation in which you have approval to build a Business; and
- (d) must not directly or indirectly, by yourself or through others, promote, train other people about, sell or distribute (including importing or exporting) Products in any market that is not the Country of Operation in which your Membership is registered with us, unless it is another Country of Operation in which you have approval to build a Business.

Clause 11.10 (Making Statements)

You acknowledge and agree that you will only make statements about us, our Business opportunity, the Business Building Program and system and the Products in accordance with:

- (a) the terms of this Agreement;
- (b) Official Omegatrend Literature; and
- (c) all handbooks we may issue to you from time to time;

and must not do or omit to do anything that would cause or would be likely to cause anybody to be misled or deceived about our Business opportunity or our Products or that would otherwise breach any applicable law.

Clause 11.11 (No On-Sale at Retail)

You acknowledge and agree that you must not offer Products for sale in a retail or wholesale outlet nor supply Products to another Member or Sanden Brook Consumer where you know they will on-sell those Products to the general public through any form of retail or wholesale outlet.

MEMBERSHIP AGREEMENT

Clause 11.12 (Indemnity)

Notwithstanding anything in this Agreement to the contrary, you agree to protect, indemnify and hold us harmless from any and all:

- (a) claims, causes of action, or demands (including costs and lawyers' or attorneys' fees on an indemnity basis); and
- (b) any liability to third parties whatsoever that may be charged against, incurred or sustained by us

as a result of any breach of this Agreement however it was caused or any other intentional or negligent act or omission by you.

In the event of any action or proceeding against us arising in any manner whatsoever out of your participation as a Member and independent contractor, we will have right to exert sole control over the defence of such claim including the selection and approval of counsel, and shall resist, defend or settle such action at your expense. This paragraph will not exclude or limit any other claim that we may have under this Agreement or any applicable law.

Clause 11.13 (Code of Ethics)

You acknowledge and agree that you will obtain a copy of and comply in all respects with the DSA Code issued by the Direct Selling Association in your Country of Operation or, if there is no Direct Selling Association, the International Code of Conduct. Our Code of Ethics sets out how you can obtain a copy of the relevant DSA Code.

Clause 11.14 (Book and Records)

You acknowledge and agree that you will keep and maintain records of your Omegatrend Business in accordance with good business practice (including, but not limited to, receipts and proofs of purchase) for the period of time prescribed pursuant to the tax laws in force in the relevant Country of Operation. You further acknowledge and agree that you must make such records available for inspection by us or our nominee on receipt of a Notice from us requesting you to do so.

Clause 11.15 (No Compensation Purely for Recruiting)

You acknowledge and agree that you will not receive any compensation from us purely for recruiting new Members.

Clause 11.16 (Independent Contractor)

You acknowledge and agree that you:

- (a) are in all respects an independent contractor and not an employee, partner, agent, franchisee, legal representative, or subsidiary of Omegatrend and as such are not entitled to pledge the credit of Omegatrend and you shall be solely liable for all of the debts, losses, expenses and taxation related to your Business; and
- (b) at no stage either during or subsequent to the termination of this Agreement will claim that you are or were an employee of Omegatrend.

Clause 11.17 (Privacy Policy)

You agree that in addition to your obligations pursuant to clause 12.5, you will comply with the principles set out in the Privacy Policy where you receive Personal Information from other Members, Sanden Brook Consumers or members of the public.

MEMBERSHIP AGREEMENT

Clause 11.18 (Liabilities of Contractor)

You acknowledge and agree that you are solely responsible for payment of all taxes, insurances, duties or levies which may be payable in respect of payments or benefits provided by us under this Agreement and the Reward and Recognition Plan and we shall make no deductions on account of tax and any other imposition except which we are required by law to make.

Clause 11.19 (Compliance with Laws)

You acknowledge and agree that you must comply at all times with all laws, statutes and regulations in force in the Countries of Operation in which you carry on Business.

12. MEMBER'S SPECIFIC OBLIGATIONS

Clause 12.1 (Report Breach or Misconduct)

You acknowledge and agree that if you are aware that a member in your Downline has:

- (a) breached this Agreement, including, but without limitation, any breach of clause 11.9 of this Agreement; or
- (b) done or failed to do something in relation to their Business and that act or omission may adversely affect us, another Member, any Sanden Brook Consumer, or a member of the public;

you must give Notice to us setting out in full your knowledge of such breach, act or omission.

You further acknowledge and agree that where we find that you have failed to give such Notice, or we find that you ought to have been aware of such breach, act or omission and failed to give us Notice, we may place Restrictions upon or Terminate your Membership pursuant to clause 7.

Clause 12.2 (Restrictions Against Competition with Omegatrend)

Where you have attained the recognition levels set out below (or equivalent levels from time to time in the Reward & Recognition Plan), you must not:

- (a) while you are a Member; or
- (b) if you cease to be a Member, then for the period, after ceasing to be a Member, specified in this table:

engage in, either directly or indirectly, any other similar direct selling Business competing directly or indirectly, in any respect, with us in any Country of Operation without first obtaining our written consent

Club Level Attained in the Plan	Period of Time
Club 100	Nil
Club 500	Nil
Club 1000	Three (3) Months
Executive Club Member	Nine (9) Months
Premiere Club Member and above	Twelve (12) Months

MEMBERSHIP AGREEMENT

Clause 12.3 (Reasonable Restriction Against Competition)

The parties agree that the restraint in clause 12.2 is reasonable, having regard to all of the circumstances, and that consideration has been received by the parties for the restraint.

If for any reason the restriction in this clause is unenforcable in the relevant Country of Operation in which your Membership is registered, you agree to be restricted in exactly the same manner but only in respect of the state, province or county in which you have been carrying on your Business, and if that too is unenforcable, then you agree to be restricted in exactly the same manner but only in respect of the metropolitan area of the city or town in which you have principally been carrying on your Business.

Clause 12.4 (Not to Solicit Members)

Upon ceasing to be a Member, where you have obtained one of the recognition levels set out below (or equivalent levels from time to time in the Reward and Recognition Plan), you must not, for the period set out in this table after you cease being a Member solicit, whether directly or indirectly, any person who is or was a Member or a Sanden Brook Consumer or was otherwise in the habit of dealing with us with a view to that person becoming associated with any other similar direct selling Business competing directly or indirectly in any respect with us in any Country of Operation in which you had a Business.

Club Level Attained in the Plan	Period of Time
Club 100	Nil
Club 500	Nil
Club 1000	Three (3) Months
Executive Club Member	Nine (9) Months
Premiere Club Member and above	Twelve (12) Months

If for any reason the restriction in this clause is unenforcable in the relevant Country of Operation in which your Membership is registered, you agree to be restricted in exactly the same manner but only in respect of the state, province or county in which you have been carrying on your Business, and if that too is unenforcable, then you agree to be restricted in exactly the same manner but only in respect of the metropolitan area of the city or town in which you have principally been carrying on your Business.

Clause 12.5 (Confidential Information)

You agree that at all times while you are a Member and at all times after you cease to be a Member you must:

- (a) keep all Confidential Information secret and not disclose or in any way communicate the Confidential Information without first obtaining our written consent;
- (b) take all reasonable precautions to maintain the secrecy of the Confidential Information; and
- (c) return all Confidential Information (including all copies) we request to us immediately where we give you Notice to do so.

You acknowledge and agree that at all times while you are a Member and at all times after you cease to be a Member we own all Confidential Information relating to your Business, including, but not limited to, Confidential Information related to your Downline.

MEMBERSHIP AGREEMENT

PART D – RESPONSIBILITIES OF OMEGATREND

13. OMEGATREND'S OBLIGATIONS

Clause 13.1 (Assistance to Build an Omegatrend Business)

We will provide you with all of the rights and benefits available under this Agreement.

Clause 13.2 (Payment)

We will provide you with all of the Income Benefits available under the Reward and Recognition Plan if you qualify for them.

Clause 13.3 (Product Inspection)

We will make available a sample of any Products to the general public for inspection.

Clause 13.4 (Buyback of Product)

You acknowledge and agree that because sales transactions take place directly between a Member or a Sanden Brook Consumer and us, you are not expected to hold, and indeed are strongly discouraged from holding, stock or inventory. Orders should not be placed by you for the sole purpose of qualifying for a higher level of recognition under the Reward and Recognition Plan.

In addition to the right of return and credit and money back guarantee provided for under the Conditions of Sale and any conditions or warranties implied by statute, or any statutory rights and remedies that cannot be excluded by law if you choose to purchase Products for your own Omegatrend Business purposes, such purchases are eligible for return and credit as provided in the Conditions of Sale on the following additional terms.

- (a) You must :
 - (i) be a current Member; or
 - (ii) have resigned in accordance with clause 8.2; or
 - (iii) have had your Membership terminated in accordance with clause 7.
- (b) The Products must be returned within twelve (12) Months of the date of purchase and:
 - (i) the majority of the contents must remain in their original packaging; or
 - (ii) the Products, not being faulty or damaged, must be returned, in our opinion fit for resale.
- (c) We will provide a credit for returned Products in the following manner.
 - (i) If the Products were paid for by either credit card or direct debit, we will refund the money to either the credit card account or the bank account.
 - (ii) If the Products were paid for by any method that is not suitable to receive a refund, we will credit the paying Member's Sanden Brook account.

We reserve the right to reclaim any money paid through Bonuses or other incentives on Products where Orders are cancelled or Products are returned.

The right above and the right of return, credit and money back guarantee and "cooling off period" pursuant to the Conditions of Sale are in addition to any express rights of cancellation given by us in respect of a particular Product or any promotion thereof.

Clause 13.5 (Privacy Policy)

We agree that we will observe our obligations under the Privacy Policy.

MEMBERSHIP AGREEMENT

14. INTELLECTUAL PROPERTY

Clause 14.1 (Ownership of Intellectual Property)

You acknowledge that the Intellectual Property is owned exclusively by us, and that the rights granted to you under this Agreement do not in anyway affect our ownership of the Intellectual Property.

Clause 14.2 (Use of Intellectual Property)

We may, at our discretion, permit you to use the Intellectual Property on terms and conditions that we see fit and pursuant to the standards of quality that we may define from time to time. All applications for use of the Intellectual Property must be made in writing to us and be accompanied by a final draft of the material on which the Intellectual Property will be used along with details of the proposed use of the material to ensure that the use of the Intellectual Property is correctly made and that our standards of quality are being met. All material must be approved by us prior to any use by you.

We reserve any and all rights regarding the Trade Marks and the Intellectual Property not expressly granted to you in this Agreement.

You shall where appropriate, or upon direction from us, indicate that the Intellectual Property is owned by us and is used under licence from us.

Where we allow you to use the Omegatrend or Sanden Brook Trade Marks or any other of the Intellectual Property then in each case your licence to use the Trade Marks and/or other Intellectual Property is strictly limited to the terms and conditions of the specific permission granted, including limiting your use to any geographic regions we may specify. You shall not have the right to sublicense or in any way transfer the licence granted to you to use the Intellectual Property.

You shall not, where you are granted a licence to use the Omegatrend or Sanden Brook Trade Marks or any other Intellectual Property, challenge or call into question the validity or ownership of the Trade Marks or Intellectual Property.

Where a licence is granted by us to you, you acknowledge that you shall not acquire any title to or interest in the Intellectual Property adverse to us, it being the intention of the parties that all use of the Intellectual Property by you shall at all times inure to the benefit of us.

You will comply with any instructions provided to you in relation to the use of our Intellectual Property and in particular Omegatrend or Sanden Brook Trade Marks.

We may at any time withdraw any licence granted to you to use any or all of the Intellectual Property in which case you shall immediately cease your usage of the Intellectual Property and return to us all of the Intellectual Property that you have in your possession or control.

Clause 14.3 (Official Omegatrend Literature)

We may prepare Official Omegatrend Literature for use by you in your Omegatrend Business.

Clause 14.4 (Business Cards and Letterhead)

Where you are eligible to use business cards in your Business, you must only use the official business cards we supply to you. You must not use our official letterhead without our express prior written consent and only then as expressly instructed by us. Without limiting the other provisions of this clause 14, any letterhead or other means you use in your Business to promote your connection with us must be approved in writing by us before use, and without limiting the foregoing, must comply with the requirements of clause 11.5 of this Agreement.

MEMBERSHIP AGREEMENT

Clause 14.5 (Use of Other Literature)

You must not use any advertising material or literature concerning us or our Business other than Official Omegatrend Literature. If you wish to use other materials, then we may grant or refuse permission to do so. Applications to use other materials must be made in writing to us and be accompanied by a final draft of the material to be used along with details of the proposed use of that material. Such materials must not be used unless we have first granted permission to do so. We may place such conditions as we deem appropriate on the use of such materials.

Clause 14.6 (Use of the Internet/World Wide Web)

We have an official site on the World Wide Web. You must not publish any web page that is in any way associated with Omegatrend or Sanden Brook or includes either Sanden Brook or Omegatrend Trade Marks or other Intellectual Property.

Additionally, you may not use a domain name that includes the words Omegatrend or Sanden Brook in any complete, amended or abbreviated form. If you wish to develop a website, or undertake any advertising or any other form of electronic promotion, then we may grant or refuse permission to do so. Applications to do so must be made in writing to us and be accompanied by a final draft of the material to be used along with details of the proposed use of that material. Such material must not be used unless we have first granted permission to do so. We may place such conditions as we deem appropriate on the use of such materials.

You will not take part in or authorise any mass mail-out form of advertising or promotion, nor the sending of any unsolicited promotional materials via email or any other form of electronic communication, which may be associated in any way with Omegatrend or Sanden Brook, and which may be regarded as "spamming" by its recipients.

If you become aware of an unauthorised web page or any unauthorised advertising or promotion (including but not limited to websites and other internet use) using any of the Intellectual Property, or which could lead members of the public to believe that the web page or advertisement or promotion is in some way associated with or authorised by us, then you shall provide details of that to us and provide such other assistance in respect of it as we may require.

PART E – THE OMEGATREND MEMBERSHIP TREE

15. JOINING THE MEMBERSHIP TREE

Clause 15.1 (Omegatrend Membership Tree)

The Membership Tree provides the framework by which each Membership is positioned for the purposes of calculating Members' benefits under the Reward and Recognition Plan.

Clause 15.2 (Position)

With effect from the time of acceptance as a Member by us, your Membership is positioned in the Membership Tree as a First Downline to your Introducing Member.

16. EXPANDING THE MEMBERSHIP TREE

Clause 16.1 (Introducing New Members)

If you introduce a new Member, you are entitled to have the new Member positioned in the Membership Tree as your First Downline.

MEMBERSHIP AGREEMENT

Clause 16.2 (International Membership)

Given that we operate a one world Membership Tree, it is possible for you to introduce new Members internationally. In doing so, you acknowledge that you can only build a Business in a Country of Operation and further acknowledge the following.

- (a) As we expand globally we must carefully monitor our international network. International Business building violations can cause major problems with regulators and for the Omegatrend Licensee. It can also cause disputes between local and foreign Members. Importation of quantities of Products that do not comply with foreign market requirements can result in customs seizures and prosecutions of both Members and ourselves. Breaches may result in license cancellation in those markets where licenses are required or renewable.
- (b) If you are wishing to build a Business outside your Country of Registration, you must complete a 'Request to Build an International Business Application' form and obtain our consent unless otherwise stated. We may withhold consent, or may grant consent with conditions or unconditionally.
- (c) You acknowledge and agree that if you are a Premiere Club Member or occupy a higher position than Premiere Club Member in the Membership Tree and you knowingly breach this clause 16.2, such breach is deemed to be a serious breach of this Agreement for which we may suspend and/or terminate your membership and your Upline Members' Memberships.

Clause 16.3 (Long Distance Program)

Where you live at a distance from someone who you want to introduce to Omegatrend, the option exists for you to introduce them via the Long Distance Contact Program. Doing so will give the new Member access to adequate local support to help them build a Business.

When a Member joins Omegatrend using the Long Distance Contact Program, they become the first Downline Member of a local Introducing Member. If you introduced the Long Distance Member you become the Long Distance Introducing Member.

As such, you are not entitled to receive any compensation whatsoever purely for providing the introduction. All Volume generated by the new Member and their Business pursuant to the Long Distance Program will be distributed according to the guidelines for "Long Distance Volume" as outlined in the Reward And Recognition Plan.

17. DOWNGRADING IN THE MEMBERSHIP TREE

All downgrades from Membership to Sanden Brook Consumer will be implemented by us pursuant to the Executive Club Handbook and the following provisions.

- (a) You may downgrade to be a Sanden Brook Consumer at any time by giving notice to us. Once we process the request and notify you that the downgrade has been made, you are no longer eligible for rewards and recognition under the Reward And Recognition Plan.
- (b) You will then be treated as a Sanden Brook Consumer.
- (c) Once you have downgraded to a Sanden Brook Consumer, you are not eligible to Upgrade to Omegatrend Membership unless the provisions on the Membership Application relating to Upgrading are met.
- (d) Your Downgrading will be processed by us in line with guidelines and processes as determined by us from time to time and notified to you.

MEMBERSHIP AGREEMENT

- (e) Any request to downgrade must be signed by the persons listed in clause 4.1 (d), (e), (f) or (g) (as the case may be).
- (f) Your Membership will be downgraded if you fail to maintain it in accordance with clause 5.
- (g) Your first Downline Members will become the first Downline Members of your first Upline Omegatrend Member.
- (h) You shall not be obliged to repay any monies paid through Bonuses or other incentives received in the period up to the effective date of the downgrade.

18. EFFECT OF EXPIRATION, RESIGNATION AND TERMINATION ON DOWNLINE

Clause 18.1 (Treatment of Downline on Expiration, Resignation and Termination)

- (a) If your Membership has expired under clause 8.1 or you have resigned your Membership under clause 8.2 or 8.3 and thereby remain as a continuing Sanden Brook Consumer, your rights and obligations will be determined according to clause 17 as if you had downgraded your Membership under that clause.
- (b) If you:
 - (i) are a Sanden Brook Consumer and do not place and pay for an Order for a period of twelve (12) consecutive Months since your most recent prior Order; or
 - (ii) have your Membership terminated under clauses 7.4 or 7.5;

then your First Downline Omegatrend Members and Sanden Brook Consumers will become the first Downline to your first Upline Member in the Membership Tree regardless of whether that Member is an Omegatrend Member or a Sanden Brook Consumer.

Clause 18.2 (Rejoining Omegatrend)

If you:

- (a) let your Membership expire under clause 8.1;
- (b) resign under clause 8.2 or 8.3; or
- (c) downgrade to Sanden Brook Consumer,

but then want to rejoin as an Omegatrend Member or Sanden Brook Consumer in another position in the Membership Tree, you may only do so when the period specified in the table below has elapsed calculated from the day on which your Membership Expired or your Resignation or Downgrade was accepted and processed by us and otherwise on the following basis.

- (i) you will not retain any of the Downline Members that you previously had within your Omegatrend Business.
- (ii) you will not introduce or allow to be introduced into your Personal Group any of the Downline Members that you previously had within your Omegatrend Business unless at least two (2) years have elapsed since the termination of that previous Downline Membership.

We retain the right to transfer your Membership and Personal Volume back to its former Line of Introduction if you act contrary to this clause.

Club Level Attained in the Plan	Period of Time
Club 100	Nil
Club 500	Nil
Club 1000	Three (3) Months
Executive Club Member	Nine (9) Months
Premiere Club Member and above	Twelve (12) Months

MEMBERSHIP AGREEMENT

Clause 18.3 (Application for Re-Appointment under Clause 18.2)

Any application made under clause 18.2 after the Expiry or Resignation or Downgrade of your Membership, will be treated as a new application for Membership and you must also comply with clause 4 of this Agreement.

19. CHANGING MEMBERSHIP TYPE, MEMBERSHIP LEADERS OR COUNTRY OF REGISTRATION

Clause 19.1 (Change of Membership Type, Membership Leaders or Country of Registration)

(a) You may change your:

- (i) Membership from one type of Eligible Person to another; or
- (ii) Membership Leaders; or
- (iii) Country of Registration;

by making an application for change to us in the form required by us.

(b) We may, upon receiving the application:

- (i) request such documents or other information as we think fit;
- (ii) accept the application for change;
- (iii) accept the application for change subject to any conditions that we may see fit; or
- (iv) reject the application for change without giving any reasons for our decision.

(c) In order for a change of Membership Type or Membership Leaders to be considered:

- (i) one of the original Membership Leaders must remain a Membership Leader at all times; or
- (ii) one of the Membership Leaders must have been a Membership Leader on that Membership for a period of twelve (12) Months.

In addition, any request for change must be signed by all Membership Leaders to the Membership.

(d) For the avoidance of doubt, this clause 19 is not to be used to transfer ownership of your Business. Such transfers must be administered in accordance with clause 23. Accordingly it is agreed that there is no right of Appeal in relation to decisions under this clause and the onus to establish that the change of Membership Type or Membership Leaders is not a transfer rests with the applicant.

Clause 19.2 (Effect of a Change in Eligible Person, Membership Leaders or Country of Registration)

If you change the type of the Eligible Person which holds your Membership, Membership Leaders or your Country of Registration you do not lose your position in the Membership Tree.

Where your Membership is held by two natural persons, if for any reason one of those persons will not continue to be actively involved in your Business, but does wish to continue to be a Member, that person will not retain a Membership in the same position in the Membership Tree and must apply for a new Membership in a completely new position in the Membership Tree.

Any application for a new Membership pursuant to this clause must be in accordance with clause 4.

MEMBERSHIP AGREEMENT

Clause 19.3 (Nature of Membership Leaders)

Membership Leaders are nominees of Members and are not, by virtue of that position alone, Members themselves. If a Membership Leader applies to become a Member then, unless the Membership Leader is already a Member, that application will be treated as a new application. In that situation, the Membership Leader will be treated as someone who has never been a Member and will therefore be subject to the provisions in clause 4.

Clause 19.4 (Companies and Partnerships and Trusts)

Any change in the:

- (a) directors of a company Member;
- (b) members or shareholders of an entity whose members or shareholders have limited liability and which is a Member;
- (c) partners in a Partnership Member; or
- (d) trustees of a Trust which owns a Membership;

will require the new director, member or shareholder, partner or trustee to apply for approval as a new applicant for Membership. Where we do not accept such applications we may terminate your Membership.

20. WHAT HAPPENS IF A PERSON HAS MORE THAN ONE MEMBERSHIP

Subject to clauses 23 and 24, if you have an Interest in more than one Membership we may:

- (a) require that the first Membership accepted in time continue, and that all other Memberships be deleted from the Membership Tree; or
- (b) require the sale of any later Membership, in accordance with clause 23 and subject to such conditions as we think fit.

21. CHANGING A LINE OF INTRODUCTION

We recognise that occasionally it may be necessary for you to change your Line of Introduction. The ability to do so under this clause does not in any way remove your obligation to conduct your Omegatrend Business in an ethical fashion in accordance with the Code of Ethics.

Clause 21.1 (A Change by an Omegatrend Member)

You may apply for a change of Introducing Member if:

- (a) you feel (and are able to demonstrate to our satisfaction) that you have actively sought assistance from your Introducing Member and Line of Introduction and have been unable to get the help you need to build your Omegatrend Business or are able to show other due cause as to why a change of Introducing Member should be considered; and
- (b) you have not qualified as an Executive Club Member, as set out in the Reward And Recognition Plan, at any time within six (6) Months prior to making the application; and
- (c) the Membership Leaders have completed and signed an Application for Change of Introducing Member Form and forwarded it to us together with the non-refundable Application Fee as detailed on the form. This form must be fully completed and in particular must include:
 - (i) approval from your First Upline Presidential Club Member plus three (3) of your following Upline Members: First Upline Executive Club Member; First Upline Premiere Club Member, First Upline Executive Premiere Member; First Upline Ambassador Club Member, First Upline Executive Ambassador Member; and

MEMBERSHIP AGREEMENT

- (ii) approval from the proposed new Introducing Member and their First Upline Executive Club Member and either a New Upline Premiere Club Member, Executive Premiere Member, Ambassador Club Member, Executive Ambassador Member or Presidential Club Member.

Clause 21.2 (Notice Requirements)

Upon receipt of an Application for Change of Introducing Member Form, we will use all reasonable endeavours to give Notice of the Application to all Members of your Upline up to and including the First Upline Premiere Club Member, who earned a Personal Group Bonus (as set out in the Reward And Recognition Plan) in any of the preceding three (3) Months from the Month in which the Application for Change of Introducing Member Form was received by us.

The Notice must advise these Members of the Application, and invite them to lodge with us a written objection detailing reasons why you should not be allowed to change your Introducing Member. We must receive this written objection within fourteen (14) days from the date of the notice.

A right of appeal exists for any decision we may take under clause 21.3 to resolve an Application for Change of Introducing Member and accordingly we assume no liability where notice is inadvertently not given or for any reason is not received.

Clause 21.3 (Omegatrend May Make a Decision)

At the end of the fourteen (14) day period referred to in clause 21.2, we must consider the application and all objections to the application and may:

- (a) approve the Application for Change of Introducing Member Form and impose any conditions that we see fit; or
- (b) refuse to accept the Application for Change of Introducing Member Form;

You or an objector to the Application for Change of Introducing Member Form who disagrees with our decision may appeal under the Guidelines for the Resolution of Disputes.

In the event that an Application for Change of Introducing Member is approved, the change will be implemented on the following basis.

- (i) Your current Introducing Member will, under the Long Distance Program, become your Long Distance Introducing Member, unless you already have a Long Distance Introducing Member, in which case the relationship with your current Introducing Member is severed completely.
- (ii) You will be moved to your new Introducing Member along with all your Downline Members down to, but not including any Downline Executive Club Members and their Downline Members.
- (iii) If you participate in the Sanden Brook Rewards program, any Rewards points generated before the approval will be moved with you and then after the date of the approval will accrue accordingly.

Clause 21.4 (Time When the Change Takes Effect)

Subject to any appeal under clause 21.3 of this Agreement and clauses 2(e) and 4(c) of the Guidelines for the Resolution of Disputes if an Application for a Change of Introducing Member is approved, the transfer will be made after the first Bonus Calculation Date following our decision. Your Sanden Brook benefits will also transfer at this time. All other benefits will become effective from the beginning of that Month. Changes approved by us after the 25th day of any Month will be actioned in the next Month.

MEMBERSHIP AGREEMENT

All rewards and recognitions calculated from this date forward will, regardless of the commencement date for the calculation of those rewards or recognition, be in accordance with the approved changes to the Membership Tree. We assume no liability to you or your Upline for any reward or recognition that may have accrued to you or your Upline if the change had not taken place.

22. MEMBERS APPOINTED TO INCORRECT LINES OF INTRODUCTION

Clause 22.1 (Incorrect Positioning)

If, on acceptance as a Member, or when a change of Introducing Member has been approved, we mistakenly position you under the wrong Introducing Member due to:

- (a) an innocent mistake such as a data entry error, incorrect or illegible details being mistakenly provided or for any other similar bona fide reason, then:
 - (i) in all circumstances an onus of responsibility rests with the Introducing Member and their Upline Executive Club Member to establish in any form as we may require that you have been incorrectly placed; and
 - (ii) where an error is found, the Upline Executive Club Member must give Notice of the error to us within twenty one (21) days of the date of introduction or from the date of a change of Line of Introduction, such Notice to have been first signed by you; or
- (b) a breach of the Code of Ethics; then
 - (i) where you become aware of a breach of the Code of Ethics, you must give us Notice of the alleged breach before we will consider the allegation; and
 - (ii) such notice must be given to us within twenty one (21) days of the date of Introduction or from the date of a change of a Line of Introduction; and
 - (iii) we may act on any matter that comes to our attention; or
 - (iv) where a direction is given to us by a Tribunal we will act on that direction.

Clause 22.2 (Consequences)

Provided that you acknowledge and agree that you are only entitled to one change to your Line of Introduction pursuant to this clause 22, where we verify to our satisfaction that you have been incorrectly placed, we may shift you and your entire Downline (regardless of its size) to your correct Line of Introduction and:

- (a) if we elect to reposition you correctly, we will action this within thirty (30) days of receipt of Notice (or on our own initiative, regardless of whether we have received a Notice) and thereafter any benefits under the Reward And Recognition Plan accrued or paid to the incorrect Introducing Member will be:
 - (i) deducted from the incorrect Introducing Member; and
 - (ii) paid to the correct Introducing Member;

in each case at the next Bonus Calculation Date; and

- (b) if at a Bonus Calculation Date you have not accrued sufficient Structured Volume Bonuses to allow any adjustment to be made under this clause, then the adjustment will carry forward on your Sanden Brook account until the adjustments have been made in full.

MEMBERSHIP AGREEMENT

Clause 22.3 (Notification After Time Has Elapsed)

Where notice is given to us after the time specified in clauses 22.1(a)(ii) and (b)(ii) or if we shift you and your entire Downline on our own initiative as a result of an investigation we have carried out under the Guidelines for the Resolution of Disputes then:

- (a) neither we nor the First Upline Member of a Member who may have been incorrectly positioned shall be liable in any manner whatsoever to you; and
- (b) should you wish to be repositioned you must then make application in accordance with clause 21.

PART F – CHANGES TO AN OMEGATREND BUSINESS

23. SALE OF AN OMEGATREND BUSINESS

Clause 23.1 (Sale Procedure to be Followed)

Omegatrend will not be a broker or agent for the sale of your Omegatrend Business, but if you wish to sell your Omegatrend Business you must comply with the following provisions, and, to avoid any doubt, with all applicable laws.

- (a) You must give notice to us of your intention to sell your Omegatrend Business in the form required by us, and must supply Omegatrend from time to time with such information as to the process and conduct of the sale as we may reasonably require.
- (b) You must offer your Omegatrend Business for sale in accordance with any conditions of sale imposed by us, to the following Members in the following (descending) order of priority.
 - (i) to your first Upline Premiere Club Member, and then if they do not buy it;
 - (ii) to any Upline Ambassador Club Members, and then if they do not buy it;
 - (iii) to any Upline Presidential Club Members, and then if they do not buy it;
 - (iv) to any other Member.

You may sell your Omegatrend Business to any of the Members listed above. However, an offer to any such Member must remain open for at least fourteen (14) days unless accepted earlier and such offer must be made on the same terms and conditions in all instances.

- (c) You acknowledge and agree that you cannot sell your Business to a person who is not already a Member unless that person is first approved by us in the same manner as a new applicant for Membership. Accordingly, any contract for the sale of your Business must be conditional upon and subject to our prior approval of the proposed purchaser as a Member prior to the effective date of the sale and must require the proposed purchaser to make an application for Membership pursuant to this Agreement no less than ten (10) Working Days prior to such date. Any contract purporting to sell your Business which is not conditional in this way may be treated by us as a resignation by you. We assume no liability for any loss you incur as a result of a breach of this clause or as a result of us declining to accept the proposed purchaser as a Member.
- (d) You as vendor must secure our approval for the proposed sale before the sale is concluded at which time we may impose such other conditions on the new Member as we see fit
- (e) You must acknowledge, and also ensure the purchaser acknowledges in writing to us, that:
 - (i) we make no representation, warranty or undertaking as to the Omegatrend Business being sold;

MEMBERSHIP AGREEMENT

- (ii) we accept no liability whatsoever for any statement or representation given by any person in relation to the sale of the Omegatrend Business; and
- (iii) we shall have no liability of any kind for any matter arising, directly or indirectly, from the sale or attempted sale of the Omegatrend Business and you shall be solely answerable for any claim arising pursuant thereto.
- (f) You must undertake to us that all information given by you or the employees or agents of you to a prospective purchaser is correct and not misleading.
- (g) You indemnify us and each of our Licensees, affiliates, principals, officers, directors, employees, agents, contractors or vendors from and against all actions, claims, costs, demands, expenses, liabilities, losses, payments and proceedings incurred or suffered by them which arise, directly or indirectly, from the sale or attempted sale of your Omegatrend Business.

Clause 23.2 (Sale to a Related Entity or Related Body Corporate)

Clause 23.1(a) and (c)–(g) inclusive (but not (b)) shall apply to the sale of an Omegatrend Business to any of your Related Entities.

Clause 23.3 (No Assignment)

You acknowledge and agree that you must not assign your Membership without first complying with the provisions of this clause 23.

Clause 23.4 (Omegatrend Waiver)

We may approve the sale of an Omegatrend Business in a manner otherwise than under clauses 23.1 or 23.2 or waive some or all of such provisions. An application for sale under this clause must be made by Notice to us setting out in full your reasons for the proposed sale and why the provisions of clause 23.1 or 23.2 should not apply.

Clause 23.5 (Sale Does Not Breach Conflict Rule)

The purchase of an Omegatrend Business by an existing Member under this clause 23 will not breach clause 20 of this Agreement, but the purchaser cannot merge its Businesses and must keep them at separate positions in the Membership Tree.

Clause 23.6 (No Right of Appeal)

It is agreed that there is no right of appeal against our decisions under this clause 23.

24. EFFECT OF DEATH ON AN OMEGATREND BUSINESS

Clause 24.1 (Ownership on Death of an Individual Member)

If you die, subject to your will, your Membership will pass to the executors of your estate. Your surviving Membership Leader will be the only person recognised by us as being able to deal with your Membership and subject to your will, the executors of your estate will be bound by the conduct of such Membership Leader.

Clause 24.2 (Legal Representatives Must Advise Omegatrend)

As soon as possible after your death, your legal representatives must produce evidence of their appointment to us and must deal with your Business through your surviving Membership Leader in accordance with the terms of this Agreement.

MEMBERSHIP AGREEMENT

Clause 24.3 (Omegatrend May Impose Conditions)

It is a fundamental principle of our culture that those individuals who have worked hard and been successful should be rewarded and recognised. Accordingly, we may impose such conditions as we think fit on the way in which your Business is dealt with after your death. Without limiting our options, we may:

- (a) allow a beneficiary in your estate to be appointed as a Member with the benefit of all of the Income Benefits, Club Benefits and other entitlements of that Membership; or
- (b) allow a beneficiary in your estate to be appointed as a Member with only the benefit of Income Benefits of that Membership, and may deny the beneficiary pre-existing Club Benefits and other entitlements or otherwise.

Clause 24.4 (Death of Membership Leader)

If a Membership Leader dies or otherwise leaves that position so that you do not have a Membership Leader, or where you were the sole Membership Leader and you have died, you or your legal representative (as the case may be) must forthwith appoint a new Membership Leader by giving Notice to us. Upon receiving such Notice, we may impose such conditions as we think fit, including, but not limited to:

- (a) allowing the new Membership Leader to be appointed with all of the benefits of that Membership; or
- (b) denying the new Membership Leader the benefit of pre-existing Club Benefits or other entitlements or otherwise imposing conditions as to how the new Membership Leader may earn the benefit of the pre-existing Club Benefits and other entitlements.

Clause 24.5 (Interim Management of Omegatrend Business)

If we impose conditions on the benefits of a beneficiary or a new Membership Leader to the pre-existing Club Benefits, the beneficiary or the new Membership Leader may, until those conditions are met, install an Interim Manager. The Interim Manager must carry out their role to the best of their ability using all reasonable care and skill.

Prior to appointment of an Interim Manager, a written application must be made to us seeking approval for the proposed Interim Manager and approval must be secured from us before an Interim Manager may assume responsibility for the Business. Any approval shall be for a defined period of time and be on such conditions as we may decide are appropriate in the circumstances.

The leadership status of your Membership's previous Membership Leader cannot be conferred on the Interim Manager. However, an Interim Manager may take an active role in maintaining your Business.

The Interim Manager must agree to be bound by this Agreement, and in particular acknowledge that he or she is not eligible for Rewards and Recognition. All Income Benefits remain the right of the Membership.

PART G – GENERAL CONDITIONS

25. AMENDMENT OF THIS AGREEMENT

Clause 25.1 (We May Amend this Agreement)

We have a sincere interest in your wellbeing and fully support your genuine attempts to build a successful Omegatrend Business. We may from time to time, but subject to clause 25.2,

MEMBERSHIP AGREEMENT

amend this Agreement, which, for the avoidance of doubt, includes all of the documents set out in clause 3 of this Agreement. We will administer this Agreement in a spirit of fairness and may consult senior Members selected by us before we make any such amendments. We will give you thirty (30) Working Days Notice of any such amendment.

Clause 25.2 (Approval for Amendments)

Where this Agreement is governed by Malaysian law, any amendment or alteration to this Agreement, which includes the Reward and Recognition Plan, must be furnished to the Controller of Direct Sales in writing, duly verified by a statutory declaration made by a Director of Omegatrend, within three (3) Months of the making of such amendment or alteration.

26. WAIVER

Clause 26.1 (Omissions)

The failure of either you or us to require full or partial performance of a provision of this Agreement does not in any way affect your right or our right to require future performance of that provision.

Clause 26.2 (Breaches)

The waiver by us or you of a breach of a provision of this Agreement is not deemed a waiver of all or part of that provision, or any other provisions, or of our right or your right to avail ourselves or yourselves (as the case may be) of any rights subsequently.

27. GOVERNING LAW

Where your Business is registered in:

- (a) the United States of America, it is governed by the laws of the state of California, and the parties irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of California;
- (b) Australia, it is governed by the laws of Western Australia, and the parties irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of Western Australia; or
- (c) any other Country of Operation, it is governed by the laws of the Country of Operation in which your Membership is first registered, and the parties irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of the Country of Operation in which your Membership is first registered.

28. NOTICES

Clause 28.1 (Form of Notice)

Any notice required to be given under this Agreement must be in writing in English or the official language of the Country of Operation in which you conduct your Business and may be sent by facsimile, prepaid post, email or handed to:

- (a) us at the facsimile number, address or email address for the relevant Country of Operation; or
- (b) you at the current facsimile number, address or email address advised in writing to us.

Clause 28.2 (Delivery of Notice)

A notice is deemed to be delivered:

- (a) if sent by facsimile, on the sender's receipt of a transmission report indicating that the facsimile was sent in its entirety to the recipient's facsimile number;

MEMBERSHIP AGREEMENT

- (b) if sent by prepaid post, four (4) Working Days after the date of dispatch;
- (c) if hand delivered, at the time of delivery during normal business hours;
- (d) if sent by email, on the sender's receipt of an email message indicating that the email has been opened at the recipient's terminal;

but, if the delivery or receipt is not on a Working Day or after 5pm (local time for the recipient) on the Working Day, the notice will be treated as received by the recipient at 9am (local time for the recipient) on the next Working Day.

Clause 28.3 (Published Notice)

We may, but without limiting our options, give Notice to you by publishing a Notice in Official Omegatrend Literature, whether such literature is distributed to you by fax, letter or by email or by publication on our website.

29. PARTIAL INVALIDITY

If any word, phrase, sentence, paragraph or clause of this Agreement shall be held to be illegal, invalid or unenforceable under any applicable law, then such contravention, invalidity or unenforceability shall not to the fullest extent provided by law invalidate or render unenforceable this Agreement or the relevant provision. Any such provision shall be read as modified to the extent necessary to render it legal, valid and enforceable and if no such modification shall render it legal, valid and enforceable then the illegal, invalid or unenforceable term shall be severed and this Agreement shall be construed as if not containing such term and the other provisions of this Agreement shall remain operative.

30. LIABILITY OF OMEGATREND

Clause 30.1 (Limitation of Liability)

Notwithstanding anything contained within this Agreement, in no event will we or our Licensees, affiliates, principals, officers, directors, employees, agents, contractors or vendors be liable to you for any consequential damages, including, but not limited to, indirect, consequential, incidental or special damages, lost data, delays, lost profits, loss of revenue or any other economic loss, cost or expense arising from or related to this Agreement, whether arising out of contract, warranty, negligence, strict liability in tort or otherwise, even if you have been advised of the possibility of such damages.

In no event will we or our Licensees, affiliates, principals, officers, directors, employees, agents, contractors or vendors be liable for any type of loss to you caused by an event beyond our or their (as the case may be) control, including, but not limited to, government restrictions, natural disasters, terrorist acts, wars, riots, strikes and other acts of God.

Notwithstanding anything contained within this Agreement, in no event will you be liable to us for any consequential damages, including, but not limited to, any indirect, consequential, incidental or special damages, lost data, delays, lost profits, loss of revenue or any other economic loss, cost or expense arising from or related to this Agreement, whether arising out of contract, warranty, negligence, strict liability in tort or otherwise, unless such loss arises as a result of your wilful or intentional default or negligence.

MEMBERSHIP AGREEMENT

Clause 30.2 (Maximum Liability)

In no event will our total aggregate liability under this Agreement, whether arising out of breach of contract, warranty, negligence, liability in tort or otherwise, exceed our revenues received directly from you under this Agreement in the six (6) Months preceding the date the cause of action arises or \$5,000, whichever is the lesser.

In no event will you bring any action against us more than one (1) year after such cause of action arises. If you do so, such cause of action shall be void and of no effect.

31. INTERPRETATION

Clause 31.1 (Application of Definitions)

In this Agreement, unless the context indicates otherwise:

"Account" means a Member's or Sanden Brook Consumer's account held with us, as the context so requires;

"Agreement" means this Membership Agreement published by us from time to time and includes all documents forming part of this Agreement as set out in clause 3 of this Agreement;

"Ambassador Club Member" means a Member defined as such under the Reward and Recognition Plan;

"Application for Change of Introducing Member Form" means the Application for Change of Introducing Member Form published by us from time to time, and includes any online version of such form;

"Application for Late Renewal" means an Application for Late Renewal made on the Application for Late Renewal Form;

"Application for Late Renewal Form" means the Application for Late Renewal Form published by us, and includes any online version of such form;

"Automatic Top-Up Position" means a sub-set of a Q21 Member's Membership, which sits between a Q21 Member and each of the First Downline Omegatrend Members;

An Automatic Top-Up Position will be treated as:

- (a) a separate position for the purpose of calculating Rewards and Recognition; and
- (b) part of the Q21 Membership for the payment of bonuses;

provided that an Automatic Top-Up Position is not given any Recognition Rights nor is it permitted to have any Personal Purchases;

"Automatic Top-up Volume" ("ATV") means the total LD Points and associated LDBV that a Q21 Member has as part of their Personal Volume and which is able to be allocated as Volume to any one or more of their Automatic Top Up Positions;

"Board of Directors" means the Board of Directors of Omegatrend International Pty Ltd, or the Board of Directors of a Related Body Corporate or an Omegatrend Licensee authorised for a particular purpose by the Board of Directors of Omegatrend International Pty Ltd;

"Bonus" means any bonus you are eligible to receive pursuant to the Reward and Recognition Plan including, but not limited to Income Benefits;

"Bonus Calculation Date" means the date on which we choose to calculate rewards, recognitions, benefits and other bonuses under the Reward & Recognition Plan;

"Bonus Period" means the period taken into account for the purposes of calculating Recognition Levels and Rewards for Members;

MEMBERSHIP AGREEMENT

"Bonus Value" ("BV") means a measure of Volume on which Bonuses and Club Benefits and other entitlements are calculated. Note: Long Distance Bonus Value (LDBV) forms part of Bonus Value. BV is an expression in local currency of the country in which a product is sold;

"Business" means the activities you as a Member and all of the Downline Members and Sanden Brook Consumers in your Line of Introduction carry out pursuant to this Agreement;

"Business Builders Club Member" means a Member defined as such pursuant to the Reward and Recognition Plan;

"Business Convention" means a Business Convention organised by us for the purposes of training and business skill development;

"Business 1", "Business 2" etc means the system of ranking Businesses whereby Business 1 is the First Downline Member whose Business generates the greatest Volume (Points) in a Bonus Period and Business 2 is the First Downline Member whose Business generates the second greatest Volume (Points) in a Bonus Period, and so on;

"Business Building Materials" means the materials used by Members for the operation and promotion of their Business, which are approved and distributed by us from time to time;

"Business Building Program" means our system for the operation and promotion of your Business;

"Business Ethics Review Team" means a team of corporate staff and Members convened by us from time to time to handle investigations and disputes;

"Business Presentation" means a Business Presentation organised by us for the purposes of training and business skill development;

"Business Seminar" means a Business Seminar organised by us for the purposes of training and business skill development;

"Business Line" means a First Downline Member and all of their Downline Members (eg. if a Member has 3 First Downline Members then they have 3 Business Lines);

"BV:Points Ratio" means the value obtained by dividing a Product's allocated BV by its allocated Points;

"Claim" means any claim, notice, demand, action, proceeding, litigation, investigation or judgement whether based in contract, tort, statute or otherwise;

"Club Benefits" means the club benefits set out in the Reward and Recognition Plan;

"Club 100 Member", "Club 500 Member", "Club 1000 Member", "Club 1500 Member" and "Club 6000 Member" (as the case may be) means a Member defined as such pursuant to the Reward and Recognition Plan;

"Coach" means a Member approved by us to carry out coaching, training and development of other Members pursuant to this Agreement, the Reward and Recognition Plan, the Training and Development Manual and any other guidelines we may specify from time to time;

"Code of Ethics" means the Code of Ethics published by us from time to time;

"Common Renewal Date" means 1st July of each year until changed by us;

"Conditions of Sale" means those conditions, set out on the reverse of the Membership Application, relating to the sale of Products by us;

MEMBERSHIP AGREEMENT

“Confidential Information” means any information disclosed in confidence to a Member whether imparted orally, by observation, in writing, or in the form of computer or electronic information and includes but is not limited to:

- (a) Omegatrend know-how, improvements, lists of Members and Sanden Brook Consumers and the Membership Tree or any part of it;
- (b) all other information relating to us, any Product and our brand equity, Business products, processes, Members and Sanden Brook Consumers and/or suppliers of ours which is or might reasonably be considered by us to be confidential, including without limiting the generality thereof, all technical data, specifications, diagrams, plans, drawings, sketches, designs, business plans, reports, business methods and systems, business records, and information relating to our operations;
- (c) lists of our other Consumers;
- (d) our Products, potential Products, marketing and advertising and promotional programs;
- (e) information relating to the Volume and Lines of Introduction of a Member's Business or any copies thereof;
- (f) any other information notified by us as confidential; and
- (g) any information created by you which incorporates or is derived from any information referred to in (a) to (f) above;

“Contact” means a person who you communicate with for the purpose of introducing them as a Downline Member or Sanden Brook Consumer or for the purpose of soliciting an Order from them;

“Contacting” means communicating with a Contact for the purpose of soliciting an Order or a Membership application;

“Convention Quarters” means 1st February to 30th April inclusively, 1st May to 31st July inclusively, 1st August to 31st October inclusively and 1st November to 31st January inclusively;

“Country of Operation” means any country in which we carry on business and in which we allow a Business to be carried on;

“Country of Registration” means the Country of Operation in which your Membership is registered by us;

“Creative Colour Workshop” means the Creative Colour Workshop designed and published by us from time to time;

“Cross-lining” means communicating with Members in another Business that is not in your Downline or Upline regarding any Business related issue where you do not have our prior consent;

“Determination” means a determination issued by us after an investigation of a complaint or dispute pursuant to the Guidelines for the Resolution of Disputes;

“Downline” means all Members and Sanden Brook Consumers appointed below you;

“Downline Member” means an Omegatrend Member in your Downline;

“DSA Code” means the Code of Ethics of the Direct Selling Association in your Country of Operation;

“ECM” means an Executive Club Member;

“ECM Induction Conference” means an ECM Induction Conference organised and hosted by us for the purposes of training and business skill development for new ECMs;

MEMBERSHIP AGREEMENT

“Eligible Person” means:

- (a) up to a maximum of two natural persons;
- (b) the partners in a Partnership;
- (c) the trustees of a Trust; or
- (d) a company or any other form of entity whose members or shareholders have limited liability;

“Executive Ambassador Member” means a Member defined as such under the Reward and Recognition Plan;

“Executive Bonuses and Benefits” means Bonuses payable under the Reward and Recognition Plan;

“Executive Club Agreement” means the Executive Club Agreement published by us from time to time;

“Executive Club In-Country Volume” means the Volume (that has been generated from Product sales in the same country as the Country of Registration of the Executive Club Member) in an Executive Club Member’s Business, down to but not including the First Downline Executive Club Member in each of their Business Lines but does not include Long Distance Volume;

“Executive Club Member” means a Member defined as such under the Reward and Recognition Plan;

“Executive Club Handbook” means the Executive Club Handbook published by us from time to time;

“Executive Club Order Volume” means the total Volume from Orders that are placed by an Executive Club Member and invoiced by us in a Bonus Period (please note that this definition includes Audio Program subscriptions that are paid for by Members from and including an Executive Club Member down to but not including the First Downline Executive Club Member in each Business Line);

“Executive Premiere Member” means a Member defined as such under the Reward and Recognition Plan;

“Executive Club Support Team” means the Executive Club Support Team established and administered by us in each Country of Operation for the purpose of assisting Executive Club Members in such countries;

“Executive Club Support Team Application Form” means the Executive Club Support Team Application Form we publish from time to time, including online versions;

“Executive Club Training” means the Executive Club Training devised by and implemented by us from time to time;

“First Downline” means the first Member below you in your Line of Introduction;

“First Upline” means the first Member above you in your Line of Introduction;

“First Downline Q21” means the First Downline Member in each Business Line in a Member’s Business who qualifies as a Q21 Member;

“Global Points” (“Points”) means the value assigned to a product that when accumulated at the end of a relevant recognition and/or Bonus Period determines the Recognition Levels & Bonuses, benefits and other entitlements a Member is entitled to receive including LD Points;

“Guidelines for the Resolution of Disputes” means the Guidelines for the Resolution of Disputes published by us from time to time;

MEMBERSHIP AGREEMENT

“Hostess” means the person who hosts a Workshop as distinct from the Workshop Specialist who runs a Workshop;

“Income Benefits” means all Bonuses and benefits available to Members under the Reward and Recognition Plan;

“In-Country Omegatrend Member” means a Member that has their Membership in the same Country of Operation as the Country of Operation of the Member whose volume is being measured;

“In-Country Volume” means the Volume that has been generated in a Member’s Business from Product sales in the same Country of Operation as the Country of Operation of Membership of the Member whose Volume is being measured, but does not include Long Distance Volume;

“Insolvency Event” means the occurrence of any of the following in relation to you:

- (a) an application is made, a resolution is passed or proposed in a notice of meeting, any corporate action is taken or any proceedings are commenced for the dissolution or reorganisation of you; or
- (b) any step is taken for the purpose of you entering into any assignment, arrangement or compromise with, or for the benefit of, your creditors generally or any class of them; or
- (c) a receiver, inspector, trustee, liquidator, provisional liquidator or analogous person is appointed or any application is made for such appointment in respect of you or your assets or the holder of any security interest or other encumbrancer takes possession of any of your assets;
- (d) any judgment or any execution, attachment, distress or other legal process is issued against or in respect of, or levied on, any part of your assets and is not discharged, stayed or satisfied within fourteen (14) days;
- (e) you:
 - (i) are unable to pay your indebtedness as it falls due or otherwise are insolvent or are presumed to be so under any law; or
 - (ii) stop or suspend or threaten to stop or suspend payment of, or a moratorium is declared on, any of your indebtedness;
- (f) any step is taken to appoint or with a view to appointing a statutory manager or any recommendation is made to appoint a statutory manager in respect of you or you are declared to be under statutory management under the law applicable in any Country of Operation in which you carry on a Business;
- (g) any step is taken to declare or with a view to declaring you to be a corporation at risk or you are declared to be a corporation at risk under the law applicable in any Country of Operation in which you carry on a Business; or
- (h) any event analogous in nature to those listed above under the laws of the relevant Country of Operation;

“Intellectual Property” means the Trade Marks, and all other intellectual property rights now and in the future:

- (a) belonging to us or our suppliers or licensors;
- (b) contained in or relating to our Business operations, the Products and our processes and systems;
- (c) contained in or relating to the Business Building Materials and Business Building Program;
- (d) contained in or relating to any documentation (in whatever form, including electronic) that we produce, or produced for us, including, without limitation, the Agreement, the Omegatrend brand;

MEMBERSHIP AGREEMENT

(e) created by you, or any third party engaged by you, in the course of, or for the purposes of, your Membership or this Agreement; and

for the purposes of this definition, intellectual property rights means all industrial and intellectual property rights existing anywhere in the world, including without limitation:

- (a) copyright and related rights;
- (b) rights in any invention, design, semi-conductor layout, circuit layout, trade mark or name, service mark, know how, rights in databases, trade secret, geographical indication, and any other rights of a similar nature;
- (c) patents, plant breeders' rights, the right to have confidential information kept confidential, protection against unfair competition, and any other rights of a similar nature, and
- (d) any application or right to apply for registration of these rights;

"Interest" means, for the purposes of this Agreement, any interest whether direct or indirect, including, but not limited to an interest held by a Related Body Corporate or Related Entity of you;

"Interim Manager" means a person approved by us, who has been appointed by a Member to manage, administer and operate the Member's Business;

"International Code of Conduct" means the International Code of Conduct produced by the World Federation of Direct Selling Associations;

"Introducing Member" means your First Upline Omegatrend Member;

"Invoiced" means the generation of an invoice or credit note against a Member's Account;

"Licensee" means a person granted an exclusive right to apply, use and benefit from the "Omegatrend System" (as defined in the agreement between the Licensee and us) to carry on business in a Country of Operation for the period set out in that agreement;

"Liability" means all liabilities (whether present, future or contingent), losses, damages, outgoings, costs and expenses of whatever description;

"Line of Introduction" means all Members and Sanden Brook Consumers Upline and Downline from a Member;

"Long Distance Bonus Value" ("LDBV") means all LDBV which forms part of Bonus Value (BV);

"Long Distance Points" ("LD Points") means all LD Points which forms part of Global Points (Points);

"Long Distance Contact Program" means a program designed to help Members who are introduced at long distance by providing support for all of their Business building endeavours through an active local Line of Introduction in the Country of Operation in which the Member is conducting their Business;

"Long Distance Introducing Member" means the Member noted as such on a Member's record for the purpose of determining the allocation of Long Distance Volume;

"Long Distance Member" means a Member introduced by a Long Distance Introducing Member;

"Long Distance Volume" ("LDV") means LD Points and LDBV generated as detailed in the Reward & Recognition Plan;

"Member" means any Eligible Person accepted for Membership of Omegatrend by us in accordance with the procedures set out in this Agreement who has the rights and privileges of a Member and whose appointment remains current, and, where the context permits, is referred to in this Agreement as "you";

MEMBERSHIP AGREEMENT

“Membership” means the collection of rights, privileges and responsibilities arising from being a Member;

“Membership Application” means the written form of application required by us when a person seeks to become a Member or Sanden Brook Consumer and includes the online version of such form;

“Membership Fee” means the fee determined by us from time to time in order for a person to be accepted as a Member;

“Membership Leader” means up to two natural persons appointed by a Member who are entitled to exercise, on behalf of the Member, all of the Member’s rights and obligations and to receive all of the benefits and entitlements (other than Global Points) in respect of the Member’s Business under this Agreement;

“Membership Tree” means the totality of Members and Sanden Brook Consumers worldwide in their respective Lines of Introduction;

“Multi-level Marketing” means the business and marketing system employed by a direct selling company whose representatives are paid based not only on their own product sales, but on the product sales of representatives who are below the relevant representatives in the direct selling company’s membership tree;

“Mediation Rules” means in:

- (a) Australia, the Leading Edge Alternative Dispute Resolvers’ (LEADR) Mediation Rules;
- (b) Malaysia, the Mediation Rules of the Malaysian Mediation Centre;
- (c) New Zealand, the Lawyers Engaged in Alternative Dispute Resolution (LEADR);
- (d) Singapore, the Mediation Procedure of the Singapore Mediation Centre (SMC); and
- (e) United States of America, the AAA Rules.

“Month” means a calendar Month;

“Monthly Bonus Period” means a Month. The Volume for a Monthly Bonus Period will be all Member transactions (including Top-up Orders) for the relevant Month;

“Notice” means a notice given in accordance with clause 28 of this Agreement;

“Notice of Complaint” means a notice of an alleged breach of the Code of Ethics given by a Member;

“Official Omegatrend Literature” means any literature published by us and includes, but is not limited to, Sanden Brook and Omegatrend product brochures, newsletters, price lists, audio tapes, video tapes, films, photographs, slides, overhead transparencies, computer generated images and data files and business manuals;

“Official Prices” means the prices for Products set and published by us from time to time;

“Omegatrend” means Omegatrend International and includes the Licensee appointed by Omegatrend International to manage our Business in each Country of Operation and, where the context permits, is referred to in this Agreement “us” or “we”;

“Omegatrend Audio Program” means the Audio Program we produce from time to time for sale to our Members;

“Omegatrend Business Presentation” means the Omegatrend Business Presentation developed for use in your Business and distributed by us from time to time;

“Omegatrend Coaching Pad” means the Omegatrend Coaching Pad we produce from time to time for sale to our Members;

MEMBERSHIP AGREEMENT

"Omegatrend International" means Omegatrend International Pty Ltd ACN 074 557 681;

"Omegatrend's website" means the official website maintained by us;

"Order" means an Order placed by any Sanden Brook Consumer or Member for Products available from us;

"Order Volume" means the total Volume derived from Orders that are placed and invoiced by us;

"Outside Volume" means a Member's Total Group Volume minus the Total Group Volume of all specified Businesses;

"Partnership" has the meaning ascribed to it under the law of the relevant Country of Operation;

"Personal Group Volume" means the Total Volume in a Member's Business down to but not including the First Downline Q21 Member in each Business Line;

"Personal Information" means any information which is personal information pursuant to the privacy laws of the relevant Country of Operation;

"Personal Purchases" means the total Volume generated from products purchased by a Member under their own Membership for their own personal consumption or use;

"Personal Volume" means the Total Volume in a Member's Business down to but not including each First Downline Omegatrend Member;

"Points:BV Ratio" means the value obtained by dividing a Product's allocated Global Points by its allocated BV;

"Poaching" means soliciting Members or potential applicants for Membership from another Member's Business that is not in your Upline or Downline for the purpose of having them join your Business;

"Premiere Club Member" means a Member defined as such under the Reward and Recognition Plan;

"Premiere Club Leadership Weekend" means a Premiere Club Leadership Weekend organised by us for the purposes of training and business skill development for Premiere Club Members;

"Presentation" means an Omegatrend Business Presentation, a Vital Skin Renewal Workshop, a Creative Colour Workshop or any other presentation or workshop approved by us;

"Presidential Club Member" means a Member defined as such under the Reward and Recognition Plan;

"Provisional Member" means a Member who has been accepted for Membership subject to a probation period imposed by us pursuant to this Agreement;

"Privacy Policy" means the Privacy Policy set out in the schedule to this Agreement, as amended by us from time to time;

"Products" means any products and/or services sold or promoted by us to Members and Sanden Brook Consumers and includes, but is not limited to, sales aids and promotional materials, Membership Packs, Business Materials Packs, Introductory Packs, Workshop Training Kits (including Vital Skin Renewal, Creative Colour and any Upgrade Packs), Workshop and Business Tools, Audio Subscriptions, or other products and services which are from time to time determined by us;

"Product Code" means the unique identifying number we assign to each of our Products;

"Q21 Member" means a Member defined as such under the Reward and Recognition Plan;

MEMBERSHIP AGREEMENT

"Quarterly Bonus Period" means a Convention Quarter and, for the avoidance of doubt, the Volume for a Quarterly Bonus Period will be all Orders placed by the relevant Member (including Top-up Orders) for the relevant Convention Quarter;

"Recognition Levels" means the Recognition Levels set out in the Reward & Recognition Plan;

"Related Body Corporate" means a body corporate related to another body corporate as defined pursuant to the company law of the Country of Operation in which the Member is conducting its Omegatrend Business or any term analogous to the term "related body corporate" under the law of any Country of Operation in which the Member conducts an Omegatrend Business;

"Related Entity" means, in relation to a Member, any company or other entity whose members enjoy limited liability, trust or partnership in which the Member has a beneficial interest or is a director, trustee or partner, any Related Body Corporate, and any company, entity whose members enjoy limited liability, trust or partnership in which the first mentioned entities have an Interest (whether alone or with others, or as trustee or otherwise), but without limiting the foregoing, does not include the Member's family, friends and associates;

"Renewal Application Form" means the renewal application form published by us, and includes any online version of such form;

"Renewal Fee" means the fee payable on Renewal of Membership determined by us from time to time;

"Restrictions" includes but is not limited to the following:

- (a) Requiring you to undertake such corrective action as we may specify. Corrective action may include, but is not limited to, withdrawing or changing inappropriate training materials and undertaking designated coaching.
- (b) Being placed on probation by us. Probation means that your right to be a Member continues subject to your compliance, over a period of time specified by us, with conditions specified by us.
- (c) Undertaking such publication as we deem necessary and/or shifting you and/or all or part of your Downline to a new position in the Membership Tree.
- (d) Notwithstanding anything in clause 21 of this Agreement, changing your Introducing Member or the Introducing Member of some or all of your Downline.
- (e) Such financial sanctions as we deem appropriate. These may include a suspension of bonuses, a requirement that you make a payment to another Member or a requirement that you repay Bonuses to us.
- (f) Suspension of a Member. We may suspend you by giving notice to you. Prior to suspension we may write to you advising of the acts or omissions about which we are concerned and requiring you to remedy matters to our satisfaction. The suspension shall be for such period and, subject to clause 9.2, shall be on such terms as we may advise you from time to time by notice in writing;

"Rewards and Recognition" means the rewards and recognition which you may earn pursuant to the Reward and Recognition Plan;

"Reward and Recognition Plan" means the Reward and Recognition Plan published by us from time to time;

"Sanden Brook Consumer" means a person who has been registered as such by us;

"Sanden Brook Shopping at Home Catalogue" means the Sanden Brook Shopping at Home Catalogue we distribute from time to time;

MEMBERSHIP AGREEMENT

"Sanden Brook Terms & Conditions" means the terms and conditions set out on the Membership Application;

"Sanden Brook Volume" means the Total Volume in a Member's Business and recorded against a Sanden Brook Consumer or Sanden Brook Consumers down to but not including each First Downline Member;

"Settlement Deed" means a Settlement Deed entered into pursuant to clause 7.4(a) of these Guidelines for the Resolution of Disputes;

"Stacking" means the practice of placing Members and Volume in certain positions within your Business for the purpose of manipulating the Reward and Recognition Plan where such positions do not accurately reflect who the original Contact and the Introducing Member were;

"Standardised BV" means the conversion (using currency exchange rates) of BV from all Countries of Operation to the currency of the country in which Omegatrend International is based;

"Structured Volume Bonuses" means any of the Structured Volume Bonuses payable under the Reward & Recognition Plan;

"Staff" means all of our employees;

"Suspension Notice" means a Notice issued by us pursuant to clause 7 of this Agreement pending an investigation;

"Team Position" means the Team Position in an Executive Club Support Team allocated to you by us;

"Termination" of a Member's Membership or (as the case may be) appointment to a particular position in the Membership Tree, means the complete revocation and cancellation of the Membership or appointment including the ability to receive any further income from, or generated by, the Membership or appointment arising after the date of termination;

"Top-up Orders" means a specific type of order, the volume of which belongs to the preceding Monthly Bonus Period. Top-up Orders can only be placed during the Top-up Period;

"Top-Up Period" means the day(s) in the early part of each Monthly Bonus Period (specifically allocated by Omegatrend) when Top-up Orders can be placed;

"Total Group Volume" means the total Volume in a Member's Business;

"Trade Marks" means the trade names and trade marks OMEGATREND and SANDEN BROOK (whether registered or unregistered) including but not limited to all associated brands, logos, get up, trade designs, and rights in respect of trade mark applications and registrations for any of the foregoing and any replacement or additional trade marks notified by us to you from time to time;

"Training and Development Plan" means the Training and Development Plan published by us from time to time;

"Tribunal" means any tribunal constituted by law in the relevant Country of Operation, or any equivalent entity;

"Trust" has the meaning ascribed to it under the law of the relevant Country of Operation;

"Upline" means those Members appointed prior to a Member in that Member's Line of Introduction, or where a change of line has been implemented, those Members who are above the Member who is subject to a change of line in the Membership Tree;

MEMBERSHIP AGREEMENT

“Vital Skin Renewal Workshop” means the Vital Skin Renewal Workshop designed and published by us from time to time;

“Volume” means the value (Global Points, BV, or currency) attributed to Products:

- (a) ordered from and invoiced by Omegatrend; and
- (b) purchased from Omegatrend Strategic Partners;

which we have received notice of and subsequently allocated to a Member's Business, including LD Points and LDBV;

“Working Day” means any day that we are open for business as notified to you in Official Omegatrend literature;

“Workshop” means a Vital Skin Renewal Workshop, a Creative Colour Workshop or any other Workshop authorised by us to be conducted by you;

“Workshop Receipt” means an official Workshop Receipt produced by us from time to time;

“Workshop Receipt Number” means the unique identifying number printed on Workshop Receipts by us;

“Workshop Specialist” means a Member who has been appointed as a Workshop Specialist by us and, where the context permits, is referred to in this Agreement as “you”;

“Workshop Specialist Agreement” means the Workshop Specialist Agreement published by us from time to time;

“Workshop Specialist Benefits” means the workshop specialist benefits payable under the Reward and Recognition Plan;

“Workshop Training Manual” means the Workshop Training Manual we produce from time to time for sale to our Members;

“Workshop Volume” means the total Volume (generated at a workshop and recorded on a workshop receipt pad) that is placed with and invoiced by us;

“World Discovery Seminar” means a World Discovery Seminar organised by us for the purposes of training and business skill development for Executive Premiere Members;

“Zone Leader” means a Member who has been appointed as a Zone Leader by us.

Clause 31.1 (Application of Definitions)

These Definitions apply to all of this Agreement, which for the avoidance of doubt, includes all of the documents listed in clause 3.1 of the Agreement.

Clause 31.2 (References)

Words importing the singular shall include the plural and vice versa, words importing a sex shall include other sexes, and references to a person shall be construed as references to an individual, firm, body corporate, governmental or local authority or agency.

Clause 31.3 (Omegatrend's Discretion)

Where this Agreement provides that we “may” do something, or “may” require something to be done, the discretion conferred on us is our sole, absolute and unfettered discretion.

Clause 31.4 (Statutory Rights Not Affected)

Notwithstanding anything in this Agreement, this Agreement is not intended (and should not be interpreted) to exclude, restrict or modify any right conferred by statute.

MEMBERSHIP AGREEMENT

Clause 31.5 (Currency)

All references to dollars are local dollars in your Country of Operation.

Clause 31.6 (Headings)

Clause headings are inserted for convenience of reference only and do not affect the interpretation of this Agreement.

Clause 31.7 (Derivative Words)

Derivatives of words defined in the Agreement have a corresponding meaning.

Clause 31.8 (Warranties etc.)

All warranties, representations, undertakings, indemnities, covenants, guarantees and obligations given, made or entered into by more than one person are given, made or entered into jointly and severally.

Clause 31.9 (Clause, Schedule and Agreement References)

Reference to a Clause or the Schedule are to be construed as references to a Clause of or the Schedule to this Agreement and references to this Agreement includes the documents mentioned in clause 3.1 of this Agreement.

Clause 31.10 (References to Statutes etc.)

References to any other statute, ordinance or other law shall include all regulations and other instruments thereunder and all consolidations, amendments, re-enactments or replacements thereof.

Clause 31.11 (Parties)

References to parties are references to this Agreement and include a reference to such parties, executors, administrators, successors and permitted assigns.

Clause 31.12 (Working Days)

Where anything is required by this Agreement to be given, made or done (as the case may be) on a day which is not a Working Day, it shall be done on the next day which is a Working Day.

FIRST SCHEDULE – PRIVACY POLICY

Clause 1 (Overview)

- 1.1 We respect the privacy and confidentiality of our Members and members of the public and acknowledge our obligations in relation to privacy.
- 1.2 We are authorised by Members to collect, use, hold, disclose and reuse information about Members for specific purposes.
- 1.3 We are authorised to disclose such information to our Members and linked service providers for use for purposes connected to our Business but not otherwise.
- 1.4 We store information about Members in a confidential way to avoid any unauthorised disclosure to any unauthorised person. Information is collected and held at the addresses listed in clause 8 of this Privacy Policy.
- 1.5 We may change this Privacy Policy from time to time. The changes will be published on our website (www.omegatrend.com).

MEMBERSHIP AGREEMENT

Clause 2 (Collection of Information)

- 2.1 Because of the unique way in which we conduct our Business, we collect information relating to Members and members of the public who are potential Members. We collect this information by a number of methods including:
 - (a) from our Members and Sanden Brook Consumers;
 - (b) from our Membership Application;
 - (c) using the Internet;
 - (d) using telephone;
 - (e) using facsimile; and
 - (f) using email.
- 2.2 We do not collect personal information about any individual person without the consent of that individual unless such information is publicly available, and only when the information is necessary for our Business.
- 2.3 We collect personal information only by lawful and fair means and all information provided to us is provided voluntarily with individuals made aware of any consequences that may result from their failure to provide such information.
- 2.4 We collect the name, address, contact details, age, ABN and GST information, company details (if relevant), and banking details of all of our Members. We also keep a record of all of our commercial transactions with our Members. This information is required for the purpose of maintaining a database, communicating with Members and for the purpose of conducting transactions with our Members and linked service providers.
- 2.5 We occasionally conduct voluntary surveys to collect information about our Members. At the time of conducting such surveys we will obtain the necessary authority to collect, store and use personal information in accordance with privacy laws;
- 2.6 You may elect not to provide the information referred to in clauses 2.4 and 2.5. However, if you do so, the following consequences may occur:
 - (a) we may not be able to pay your or other Members' Bonuses, benefits or entitlements;
 - (b) we may not be able to provide Products as requested; and
 - (c) we may not be able to carry on our Business efficiently or effectively; or
 - (d) we may not be able to carry on our Business at all;

Clause 3 (Information Held by Omegatrend)

- 3.1 You are eligible to gain access to and have the right to correct your personal information, by any of the following methods:
 - (a) by contacting your Executive Club Member who in turn will contact us;
 - (b) by posting a message on our website;
 - (c) by sending an email;
 - (d) by telephoning;
 - (e) by facsimile;
 - (f) by sending a letter to the relevant address contained in clause 8.

MEMBERSHIP AGREEMENT

- 3.2 You are eligible to view the information held about you by us and make representations and suggestions regarding the accuracy of that information.
- 3.3 Readily retrievable personal information about you will be made available to you free of charge. Where you request details of your personal information and the information requested is not readily retrievable we may charge a reasonable fee for the cost of accessing or retrieving that information. Note that in terms of privacy laws, we are not required to provide access to personal information in certain situations, but if we refuse access, we will give you our reasons for doing so.

Clause 4 (Disclosure of Information)

- 4.1 We only provide information about our Members to linked service providers for the purposes set out in clause 2.4.
- 4.2 We will seek your consent before we disclose any personal information about you for purposes other than those expressed in clauses 1.3, 2.4 and 4.1.
- 4.3 Where personal information is disclosed to linked service providers or other third parties in accordance with this Privacy Policy we shall use reasonable endeavours to ensure that such persons have in place, and undertake to comply with, a policy substantially similar to the terms of this Privacy Policy or as otherwise required by law from time to time.

Clause 5 (Accuracy of Information)

- 5.1 We will assume that all information that we collect about a Member or potential Member is accurate and up to date unless and until advised otherwise.

Clause 6 (Electronic Communications – Do we use Cookies?)

- 6.1 Where means of electronic communication are used, we use cookies in a limited manner when you visit our website. Cookies are not used by us to collect and store your personal information other than as stated in this clause.
- 6.2 A “cookie” is a small file that is downloaded from our website and stored on a text file on your hard drive. The information is made up of a string of letters and numbers which uniquely identifies your computer and any user name or password that you may have already registered on our website.
- 6.3 If at any time you do not wish to accept cookies or wish to delete existing cookies, you may manually configure your internet browser to refuse cookies or to delete existing cookies from your computer's hard drive. However by refusing to accept or by deleting cookies, you may frustrate or hinder your access to or use of areas of our website.

Clause 7 (Security of Your Personal Information)

- 7.1 We take reasonable steps to protect any personal information held by us from misuse and loss and from unauthorised access, modification or disclosure, and will ensure that linked service providers do likewise where your personal information is disclosed by us to such service providers. Once your personal information is no longer needed, we take reasonable steps to destroy or permanently ensure that it cannot be used to identify you.
- 7.2 Electronic mail (Email) and the Internet or postal means of communication may not always be secure and it is possible that messages and information may not reach the intended recipient or are intercepted by unintended recipients. We cannot be held responsible for the security or confidentiality of any information sent to us by email or over the Internet, or by using postal means of communication.

MEMBERSHIP AGREEMENT

Clause 8 (How To Contact Omegatrend)

8.1 Omegatrend Australia's contact details are as follows:

Address 1 Outridge Crescent
Subiaco WA 6008
Phone (08) 62630200
Facsimile (08) 62630299
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8.2 Omegatrend Malaysia's contact details are as follows:

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8.3 Omegatrend New Zealand's contact details are as follows:

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8.4 Omegatrend Singapore's contact details are as follows:

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EXECUTIVE CLUB AGREEMENT

PART A – INTRODUCTION

1.	BACKGROUND INFORMATION	53
2.	THE OMEGATREND MEMBERSHIP AGREEMENT	53
	Clause 2.1 This Executive Club Agreement Forms Part of Agreement	53
	Clause 2.2 Inconsistency Between This Executive Club Agreement and the Agreement	53

PART B – OBTAINING A POSITION WITH AN EXECUTIVE CLUB SUPPORT TEAM

3.	HOW TO OBTAIN A POSITION WITH AN EXECUTIVE CLUB SUPPORT TEAM	53
	Clause 3.1 Eligibility	53
	Clause 3.2 Appointment and Eligibility for Subsidies etc	53
	Clause 3.3 Term of Position on an Executive Club Support Team	54
	Clause 3.4 We Can Impose Restrictions Suspend or Terminate	54
	Clause 3.5 Termination of your Appointment to an Executive Club Support Team	54

PART C – ENTITLEMENTS AND RESPONSIBILITIES

4.	ENTITLEMENTS	54
5.	SPECIFIC RESPONSIBILITIES	54

PART D – MISCELLANEOUS

6.	MISCELLANEOUS	55
	Clause 6.1 We May Amend this Agreement	55
	Clause 6.2 Approval for Amendments	55
	Clause 6.3 Notices	55

EXECUTIVE CLUB AGREEMENT

PART A – INTRODUCTION

1. BACKGROUND INFORMATION

This Executive Club Agreement sets out the specific terms and conditions regulating the relationship between us and our Members who are appointed to a position with an Executive Club Support Team. You acknowledge and agree that having accepted appointment by us to an Executive Club Support Team by signing this Executive Club Agreement you are bound by the terms and conditions of this Executive Club Agreement.

This Executive Club Agreement will be enforced by the Licensee for the Country of Operation in which you conduct your Business, and in accordance with the policies set by Omegatrend International from time to time.

2. THE OMEGATREND MEMBERSHIP AGREEMENT

Clause 2.1 (This Executive Club Agreement Forms Part of Agreement)

This Executive Club Agreement forms part of the Agreement and should be read together with the Agreement; you acknowledge and agree that you are bound by all of the Agreement including, but in no way limited to, the obligations in relation to the Privacy Policy and the provisions regarding Confidential Information.

Clause 2.2 (Inconsistency Between This Executive Club Agreement and the Agreement)

The parties acknowledge and agree that where there is any inconsistency between this Executive Club Agreement, the Executive Club Handbook and the Agreement, the provisions of the Agreement will prevail over the provisions of this Executive Club Agreement and the Executive Club Handbook.

PART B – OBTAINING A POSITION WITH AN EXECUTIVE CLUB SUPPORT TEAM

3. HOW TO OBTAIN A POSITION WITH AN EXECUTIVE CLUB SUPPORT TEAM

Clause 3.1 (Eligibility)

You are eligible to be appointed to a position on an Executive Club Support Team if you:

- (a) qualify as an ECM under the Reward and Recognition Plan;
- (b) have completed Executive Club Training and have advised us accordingly;
- (c) have completed and signed the Executive Club Support Team Application Form; and
- (d) have not been convicted of a criminal offence which in our opinion would be grounds for rejecting your application.

You acknowledge and warrant to us that you have fully satisfied and complied with the criteria set out in this clause 3.1. You agree that you are liable for all and any loss or liability that may accrue to you or us where you are found to have breached this clause 3.1.

Clause 3.2 (Appointment and Eligibility for Subsidies etc)

Provided that you have first satisfied the criteria listed in clause 3.1, we may appoint you to a position on an Executive Club Support Team. You acknowledge and agree that you will only be eligible to earn benefits and Bonuses which are payable to Members who hold a position on such a team under the Reward and Recognition Plan, from the time that you have been allocated a Team Position by us.

EXECUTIVE CLUB AGREEMENT

Clause 3.3 (Term of Position on an Executive Club Support Team)

Subject to clauses 3.4 and 3.5 of this Agreement, once you have been appointed to a position on an Executive Club Support Team, you will remain in that position provided that you continue to meet the criteria specified in the Executive Club Handbook.

You acknowledge and agree that your position on an Executive Club Support Team may be evaluated by us from time to time according to the criteria specified in the Executive Club Handbook.

Clause 3.4 (We Can Impose Restrictions Suspend or Terminate)

Without prejudice to our other rights and remedies under the Agreement, you acknowledge and agree that we may, at any time, impose Restrictions on your Membership or suspend or terminate your Membership as a result of disciplinary procedures or a breach by you of this Executive Club Agreement or any other part of the Agreement.

We will provide Notice of any such Restrictions, suspension or termination to you. You will be bound by such Restrictions, suspension or termination from the time that the Notice is delivered.

Clause 3.5 (Termination of your Appointment to an Executive Club Support Team)

- (a) If your Membership under the Agreement is terminated, then your appointment to a position on an Executive Club Support Team is automatically terminated.
- (b) In addition to our other rights and remedies under the Agreement, we may pursuant to clause 7.4 of the Agreement, suspend or terminate your appointment to a position on an Executive Club Support Team at any time without terminating your Membership under the Agreement. Where we do so, we must give Notice to you of the suspension or termination, and such Notice may include details of our reasons for the decision to suspend or terminate your appointment to a position on an Executive Club Support Team, whichever is applicable. Such rights of suspension and/or termination are subject to the rights set out in the Guidelines for the Resolution of Disputes.

PART C – ENTITLEMENTS AND RESPONSIBILITIES

4. ENTITLEMENTS

You have the right to:

- (a) Describe yourself as holding a position on an Executive Club Support Team in accordance with this Executive Club Agreement; and
- (b) Receive entitlements available to you under the Reward and Recognition Plan.

5. SPECIFIC RESPONSIBILITIES

You acknowledge and agree at all times during your appointment pursuant to this Executive Club Agreement you must comply with the obligations, and may, subject to our right to impose Restrictions or suspend your Membership, have the rights recorded in the Executive Club Handbook. You further acknowledge and agree that breach by you of this Executive Club Agreement or the Executive Club Handbook will entitle us to impose Restrictions on, or suspend or terminate, either your appointment hereunder, or your Membership.

EXECUTIVE CLUB AGREEMENT

PART D – MISCELLANEOUS

6. MISCELLANEOUS

Clause 6.1 (We May Amend this Agreement)

We have a sincere interest in your wellbeing and fully support your genuine attempts to build a successful Business. We may from time to time, but subject to clause 6.2, amend this Executive Club Agreement. We will administer this Executive Club Agreement in a spirit of fairness and may consult senior Members selected by us before we make any such amendments. We will give you thirty (30) Working Days Notice of any such amendment.

Clause 6.2 (Approval for Amendments)

Where this Executive Club Agreement is governed by Malaysian law, any amendment or alteration to this Executive Club Agreement must be furnished to the Controller of Direct Sales in writing, duly verified by a statutory declaration made by a Director of Omegatrend, within three (3) Months of the making of such amendment or alteration.

Clause 6.3 (Notices)

Notices required to be given pursuant to this Executive Club Agreement must be given in accordance with clause 28 of the Agreement.

WORKSHOP SPECIALIST AGREEMENT

PART A – INTRODUCTION

1.	BACKGROUND INFORMATION	57
2.	WORKSHOP SPECIALIST AGREEMENT	57
	Clause 2.1 This Workshop Specialist Agreement Forms Part of the Agreement	57
	Clause 2.2 Inconsistency Between This Workshop Specialist Agreement and the Agreement	57

PART B – BECOMING A WORKSHOP SPECIALIST

3.	HOW TO BECOME A WORKSHOP SPECIALIST	57
	Clause 3.1 Eligibility	57
	Clause 3.2 Appointment	58
	Clause 3.3 Term as a Workshop Specialist	58
	Clause 3.4 Omegatrend Can Impose Conditions	58
	Clause 3.5 Termination as a Workshop Specialist	58

PART C – ENTITLEMENTS OF WORKSHOP SPECIALISTS

4.	GENERAL GUIDELINES FOR WORKSHOP SPECIALISTS	58
-----------	--	-----------

PART D – OMEGATREND'S OBLIGATIONS

5.	REWARDS AND OTHER SUPPORT	59
	Clause 5.1 Reward	59
	Clause 5.2 Other Support	59

PART E – MISCELLANEOUS

6.	MISCELLANEOUS	60
	Clause 6.1 We May Amend this Agreement	60
	Clause 6.2 Approval for Amendments	60
	Clause 6.3 Notices	60

WORKSHOP SPECIALIST AGREEMENT

PART A – INTRODUCTION

1. BACKGROUND INFORMATION

This Workshop Specialist Agreement sets out the specific terms and conditions regulating the relationship between us and those Members who are eligible for and who are appointed by us to be a Workshop Specialist. By signing this Workshop Specialist Agreement, you acknowledge and agree that you have accepted appointment by us as a Workshop Specialist and are bound by the terms and conditions of this Workshop Specialist Agreement.

2. WORKSHOP SPECIALIST AGREEMENT

Clause 2.1 (This Workshop Specialist Agreement Forms Part of the Agreement)

This Workshop Specialist Agreement forms part of the Agreement and should be read together with the Agreement. You acknowledge and agree that you are bound by the Agreement, which includes, for the avoidance of doubt, all of the documents set out in clause 3 thereof.

Clause 2.2 (Inconsistency Between This Workshop Specialist Agreement and the Agreement)

The parties acknowledge and agree that where there is any inconsistency between this Workshop Specialist Agreement and the Agreement, the provisions of the Agreement will prevail over the provisions of this Workshop Specialist Agreement.

PART B – BECOMING A WORKSHOP SPECIALIST

3. HOW TO BECOME A WORKSHOP SPECIALIST

Clause 3.1 (Eligibility)

You are eligible to become a Workshop Specialist if you:

- (a) have been recognised as a Club 100 Member by us; and
- (b) have obtained the approval of your Upline ECM and your Upline Executive Premiere Member to receive training in Vital Skin Renewal Workshops, Creative Colour Workshops and/or any other workshop program developed by us and which we require you to receive training in; and
- (c) have purchased a Vital Skin Renewal training kit, Creative Colour training kit and/or any other training kit developed by us and which we require you to purchase; and
- (d) have completed training from your Upline Executive Premiere Member or Zone Leader in Vital Skin Renewal Workshops, Creative Colour Workshops or any other program developed by us and which we require you to undertake training in; and
- (e) have not been convicted of a criminal offence and there are no other circumstances which in our opinion would be grounds for rejecting your application.

You acknowledge and warrant to us that you have fully satisfied and complied with the criteria set out in this clause 3.1. You agree that you are liable for all and any loss or liability that may accrue to you or us where you are found to have breached this clause 3.1.

WORKSHOP SPECIALIST AGREEMENT

Clause 3.2 (Appointment)

Provided that you have satisfied the criteria set out in clause 3.1 of this Workshop Specialist Agreement we may offer you a position as a Workshop Specialist. By signing and returning such offer to us you acknowledge and agree that you have accepted appointment by us as a Workshop Specialist. Your appointment will be effective from the date of your signature on the offer of appointment.

Clause 3.3 (Term as a Workshop Specialist)

Subject to clauses 3.4 and 3.5 of this Workshop Specialist Agreement, once you have been appointed as a Workshop Specialist in terms of clause 3.2, you may remain a Workshop Specialist for so long as you remain a Member.

Clause 3.4 (Omegatrend Can Impose Conditions)

Without prejudice to our other rights and remedies under the Agreement, you acknowledge and agree that we may, at any time, impose Restrictions on you or suspend or terminate your Membership as a result of disciplinary procedures or a breach by you of this Workshop Specialist Agreement or any other part of the Agreement.

We will provide Notice of any such conditions (including but not limited to Restrictions) to you. You will be bound by such conditions from the time that you are deemed pursuant to clause 28 of the Agreement to have received such Notice.

Clause 3.5 (Termination as a Workshop Specialist)

- (a) If your Membership under the Agreement is terminated, then your appointment as a Workshop Specialist is automatically terminated.
- (b) In addition to our other rights and remedies under the Agreement, we may pursuant to clause 7.4 of the Agreement, suspend or terminate your appointment as a Workshop Specialist at any time without terminating your Membership under the Agreement. Where we do so, we must give Notice to you of the suspension or termination, and such Notice may include details of our reasons for the decision to suspend or terminate your appointment as a Workshop Specialist, whichever is applicable. Such rights of suspension and/or termination are subject to the rights set out in the Guidelines for the Resolution of Disputes.

PART C – ENTITLEMENTS OF WORKSHOP SPECIALISTS

You have the right but are not obliged to:

- (a) conduct designated Workshops for which you have been trained and accredited by us;
- (b) describe yourself as being a Workshop Specialist in accordance with this Workshop Specialist Agreement; and
- (c) receive the benefits available to you as a Workshop Specialist under the Reward and Recognition Plan.

4. GENERAL GUIDELINES FOR WORKSHOP SPECIALISTS

You acknowledge and agree with us that, in addition to your general responsibilities under clause 11 of the Agreement, you:

- (a) **(Conduct)** must conduct Workshops in the manner in which you have been trained and accredited to do so;

WORKSHOP SPECIALIST AGREEMENT

- (b) **(Promotion)** must carry on a promotional program as outlined and coordinated by us;
- (c) **(No On-Sale)** are not authorised to purchase Products from us for on-sale, with the intention that you will not engage in inventory loading or similar practices;
- (d) **(Official Prices)** must not collect payment for Products at prices above the Official Prices;
- (e) **(Report Claims and Complaints)** must immediately inform us if you know of any claim or complaint, or potential claim or complaint, against us, or arising out of any Workshop, and if requested by us must provide a full written report of any such claims or complaints, whether actual or potential. All such claims and complaints should be forwarded to us via your Upline ECM unless you yourself are an ECM;
- (f) **(Follow Directions)** must use all procedures and techniques as we publish from time to time and obtain such consents and do all things as we may specify from time to time in fulfilling your responsibilities as a Workshop Specialist;
- (g) **(False or Misleading Statements)** must not make any representation, statement or warranty about us or the Products which are, or are capable of being, false, misleading or deceptive;
- (h) **(Verification of Hostess Gift Entitlements)** must ensure that, where gifts are claimed from us for a qualifying Hostess, the Hostess does in fact qualify for the gift in accordance with guidelines published by us from time to time. Where such a claim is received by us, you are deemed to have warranted and certified that this is the case. Quoting hostess gift entitlements when they are not due, may lead to termination of this Workshop Specialist Agreement by us; and
- (i) **(Workshop Receipts)** must ensure that all participants in a Workshop who place an Order receive an individual Workshop Receipt for each Order placed. Orders generated from Workshops will only be processed by us if they are accompanied by a Workshop Receipt Number when the Orders are entered online.

PART D – OMEGATREND'S OBLIGATIONS

5. REWARDS AND OTHER SUPPORT

Clause 5.1 (Reward)

We will reward you pursuant to the Reward and Recognition Plan.

Clause 5.2 (Other Support)

We may:

- (a) **(Official Omegatrend Literature)** make Official Omegatrend Literature available to you to assist you in the conduct of Workshops;
- (b) **(Incentives)** provide incentives to qualifying Hostesses/Hosts who allow you to conduct designated Workshops;
- (c) **(Convene Workshop Specialist Meetings)** organise meetings for you relating to the conduct of designated Workshops for you to attend at your cost; and
- (d) **(Training Programs)** develop and organise training programs for you in order to instruct you on the methods used to conduct designated Workshops.

WORKSHOP SPECIALIST AGREEMENT

PART E – MISCELLANEOUS

6. MISCELLANEOUS

Clause 6.1 (We May Amend this Agreement)

We have a sincere interest in your wellbeing and fully support your genuine attempts to build a successful Business. We may from time to time, but subject to clause 6.2, amend this Workshop Specialist Agreement. We will administer this Workshop Specialist Agreement in a spirit of fairness and may consult senior Members selected by us before we make any such amendments. We will give you thirty (30) Working Days Notice of any such amendment.

Clause 6.2 (Approval for Amendments)

Where this Workshop Specialist Agreement is governed by Malaysian law, any amendment or alteration to this Workshop Specialist Agreement must be furnished to the Controller of Direct Sales in writing, duly verified by a statutory declaration made by a Director of Omegatrend, within three (3) Months of the making of such amendment or alteration.

Clause 6.3 (Notices)

Notices required to be given pursuant to this Workshop Specialist Agreement must be given in accordance with clause 28 of the Agreement

REWARD AND RECOGNITION PLAN

PART 1 – INTRODUCTION

1.1	Reward And Recognition Plan Binds Members	63
1.2	Commencement	63
1.3	General Notes	63
1.4	International Implications	63
1.5	Long Distance Volume	64
1.6	Automatic Top-Up Volume	66

PART 2 – RECOGNITION LEVELS

2.1	General Notes	66
2.2	Business Builders' Club	66
2.3	Foundation Club	67
2.3.1	Foundation Club 100	67
2.3.2	Foundation Club 500	67
2.3.2	Foundation Club 1000	67
2.4	Executive Club	68
2.4.1	Executive Club 1500	68
2.4.2	Executive Club 2500	68
2.4.3	Executive Club 4000	68
2.4.4	Executive Club 6000	69
2.5	Q21 Member	69
2.6	Premiere Club	69
2.7	Executive Premiere	69
2.8	Ambassador Club	69
2.9	Executive Ambassador	70
2.10	Presidential Club	70

PART 3 – STRUCTURED VOLUME BONUSES

3.1	Personal Group Bonus	70
3.2	6% Downline Q21 Bonus	71
3.3	1.5% Throughline Q21 Bonus	72
3.4	1% Throughline Q21 Bonus	73
3.5	0.5% Ambassador Bonus	74
3.6	0.5% Presidential Bonus	75
3.7	One-Off Presidential Bonus	76
3.8	1% Downline Presidential Bonus	76

PART 4 – EXECUTIVE BONUSES

4.1	5% Executive Club Bonus	77
4.2	2% Executive Premiere Bonus	78
	3.5% Executive Ambassador Bonus	78
	2% Presidential Bonus	78

REWARD AND RECOGNITION PLAN

PART 5 – INCOME SUBSIDIES

5.1	Foundation Club 500 Income Subsidy	78
5.2	Foundation Club 1000 Income Subsidy	78
5.3	Executive Club Income Subsidies	79
5.4	Premiere Club Income Subsidies	79
5.5	Ambassador Club Income Subsidies	81

PART 6 – WORKSHOP SPECIALIST BONUS

6.1	Workshop Specialist Bonus	83
-----	---------------------------	----

PART 7 – CLUB BENEFITS

7.1	Executive Club	83
7.2	Premiere Club	84
7.2.1	Initial Club Benefits	84
7.2.2	Additional Club Benefits	84
7.3	Ambassador Club	85
7.4	Presidential Club	85
7.4.1	Initial Club Benefits	85
7.4.2	Additional Club Benefits	85

PART 8 – DEFINITIONS

8.1	Definitions	86
8.2	Membership Agreement Terms	86

REWARD AND RECOGNITION PLAN

PART 1 – INTRODUCTION

1.1 REWARD AND RECOGNITION PLAN BINDS MEMBERS

This Reward and Recognition Plan sets out the terms and conditions of the rewards & recognitions available to Members. It forms part of the Agreement and should be read in conjunction with the Agreement. By signing the Membership Application you agree to be bound by the terms and conditions of this Reward and Recognition Plan.

1.2 COMMENCEMENT

This version of the Reward and Recognition Plan takes effect on 1st February 2004.

1.3 GENERAL NOTES

- 1.3.1** Unless stated otherwise, in order to qualify for the Rewards & Recognitions Levels outlined in this Reward and Recognition Plan a Member must have a Personal Volume of at least 30 Points In-Country Volume in the relevant Bonus Period:
- 1.3.2** Members will not be paid a Bonus on their Personal Purchases. Therefore the BV of a Member's Personal Purchases will, for the purpose of calculating Bonuses, be included in the Personal Volume of their first upline Member.
- 1.3.3** All Reward and Recognition Level calculations are based on Volume in the manner outlined in this Reward and Recognition Plan for each Recognition Level and Bonus.
- 1.3.4** When you owe money to us, you agree that we have the right to deduct the total amount owing from all amounts owing to you as and when they become payable.
- 1.3.5** Where Orders are cancelled or products are returned, we reserve the right to reclaim any monies paid by way of Bonuses, Club Benefits or any other Rewards.
- 1.3.6** Both you and we acknowledge and agree that where there is any inconsistency between this Reward and Recognition Plan and the Agreement, the provisions of the Agreement will prevail over the provisions of this Reward and Recognition Plan.

1.4 INTERNATIONAL IMPLICATIONS

- 1.4.1** Under the Agreement, a Member is restricted to developing a Business in our Countries of Operation.
- 1.4.2** In an endeavour to create similar purchasing power from Rewards paid to a Member (based upon the country in which a Member lives) we may have different BV/Points Ratios in each Country of Operation.
- 1.4.3** Members will be paid all Rewards under this Reward and Recognition Plan in the currency of the Country of Operation in which their Membership is registered.
- 1.4.4** Unless specifically stated otherwise, all Points and BV will flow Upline through a Member's Line of Introduction, regardless of the Country of Operation from which it was generated.
- 1.4.5** In general terms the Bonus Value (BV) is an expression in the local currency of the Country of Operation in which a product is sold. Therefore when BV flows to a Member who lives in a Country of Operation that is different to the Country of Operation in which the product was sold, a foreign exchange rate adjustment will be made by us. On the other hand Global Points (Points) are not an expression in local currency and therefore when Points flow to a Member who lives in a Country of Operation that is different to another Country of Operation in which the product was sold, a foreign exchange rate adjustment will not be made.

REWARD AND RECOGNITION PLAN

1.5 LONG DISTANCE VOLUME (LDV)

Long Distance Volume is generated when a Member has both an Introducing Member and a Long Distance Introducing Member; or anyone in the Member's Upline has a Long Distance Introducing Member.

1.5.1 When a Member has a Long Distance Introducing Member the Long Distance Volume (LDBV) will be:

- (a) 15% of the Personal Volume (BV) of that Member and each of their Downline Members down to, but not including, the First Downline Member in each Business who also has a Long Distance Introducing Member.

NOTE: The 15% is in addition to the BV that is attached to a product.

1.5.2 Long Distance Volume (LDBV) generated in a particular Monthly Bonus Period will not count as Volume for that Monthly Bonus Period, but rather will be allocated and count as Volume in the next Monthly Bonus Period e.g. Long Distance Volume generated in the March Bonus Period will be allocated and counted as Volume in the April Bonus Period.

1.5.3 Long Distance Volume (LDBV) will be allocated to Members after the Bonus Calculation Date. This allocation will be done according to one of the following five methods (whichever one applies first):

- (a) If the Long Distance Introducing Member is a Presidential Club Member who achieved Presidential Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation:
 - (i) 100% to the Personal Volume (LDBV) of the Long Distance Introducing Member.
- (b) If the Long Distance Introducing Member is an Ambassador Club Member who achieved Ambassador Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation:
 - (i) 95% to the Personal Volume (LDBV) of the Long Distance Introducing Member; and
 - (ii) 5% to the Personal Volume (LDBV) of the First Upline Presidential Club Member who achieved Presidential Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation.
- (c) If the Long Distance Introducing Member is a Q21 Member who qualified as such in the Month immediately preceding the Month of allocation:
 - (i) 85% to the Personal Volume (LDBV) of the Long Distance Introducing Member; and
 - (ii) 10% to the Personal Volume (LDBV) of the First Upline Ambassador Club Member who achieved Ambassador Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation; and
 - (iii) 5% to the Personal Volume (LDBV) of the First Upline Presidential Club Member who achieved Presidential Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation.

REWARD AND RECOGNITION PLAN

- (d) If the Long Distance Introducing Member is an Executive Club Member in the Month immediately preceding the Month of allocation:
 - (i) 70% to the Personal Volume (LDBV) of the Long Distance Introducing Member; and
 - (ii) 15% to the Personal Volume (LDBV) of the First Upline Q21 Member who qualified as such in the Month immediately preceding the Month of allocation; and
 - (iii) 10% to the Personal Volume (LDBV) of the First Upline Ambassador Club Member who achieved Ambassador Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation; and
 - (iv) 5% to the Personal Volume (LDBV) of the First Presidential Club Member who achieved Presidential Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation.
- (e) If the Long Distance Introducing Member is less than an Executive Club Member in the Month immediately preceding the Month of allocation:
 - (i) 40% to the Personal Volume (LDBV) of the Long Distance Introducing Member; and
 - (ii) 30% to the Personal Volume (LDBV) of the First Upline Executive Club Member in the Month immediately preceding the Month of allocation; and
 - (iii) 15% to the Personal Volume (LDBV) of the First Upline Q21 Member who qualified as such in the Month immediately preceding the Month of allocation; and
 - (iv) 10% to the Personal Volume (LDBV) of the First Upline Ambassador Club Member who achieved Ambassador Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation; and
 - (v) 5% to the Personal Volume (LDBV) of the First Upline Presidential Club Member who achieved Presidential Club Recognition Level and Volume in at least three (3) Monthly Bonus Periods in the twelve (12) Months immediately preceding the Month of allocation.

NOTE:

1. When Long Distance Volume (LDBV) is allocated to a Member, then that Member will also have LD Points allocated on the basis set out as follows:

**Long Distance Volume (LDBV) being allocated
to a Members' Personal Volume**

**Average BV/Points Ratio in the Members'
Country of Operation for the Monthly Bonus
Period immediately preceding allocation**

REWARD AND RECOGNITION PLAN

1.6 AUTOMATIC TOP-UP VOLUME (ATV)

A Member who has been allocated LD Points and who qualified as a Q21 Member in the Month immediately preceding the Month in which the LD Points are allocated, will be automatically allocated LD Points treated as Automatic Top-Up Volume (ATV) on the following basis:

- Step 1:** Sufficient Points and BV to take all Volume outside Business 1 to 2200 Points
- Step 2:** Sufficient Points and BV to take Business 1 to 6,000 Points
- Step 3:** Sufficient Points and BV to take Business 2 to 3,000 Points
- Step 4:** Sufficient Points and BV to take all Volume outside Business 1 and 2 to 1,500 Points
- Step 5:** Sufficient Points and BV to take Business 2 to 6,000 Points
- Step 6:** Sufficient Points and BV to take Business 3 to 6,000 Points
- Step 7:** Sufficient Points and BV to take Business 4 to 6,000 Points
- Step 8:** Sufficient Points and BV to take all Volume outside Business 1, 2, 3 and 4 to 3,000 Points
- Step 9:** Sufficient Points and BV to take Business 5 to 6,000 Points
- Step 10:** Sufficient Points and BV to take Business 6 to 6,000 Points
- Step 11:** Thereafter sufficient Points and BV to take Business 7, 8, etc each to 6,000 Points

PART 2 – RECOGNITION LEVELS

2.1 GENERAL NOTES

The Recognition Levels that are available to a Member are as set out in this Part 2.

Once a Member achieves one of the following Recognition Levels, the Member is always identified as being at that Recognition Level for recognition purposes only.

However, all Rewards under this Reward & Recognition Plan are paid according to the combined Recognition Level, Volume and other specific requirements (if any) within the specified Bonus Period.

A Member will not be recognised at an Official Omegatrend Function until official notification of achieving the Recognition Level has been received from us.

2.2 BUSINESS BUILDERS' CLUB:

A Member who in a Quarterly Bonus Period achieves the following:

- a) Completes ten (10) or more Business Presentations in each Month of the Convention Quarter (the Member claiming a Recognition Level will need to have their coach verify, to our satisfaction, that they actually did these presentations); and
- b) Personal Volume of at least 30 Points In-Country Volume in each Monthly Bonus Period of the Convention Quarter.

REWARD AND RECOGNITION PLAN

2.3 FOUNDATION CLUB

A Member who achieves any of the following Recognition Levels:

- i. Foundation Club 100
- ii. Foundation Club 500
- iii. Foundation Club 1000

2.3.1 Foundation Club 100

A Member who achieves the following in the same Monthly Bonus Period:

- (a) Sanden Brook Volume of at least 50 Points; and
- (b) Total Group Volume of at least 100 Points In-Country Volume

2.3.2 Foundation Club 500

A Member who achieves the following in the same Monthly Bonus Period:

- (a) Sanden Brook Volume of at least 50 Points; and
- (b) Total Group Volume of at least 500 Points In-Country Volume and at least three (3) In-Country Members (not including themselves). Both the Total Group Volume and the Members are to be derived as follows:
 - I. Business 1 – at least 100 Points In-Country Volume and one (1) In-Country Member; and
 - II. Business 2 – at least 100 Points In-Country Volume and one (1) In-Country Member; and
 - III. Outside Volume – at least 100 Points In-Country Volume and one (1) In-Country Member.

2.3.3 Foundation Club 1000

A Member who achieves the following in the same Monthly Bonus Period:

- (a) Sanden Brook Volume of at least 50 Points; and
- (b) Total Group Volume of at least 1000 Points In-Country Volume and nine (9) In-Country Members (not including themselves). Both the Total Group Volume and the Members are to be derived as follows:
 - i. Business 1 – at least 250 Points In-Country Volume and three (3) In-Country Members; and
 - ii. Business 2 – at least 250 Points In-Country Volume and three (3) In-Country Members; and
 - iii. Outside Volume – at least 250 Points In-Country Volume and three (3) In-Country Members.

REWARD AND RECOGNITION PLAN

2.4 EXECUTIVE CLUB

A Member who: (a) has been given a position with the Executive Club Support Team in their Country of Operation, and (b) achieves any of the following Recognition Levels:

- i. Executive Club 1500
- ii. Executive Club 2500
- iii. Executive Club 4000
- iv. Executive Club 6000

2.4.1 Executive Club 1500

A Member who has achieved Foundation Club 500 in the previous Monthly Bonus Period and Foundation Club 100 in the Monthly Bonus Period immediately preceding the Bonus Period in which they achieved Foundation Club 500. This Member then achieves the following in the same Monthly Bonus Period:

- a) Sanden Brook Volume of at least 50 Points; and
- b) Total Group Volume of at least 1500 Points In-Country Volume and at least twelve (12) In-Country Members (not including themselves). Both the Total Group Volume and the Members are to be derived as follows:
 - i. Business 1 – at least 400 Points In-Country Volume and four (4) In-Country Members; and
 - ii. Business 2 – at least 400 Points In-Country Volume and four (4) In-Country Members; and
 - iii. Outside Volume – at least 400 Points In-Country Volume and four (4) In-Country Members.

2.4.2 Executive Club 2500

A Member who has achieved Executive Club 1500. This Member then achieves the following in the same Monthly Bonus Period:

- a) Sanden Brook Volume of at least 50 Points; and
- b) Total Group Volume of at least 2500 Points In-Country Volume which is derived as follows:
 - i. Business 1 – at least 600 Points In-Country Volume; and
 - ii. Business 2 – at least 600 Points In-Country Volume; and
 - iii. Outside Volume – at least 600 Points In-Country Volume.

2.4.3 Executive Club 4000

A Member who has achieved Executive Club 1500. This Member then achieves the following in the same Monthly Bonus Period:

- a) Sanden Brook Volume of at least 50 Points; and
- b) Total Group Volume of at least 4,000 Points In-Country Volume which is derived as follows:
 - i. Business 1 – at least 1,000 Points In-Country Volume; and
 - ii. Business 2 – at least 1,000 Points In-Country Volume; and
 - iii. Outside Volume – at least 1,000 Points In-Country Volume.

REWARD AND RECOGNITION PLAN

2.4.4 Executive Club 6000

A Member who achieves the following in the same Monthly Bonus Period:

- a) Sanden Brook Volume of at least 50 Points; and
- b) Total Group Volume of at least 6,000 Points which is derived as follows:
 - i. Business 1 – at least 1,500 Points In-Country Volume; and
 - ii. Business 2 – at least 1,500 Points In-Country Volume; and
 - iii. Outside Volume – at least 1,500 Points In-Country Volume.

2.5 Q21 MEMBER

A Member who, in a Monthly Bonus Period, has Personal Volume of at least 30 Points In-Country Volume and achieves either:

- (a) Total Group Volume of at least 6,000 Points with no Downline Members who has a Total Group Volume of 6,000+ Points;
- or
- (b) A Downline Member with a Total Group Volume of at least 6,000 Points and (ii) at least 2200 Points in Outside Volume.

2.6 PREMIERE CLUB

A Member who, on at least three (3) occasions within a consecutive twelve (12) Month period, achieves Executive Club 6000

NOTE: Up to and including the January 2005 Monthly Bonus Period, a Member will also be able to qualify as a Premiere Club Member by achieving Q21 Member requirements on at least three (3) occasions within a consecutive twelve (12) Month period.

2.7 EXECUTIVE PREMIERE

A Premiere Club Member who, in the same Monthly Bonus Period, achieves the following: (1) Personal Volume of at least 30 Points In-Country Volume; and (2) Total Group Volume of at least 10,500 Points which is derived as follows:

- (a) Business 1 – at least 6,000 Points; and
- (b) Business 2 – at least 3,000 Points; and
- (c) Outside Volume – at least 1,500 Points.

2.8 AMBASSADOR CLUB

A Member who, for at least three (3) Monthly Bonus Periods within a consecutive twelve (12) Month period, achieves the following: (1) Personal Volume of at least 30 Points In-Country Volume; and (2) Total Group Volume of at least 18,000 Points which is derived as follows:

- (a) Business 1 – at least 6,000 Points; and
- (b) Business 2 – at least 6,000 Points; and
- (c) Business 3 – at least 6,000 Points.

REWARD AND RECOGNITION PLAN

2.9 EXECUTIVE AMBASSADOR

An Ambassador Club Member who, in the same Monthly Bonus Period, achieves the following: (1) Personal Volume of at least 30 Points In-Country Volume; and (2) Total Group Volume of at least 27,000 Points which is derived as follows:

- (a) Business 1 – at least 6,000 Points; and
- (b) Business 2 – at least 6,000 Points; and
- (c) Business 3 – at least 6,000 Points; and
- (d) Business 4 – at least 6,000 Points; and
- (e) Outside Volume – at least 3,000 Points.

2.10 PRESIDENTIAL CLUB

A Member who, for at least three (3) Monthly Bonus Periods within a consecutive twelve (12) Month period, achieves the following: (1) Personal Volume of at least 30 Points In-Country Volume; and (2) Total Group Volume of at least 36,000 Points which is derived as follows:

- (a) Business 1 – at least 6,000 Points; and
- (b) Business 2 – at least 6,000 Points; and
- (c) Business 3 – at least 6,000 Points; and
- (d) Business 4 – at least 6,000 Points; and
- (e) Business 5 – at least 6,000 Points; and
- (f) Business 6 – at least 6,000 Points.

PART 3 – STRUCTURED VOLUME BONUSES

3.1 PERSONAL GROUP BONUS

This is a Monthly Bonus paid to a qualifying Member. It is based on the Personal Group Volume (Points) that the Member's Business generates in a Monthly Bonus Period. In order to receive this Personal Group Bonus the Member must have Personal Volume of at least 30 Points In-Country Volume:

This Bonus is calculated as follows:

Step 1: Determine the Total Group Volume (Points) of a Member's Business in the Monthly Bonus Period and based on this Volume, use the table below to calculate the gross Bonus;

Step 2: Determine the Total Group Volume (Points) of each First Downline Members' Business and based on this Volume, use the table below to determine the Bonus payable to each of those Members;

REWARD AND RECOGNITION PLAN

Step 3: The difference between the Bonus calculated in Step 1 and the total Bonuses calculated in Step 2 is the Personal Group Bonus payable to the Member;

Total Group Volume (Points)	% of BV
100 Points to less than 500 Points	2% of your total BV
500 Points to less than 1,000 Points	4% of your total BV
1,000 Points to less than 1,500 Points	6% of your total BV
1,500 Points to less than 2,500 Points	9% of your total BV
2,500 Points to less than 4,000 Points	12% of your total BV
4,000 Points to less than 6,000 Points	16% of your total BV
6,000 Points or more	21% of your total BV

3.2 6% DOWNLINE Q21 BONUS

This is a Monthly Bonus paid to a qualifying Member who: (1) has a Personal Volume of at least 30 Points In-Country Volume; and (2) achieved the following in the same Monthly Bonus Period:

- (a) Qualifies as a Q21 Member; and
- (b) has one or more Downline Members who also qualify as a Q21 Member.

This Bonus is calculated as follows:

Step 1: For each Business Line that has a First Downline Q21 Member who has a Personal Group Volume of 6,000 Points or more – calculate 6% of their Personal Group Volume (BV); then

Add

Step 2: For each Business Line that has a First Downline Q21 Member who has a Personal Group Volume of less than 6,000 Points:

- (a) calculate the BV/Points Ratio of the Personal Group Volume of the Q21 Member; then,
- (b) multiply 6,000 Points by the BV/Points Ratio calculated in Step 2(a); then,
- (c) calculate 6% of the amount calculated in Step 2(b);

Subtract

Step 3: If the Q21 Member for whom this Bonus is being calculated has a Personal Group Volume of less than 6,000 Points:

- (a) calculate the BV/Points Ratio of that Q21 Member's Personal Group Volume; then
- (b) from 6,000 Points deduct the actual Personal Group Volume (Points) of that Member; and then multiply this result by the BV/Points Ratio calculated in Step 3 (a) then
- (c) calculate 6% of the amount calculated in Step 3(b)

REWARD AND RECOGNITION PLAN

3.3 1.5% THROUGHLINE Q21 BONUS

This is a Monthly Bonus paid to a qualifying Member who: (1) has a Personal Volume of at least 30 Points In-Country Volume; and (2) achieves the following in the same Monthly Bonus Period:

- (a) Qualifies as a Q21 Member; **and**
- (b) Has at least one (1) Business Line which has two (2) or more Downline Q21 Members; **and**
- (c) At least two (2) other Business Lines each of which has at least one (1) Downline Q21 Member.

The Bonus is calculated as follows:

Step 1: For each Business Line of the Q21 Member for whom the 1.5% Throughline Q21 Bonus is being calculated:

- (a) calculate the Personal Group Volume (BV) of all Downline Q21 Members from and including the Second Downline Q21 Member down to and including the First Downline Q21 Members of the First Downline Q21 Member who also qualifies for the 1.5% Throughline Q21 Bonus.

Add together the Personal Group Volume (BV) for each Business as calculated in Step 1(a) above and multiply the result by 1.5%.

Add

Step 2: For each Business Line of the Q21 Member for whom the 1.5% Throughline Q21 Bonus is being calculated:

- (a) for each First Downline Q21 Member of the First Downline Q21 Member who also qualifies for the 1.5% Throughline Q21 Bonus, who has a Personal Group Volume of less than 6,000 Points;
 - (i) calculate the BV/Points Ratio of their Personal Group Volume; then
 - (ii) from 6,000 Points deduct their actual Personal Group Volume (Points) and then multiply the result by the BV/Points Ratio calculated in Step 2(a) (i); then
- (b) add together the amounts calculated for each First Downline Q21 Member in Step 2(a) (ii) above; then
- (c) add together the amount for each Business as calculated in Step 2(b) above and multiply the result by 1.5%.

REWARD AND RECOGNITION PLAN

Subtract

Step 3: For each of the First Downline Q21 Members of the Q21 Member for whom the 1.5% Throughline Q21 Bonus is being calculated, who has a Personal Group Volume of less than 6,000 Points:

- (a) calculate the BV/Points Ratio of their Personal Group Volume;
- (b) from 6,000 Points deduct their actual Personal Group Volume (Points) and then multiply the result by the BV/Points Ratio calculated in Step 3(a); then
- (c) add together the amount for each First Downline Q21 Member as calculated Step 3(b) above and multiply the result by 1.5%.

3.4 1% THROUGHLINE Q21 BONUS

This is a Monthly Bonus paid to a qualifying Member who: (1) has a Personal Volume of at least 30 Points In-Country Volume; and (2) achieves the following in the same Monthly Bonus Period:

- (d) Qualifies as a Q21 Member; **and**
- (e) Has at least one (1) Business Line which has two (2) or more Downline Q21 Members; **and**
- (f) At least five (5) other Business Lines each of which has at least one (1) Downline Q21 Member.

This Bonus is calculated as follows:

Step 1: For each Business Line of the Q21 Member for whom the 1% Throughline Q21 Bonus is being calculated:

- (a) calculate the Personal Group Volume (BV) of all Downline Q21 Members from and including the Second Downline Q21 Member down to and including the First Downline Q21 Members of the First Downline Q21 Member who also qualifies for the 1% Throughline Q21 Bonus.
- (b) add together the Personal Group Volume (BV) for each Business as calculated in Step 1(a) above and multiply the result by 1%.

Add

Step 2: For each Business Line of the Q21 Member for whom the 1% Throughline Q21 Bonus is being calculated:

- (a) for each First Downline Q21 Member of the First Downline Q21 Member who also qualifies for the 1% Throughline Q21 Bonus who has a Personal Group Volume of less than 6,000 Points;
- (i) calculate the BV/Points Ratio of their Personal Group Volume; **and**
- (ii) from 6,000 Points deduct their actual Personal Group Volume (Points) and then multiply the result by the BV/Points Ratio calculated in Step 2(a) (i); then
- (b) add together the amounts calculated for each First Downline Q21 Member in Step 2(a) (ii) above.
- (c) add together the amount for each Business as calculated in Step 2(b) above and multiply the result by 1%.

REWARD AND RECOGNITION PLAN

Subtract

- Step 3:** For each of the First Downline Q21 Members of the Q21 Member for whom the 1% Throughline Q21 Bonus is being calculated, who has a Personal Group Volume of less than 6,000 Points:
- (a) calculate the BV/Points Ratio of their Personal Group Volume; **and**
 - (b) from 6,000 Points deduct their actual Personal Group Volume (Points) and then multiply the result by the BV/Points Ratio calculated in Step 3(a); then
 - (c) add together the amount for each First Downline Q21 Member as calculated in Step 3(b) above and multiply the result by 1%.

3.5 0.5% AMBASSADOR BONUS

This is a Convention Quarter Bonus paid to an Ambassador Club Member who: (1) has a Personal Volume of at least 30 Points In-Country Volume in each Monthly Bonus Period of the Convention Quarter; and (2) in at least one (1) Monthly Bonus Period of the Convention Quarter has a Total Group Volume of at least 18,000 Points which is derived as follows:

- (i) Business 1 – at least 6,000 Points; and
- (ii) Business 2 – at least 6,000 Points; and
- (iii) Business 3 – at least 6,000 Points.

The Bonus is calculated as follows:

All BV for the 0.5% Ambassador Bonus calculation is in Standardized BV. However, the actual Bonus is paid in the currency of the Country of Operation in which a Member has their Membership.

Step 1: Calculate the total Volume (BV) generated by all Members in the Membership Tree during the relevant Quarterly Bonus Period and multiply it by 0.5%.

Step 2: For each Business Line of the Ambassador Club Member for whom the 0.5% Ambassador Bonus is being calculated; calculate the Total Group Volume (BV) during the Quarterly Bonus Period.

Step 3: For each Business Line of the Ambassador Club Member for whom the 0.5% Ambassador Bonus is being calculated in Step 2, allocate points according to the following table:

Volume	Points
Up to 50,000 BV	10 points per whole 25,000 BV
Over 50,000 BV up to 250,000 BV	20 points plus 2.0 points per whole 25,000 BV over 50,000 BV
Over 250,000 BV up to 750,000 BV	36 points plus 0.5 points per whole 25,000 BV over 250,000 BV
Over 750,000 BV and upwards	46 points plus 0.1 points per whole 25,000 BV over 750,000 BV

Step 4: Add together the points from each Business Line as calculated in Step 3 to obtain the total points for each Ambassador Club Member for whom the 0.5% Ambassador Bonus is calculated.

Step 5: Add together the total points calculated in Step 4 for all Ambassador Club Members for whom the 0.5% Ambassador Bonus is calculated.

REWARD AND RECOGNITION PLAN

Step 6: Divide the total calculated in Step 1 by the total points calculated in Step 5.

Step 7: Multiply the total points for each individual Ambassador Club Member calculated in Step 4 by the value calculated in Step 6 to give the Bonus payable to each Ambassador for whom the 0.5% Ambassador Bonus is calculated.

3.6 0.5% PRESIDENTIAL BONUS

This is a Convention Quarter Bonus paid to a Presidential Club Member who: (1) has a Personal Volume of at least 30 Points In-Country Volume in each Monthly Bonus Period of the Convention Quarter; and (2) in at least one (1) Monthly Bonus Period of the Convention Quarter has a Total Group Volume of at least 36,000 Points which is derived as follows:

- (i) Business 1 – at least 6,000 Points; and
- (ii) Business 2 – at least 6,000 Points; and
- (iii) Business 3 – at least 6,000 Points; and
- (iv) Business 4 – at least 6,000 Points; and
- (v) Business 5 – at least 6,000 Points; and
- (vi) Business 6 – at least 6,000 Points.

The Bonus is calculated as follows:

All BV for the 0.5% Presidential Bonus calculation is in Standardized BV. However, the actual Bonus is paid in the currency of the Country of Operation in which a Member has their Membership.

Step 1: Calculate the total Volume (BV) generated by all Members in the Membership Tree during the Quarterly Bonus Period and multiply it by 0.5%.

Step 2: For each Business Line of the Presidential Club Member for whom the 0.5% Presidential Bonus is being calculated, calculate the Total Group Volume (BV) during the Quarterly Bonus Period.

Step 3: For each Business, of the Presidential Club Member for whom the 0.5% Presidential Bonus is being calculated in Step 2, allocate points according to the following table:

Volume	Points
Up to 50,000 BV	10 points per whole 25,000 BV
Over 50,000 BV up to 250,000 BV	20 points plus 2.0 points per whole 25,000 BV over 50,000 BV
Over 250,000 BV up to 750,000 BV	36 points plus 0.5 points per whole 25,000 BV over 250,000 BV
Over 750,000 BV and upwards	46 points plus 0.1 points per whole 25,000 BV over 750,000 BV

Step 4: Add together the points from each Business Line as calculated in Step 3 to obtain the total points for each Presidential Club Member for whom the 0.5% Presidential Bonus is calculated.

Step 5: Add together the total points calculated in Step 4 for all Presidential Club Members for whom the 0.5% Presidential Bonus is calculated.

Step 6: Divide the total calculated in Step 1 by the total points calculated in Step 5.

Step 7: Multiply the total points for each individual Presidential Club Member calculated in Step 4 by the value calculated in Step 6 to give the Bonus payable to each Presidential Club Member for whom the 0.5% Presidential Bonus is calculated.

REWARD AND RECOGNITION PLAN

3.7 ONE-OFF PRESIDENTIAL BONUS

This is a once only Bonus (AU\$100,000/NZ\$100,000/RM150,000/SG\$100,000) paid to a Presidential Club Member the first time that they achieve all of the following in the same Quarterly Bonus Period:

- a) Personal Volume of at least 30 Points In-Country Volume in each Monthly Bonus Period of the Convention Quarter; and
- b) Presidential Club Recognition Level and Volumes for at least one (1) Monthly Bonus Period during the Convention Quarter; and
- c) At least 10 Downline Premiere Club Members who achieve the Executive Premiere Recognition Level. These 10 Members are to be derived as follows:
 - I. At least four (4) from one (1) Business Line, and
 - II. At least three (3) from a second Business Line, and
 - III. At least two (2) from a third Business Line, and
 - IV. At least one (1) from a fourth Business Line.

3.8 1% DOWNLINE PRESIDENTIAL BONUS

This is a Convention Quarter Bonus paid to a Presidential Club Member who achieves the following in the same Quarterly Bonus Period:

- a) Personal Volume of at least 30 Points In-Country Volume in each Monthly Bonus Period of the Convention Quarter; and
- b) Presidential Club Recognition Level and Volume for at least one (1) Monthly Bonus Period during the Convention Quarter; and
- c) One or more Downline Presidential Club Members who achieve Presidential Club Recognition Level and Volumes in at least one (1) Monthly Bonus Period during the Convention Quarter.

A Presidential Club Member who achieves the above will be referred to as a “Qualifying Presidential Club Member” for that Quarterly Bonus Period.

This Bonus uses the pooling concept and is calculated at the end of each Quarterly Bonus Period; the details of which are outlined as follows:

All BV for this Bonus calculation is in Standardized BV. However the actual Bonus is paid in the currency of the Country of Operation in which the Member has their Membership.

Step 1: Calculate the total Volume (BV) generated by all Members in the Membership Tree during the Quarterly Bonus Period and multiply this figure by 1%. This calculated amount equates to the value of the Pool that will be shared by Qualifying Presidential Club Members.

Step 2: For each Qualifying Presidential Club Member calculate their total Pool points using the following formula:

- 1) For each Presidential Club Member who achieves Presidential Club Recognition Level and Volumes for at least one (1) Monthly Bonus Period during the Convention Quarter pool points will be contributed to their first Upline Qualifying Presidential Club Member.

Pool points from each Presidential Club Member = 1.0 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member; PLUS

REWARD AND RECOGNITION PLAN

- 2) The first Business Line that has a Presidential Club Member (as defined in clause 3.8 (c))

Pool points = 1.0 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member. **PLUS**

- 3) The second Business Line that has a Presidential Club Member (as defined in clause 3.8(c))

Pool points = 1.5 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member. **PLUS**

- 4) The third Business Line that has a Presidential Club Member (as defined in clause 3.8(c))

Pool points = 2.0 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member. **PLUS**

- 5) The fourth Business Line that has a Presidential Club Member (as defined in clause 3.8(c))

Pool Points = 2.5 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member. **PLUS**

- 6) The fifth Business Line that has a Presidential Club Member (as defined in clause 3.8(c))

Pool points = 3.0 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member. **PLUS**

- 7) The 6th Business Line that has a Presidential Club Member (as defined in clause 3.8(c))

Pool points = 3.5 multiply by the Points/BV ratio of the Total Group Volume of the Qualifying Presidential Club Member.

Step 3: Calculate the amount of the Pool that each Qualifying Presidential Club Member is to receive by using the following formula:

- 1) Divide the total amount calculated in Step 1 above by the total Pool points of all Qualifying Presidential Club Members as calculated in Step 2 above. This figure determines the "value per pool point".
- 2) For each Qualifying Presidential Club Member multiply their total Pool points by the "value per pool point" figure.

PART 4 – EXECUTIVE BONUSES

4.1 5% EXECUTIVE CLUB BONUS:

This is a Monthly Bonus paid to an Executive Club Member who, in the same Monthly Bonus Period achieves (1) Personal Volume of at least 30 Points In-Country Volume; and (2) a position with the Executive Club Support Team.

The purpose of this Bonus is to reward Executive Club Members for gathering orders from their Members and then placing those orders, along with their personal orders, directly with us.

This Bonus is calculated as follows:

5% of the Member's Executive Club Order Volume (BV) for the Monthly Bonus Period.

REWARD AND RECOGNITION PLAN

4.2 2% EXECUTIVE PREMIERE BONUS, 3.5% EXECUTIVE AMBASSADOR BONUS, 2% PRESIDENTIAL CLUB BONUS

These are Convention Quarter Bonuses paid to qualifying Members who achieve Executive Premiere, or Executive Ambassador, or Presidential Club Members who achieve Presidential Club Recognition Level & Volumes for at least one (1) Monthly Bonus Period during a Convention Quarter.

Members who qualify can only receive one of the 2%, 3.5% or 2% Bonuses from each Executive Club Member's "Executive Club Order Volume".

This Bonus is calculated at the end of each Quarterly Bonus Period; the details of which are as outlined below:

For each Executive Club Member during the Convention Quarter perform the following 3 calculations:

- (a) 2% of a Member's Executive Club Order Volume (BV) for the Quarterly Bonus Period is paid to their First Upline Member who achieved Executive Premiere or Executive Ambassador or Presidential Club Member who achieves Presidential Club Recognition Level & Volumes, for at least one (1) Monthly Bonus Period during the Convention Quarter.
- (b) 3.5% of a Member's Executive Club Order Volume (BV) for the Quarterly Bonus Period is paid to their First Upline Member who achieved either Executive Ambassador or Presidential Club Member who achieves Presidential Club Recognition Level & Volumes, for at least one (1) Monthly Bonus Period during the Convention Quarter; provided they have not already received the 2% Bonus from step (a) above
- (c) 2% of a Member's Executive Club Order Volume (BV) for the Quarterly Bonus Period is paid to their First Upline Presidential Club Member who achieved Presidential Club Recognition Level & Volumes for at least one (1) Monthly Bonus Period during the Convention Quarter; provided they have not already received the 2% or 3.5% Bonus from step (a) or (b) above.

PART 5 – INCOME SUBSIDIES

5.1 FOUNDATION CLUB 500 INCOME SUBSIDY

This is a once only Income Subsidy which is paid the first time that a Member achieves Foundation Club 500. This Income Subsidy guarantees the Member a Total Bonus Income (excluding Workshop Bonus) of AU\$325/NZ\$350/RM380/SG\$300 in the relevant Monthly Bonus Period.

5.2 FOUNDATION CLUB 1000 INCOME SUBSIDY

This is a once only Income Subsidy which is paid the first time that a Member achieves Foundation Club 1000. **NOTE:** The Foundation Club 500 and Club 1000 Income Subsidy cannot be paid in the same Monthly Bonus Period. Accordingly, if a Member achieves both Foundation Club 500 and 1000 for the first time in the same Monthly Bonus Period then, in order to receive this subsidy, the Member will have to achieve Foundation Club 1000 in a subsequent Monthly Bonus Period.

This Income Subsidy guarantees the Member a Total Bonus Income of AU\$1,000/NZ\$1,000/RM1,500/SG\$1,000 in the relevant Monthly Bonus Period.

REWARD AND RECOGNITION PLAN

5.3 EXECUTIVE CLUB INCOME SUBSIDIES

(Paid for a maximum of fifteen (15) times – See details below)

This is a monthly Income Subsidy which can commence from and including the third Monthly Bonus Period in which a Member achieves Executive Club Recognition Level. It is designed as an investment into an Executive Club Member who demonstrates a consistent growth in both volume and structure of their Business. This Bonus can only be paid a maximum of fifteen (15) times in the manner set out below.

The Executive Club Income Subsidy guarantees an Executive Club Member a Total Bonus Income in those Months in which they qualify to receive it.

In order to receive this Income Subsidy the Executive Club Member must have, (1) held a position with the Executive Club Support Team, and (2) achieved one of the following in the same Monthly Bonus Period:

- I. Executive Club 1500 – At this level the Executive Club Income Subsidy will be AU\$2,000/ NZ\$2,000/RM3,000/SG\$2,000 and paid up to four (4) times.
- II. Executive Club 2500 – At this level the Executive Club Income Subsidy will be AU\$2,250/ NZ\$2,250/RM3,400/SG\$2,250 and paid up to four (4) times.
- III. Executive Club 4000 – At this level the Executive Club Income Subsidy will be AU\$2,750/ NZ\$2,750/RM4,150/SG\$2,750 and paid up to four (4) times.
- IV. Executive Club 6000 – At this level the Executive Club Income Subsidy will be AU\$3,000/ NZ\$3,000/RM4,500/SG\$3,000 and paid up to three (3) times.

5.4 PREMIERE CLUB INCOME SUBSIDIES:

(Paid for a maximum of fifteen (15) times – See details below)

This is a monthly Income Subsidy which can commence from and including the first Monthly Bonus Period after a Member becomes a Premiere Club Member. This Bonus can only be paid a maximum of fifteen (15) times in the manner set out below. It is designed as an Investment into a Premiere Club Member who demonstrates a consistent growth in both volume and structure of their Business.

The Premiere Club Income Subsidy guarantees a Premiere Club Member a Total Bonus Income in those Months in which they qualify to receive it up to the maximum fifteen (15) times.

In order to receive this Income Subsidy the Premiere Club Member must achieve one of the following during the Monthly Bonus Period:

- 1) Premiere Club Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 6,500 Points which is derived as follows:

- I. Business 1 – at least 1,500 Points; and
- II. Business 2 – at least 1,500 Points; and
- III. Business 3 – at least 1,500 Points; and
- IV. Outside Volume – at least 400 Points.

NOTE: At this level the Premiere Club Income Subsidy (AU\$3,500/NZ\$3,500/ RM6,000/SG\$3,500) will be paid up to three (3) times;

REWARD AND RECOGNITION PLAN

- 2) Premiere Club Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 8,500 Points which is derived as follows:

- I. Business 1 – at least 1,500 Points; and
- II. Business 2 – at least 1,500 Points; and
- III. Business 3 – at least 1,500 Points; and
- IV. Outside Volume – At least 600 Points.

NOTE: At this level the Premiere Club Income Subsidy (AU\$4,000/NZ\$4,000/ RM6,250/SG\$4,000) will be paid up to three (3) times.

- 3) Executive Premiere Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 11,500 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – At least 3,000 Points; and
- III. Business 3 – at least 1,500 Points; and
- IV. Outside Volume – at least 1,000 Points

NOTE: At this level the Premiere Club Income Subsidy (AU\$4,500/NZ\$4,500/ RM6,750/SG\$4,500) will be paid up to three (3) times.

- 4) Executive Premiere Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 14,000 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – at least 3,500 Points; and
- III. Business 3 – at least 2,500 Points; and
- IV. Outside Volume – at least 1,500 Points

NOTE: At this level the Premiere Club Income Subsidy (AU\$5,000/NZ\$5,000/ RM7,500/SG\$5,000) will be paid up to three (3) times.

- 5) Executive Premiere Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 17,000 Points which is derived as follows:

- i. Business 1 – at least 6,000 Points; and
- ii. Business 2 – at least 4,000 Points; and
- iii. Business 3 – at least 3,500 Points; and
- iv. Outside Volume – at least 2,000 Points

NOTE: At this level the Premiere Club Income Subsidy (AU\$5,500/NZ\$5,500/ RM8,250/SG\$5,500) will be paid up to three (3) times.

NOTE: For each of the first two (2) Monthly Bonus Periods of a Convention Quarter Members may have their Bonuses subsidised by an amount greater than what they are entitled to. This is because the Executive Premiere Bonus and Workshop Training Bonus are paid at the end of each Quarterly Bonus Period. If the actual Bonus earned in the third Monthly Bonus Period of a Convention Quarter exceeds the amount to which that Member would be entitled to have their income subsidised to, then we will recoup the overpaid subsidises according to the following formula:

REWARD AND RECOGNITION PLAN

Step 1: Subtract the amount to which the Member would be entitled to have their income subsidised to from the actual Bonus earned in the third Month of the Quarterly Bonus Period.

Step 2: Add together the subsidies received in the first and second Monthly Bonus Periods of the Convention Quarter

Step 3: If the amount calculated in Step 1 is greater than the amount calculated in Step 2 then the amount to be recouped will equal the amount calculated in Step 2.

However, if the amount calculated in Step 1 is less than the amount calculated in Step 2 then the amount to be recouped will equal the amount calculated in Step 1.

5.5 AMBASSADOR CLUB INCOME SUBSIDIES

(Paid a maximum of fifteen (15) times – see details below)

This is a monthly Income Subsidy which can commence from and including the first Monthly Bonus Period after a Member becomes an Ambassador Club Member. This Bonus can only be paid a maximum of fifteen (15) times in the manner set out below. It is designed as an Investment into an Ambassador Club Member who demonstrates a consistent growth in both volume and structure of their Business.

The Ambassador Club Income Subsidy guarantees an Ambassador Club Member a Total Bonus Income in those Months in which they qualify to receive it up to the maximum fifteen (15) times.

In order to receive this Income Subsidy the Ambassador Club Member must achieve one of the following during the Monthly Bonus Period:

- 1) Ambassador Club Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 22,000 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – at least 6,000 Points; and
- III. Business 3 – at least 6,000 Points; and
- IV. Business 4 – at least 2,500 Points; and
- V. Outside Volume – at least 400 Points

NOTE: At this level the Ambassador Club Income Subsidy (AU\$7,000/NZ\$7,000/RM10,500/SG\$7,000) will be paid up to three (3) times;

- 2) Ambassador Club Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 26,000 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – at least 6,000 Points; and
- III. Business 3 – at least 6,000 Points; and
- IV. Business 4 – at least 3,500 Points; and
- V. Outside Volume – At least 1,000 Points

NOTE: At this level the Ambassador Club Income Subsidy (AU\$8,000/NZ\$8,000/RM12,000/SG\$8,000) will be paid up to three (3) times.

REWARD AND RECOGNITION PLAN

3) Ambassador Club Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 31,000 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – at least 6,000 Points; and
- III. Business 3 – at least 6,000 Points; and
- IV. Business 4 – at least 4,500 Points; and
- V. Outside Volume – at least 1,500 Points

NOTE: At this level the Ambassador Club Income Subsidy (AU\$10,000/NZ\$10,000/RM15,000/SG\$10,000) will be paid up to three (3) times.

4) Executive Ambassador Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 37,000 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – at least 6,000 Points; and
- III. Business 3 – at least 6,000 Points; and
- IV. Business 4 – at least 6,000 Points; and
- V. Business 5 – at least 2,500 Points; and
- VI. Outside Volume – at least 600 Points

NOTE: At this level the Ambassador Club Income Subsidy (AU\$12,500/NZ\$12,500/RM18,750/SG\$12,500) will be paid up to three (3) times.

5) Executive Ambassador Recognition Level and Volumes with the following modifications:

Total Group Volume of at least 45,000 Points which is derived as follows:

- I. Business 1 – at least 6,000 Points; and
- II. Business 2 – at least 6,000 Points; and
- III. Business 3 – at least 6,000 Points; and
- IV. Business 4 – at least 6,000 Points; and
- V. Business 5 – at least 3,500 Points; and
- VI. Outside Volume – at least 1,000 Points

NOTE: At this level the Ambassador Club Income Subsidy (AU\$15,000/NZ\$15,000/RM22,500/SG\$15,000) will be paid up to three (3) times.

NOTE: For each of the first two (2) Monthly Bonus Periods of a Convention Quarter Members may have their Bonuses subsidised by an amount greater than what they are entitled to. This is because the Executive Premiere Bonus, Executive Ambassador Bonus, 0.5% Ambassador Bonus, and Workshop Training Bonus are paid at the end of each Quarterly Bonus Period. If the actual Bonus earned in the third Monthly Bonus Period of a Convention Quarter exceeds the amount to which that Member would be entitled to have their income subsidised to, then we will recoup the overpaid subsidies according to the following formula:

Step 1: Subtract the amount to which the Member would be entitled to have their income subsidised to from the actual Bonus earned in the third Month of the Quarterly Bonus Period.

REWARD AND RECOGNITION PLAN

Step 2: Add together the subsidies received in the first and second Monthly Bonus Periods of the Convention Quarter

Step 3: If the amount calculated in Step 1 is greater than the amount calculated in Step 2 then the amount to be recouped will equal the amount calculated in Step 2.

However, if the amount calculated in Step 1 is less than the amount calculated in Step 2 then the amount to be recouped will equal the amount calculated in Step 1.

PART 6 – Workshop Specialist Benefits

6.1 WORKSHOP SPECIALIST BONUS

This is a Monthly Bonus paid to a Workshop Specialist who has generated at least 50 Points (In-Country Workshop Volume) in a Monthly Bonus Period. For every full 50 Points (In-Country Workshop Volume) the Workshop Specialist will earn:

Australian Workshop Specialist	AU\$30.00
New Zealand Workshop Specialist	NZ\$30.00
Malaysian Workshop Specialist	RM40.00
Singaporean Workshop Specialist	SG\$30.00

If in the same Month a Workshop Specialist generates 300 Points or more in (In-Country Workshop Volume) then that Workshop Specialist will be paid an additional:

Australian Workshop Specialist	AU\$50.00
New Zealand Workshop Specialist	NZ\$55.00
Malaysian Workshop Specialist	RM75.00
Singaporean Workshop Specialist	SG\$50.00

In order for us to be able to calculate and pay this Bonus, an Executive Club Member must, at the time of placing a Workshop order, quote the appropriate and unique Receipt Number(s) from the Workshop Receipt Pad. It should be noted that at the time of printing Workshop Receipt Pads, all numbers are entered onto the our computer system so that a complete and accurate record of their usage can be maintained.

PART 7 – Club Benefits

7.1 EXECUTIVE CLUB

7.1.1 Initial Club Benefits

When a Member first qualifies as an Executive Club Member they will receive the following:

- a) Recognition on stage at an Official Omegatrend Function, subject to clause 2.1 of this Reward and Recognition Plan; and
- b) Two Executive Club Lapel Pins; and
- c) Executive Club Membership Certificate

REWARD AND RECOGNITION PLAN

7.2 PREMIERE CLUB

7.2.1 Initial Club Benefits

When a Member first qualifies as a Premiere Club Member they will receive the following:

- (a) Recognition on stage at an Official Omegatrend Function, subject to clause 2.1 of this Reward and Recognition Plan; and
- (b) Two Premiere Club Lapel Pins; and
- (c) Premiere Club Membership Certificate

When a Premiere Club Member first qualifies as an Executive Premiere Member they will receive the following:

- a) Recognition on stage at an Official Omegatrend Function, subject to clause 2.1 of this Reward and Recognition Plan; and
- b) Two Executive Premiere Lapel Pins.

7.2.2 Additional Club Benefits

Premiere Club Members are also eligible to participate in the Premiere Club Family Holiday Fund which is calculated at the end of each Quarterly Bonus Period.

In order to participate in this Holiday Fund, a Premiere Club Member must achieve the following within the same Quarterly Bonus Period:

- i. Qualify as a Business Builders' Club Member; and
- ii. Qualify as a Club 6000 Member in at least one (1) of the Monthly Bonus Periods in the Convention Quarter.

NOTE: Up to and including the January 2005 Monthly Bonus Period, a Member who qualifies as a Q21 Member in one of the Monthly Bonus Periods of the Convention Quarters will also qualify to attend.

The amount of money allocated to the Premiere Club Holiday Fund will be in accordance with the following formula:

1.8% of the BV (Standardized) of the entire Membership Tree for the relevant Quarterly Bonus Period MINUS the total amount of money spent on the Premiere Club Leadership Weekend held at the end of the Quarterly Bonus Period.

These funds are then allocated to participating Premiere Club Members using the following formula:

$$\frac{A \times C}{B}$$

Where:

- A = Total funds allocated to the Fund.
- B = the total of all Personal Group Bonuses and 6% Downline Q21 Bonuses paid to all Premiere Club Members who qualified to participate in the Holiday Funds. These Bonuses paid are for all three (3) Monthly Bonus Periods of the Quarterly Bonus Period.
- C = the total of the Personal Group Bonus and the 6% Downline Q21 Bonus paid to the individual Premiere Club Member who qualified to participate in these Holiday Funds. These Bonuses paid are for all three (3) Monthly Bonus Periods of the Quarterly Bonus Period.

REWARD AND RECOGNITION PLAN

Premiere Club Members are able to make up to three (3) claims in any twelve (12) Month period. Funds not used and therefore not claimed (in the manner outlined below) within six (6) Months of the date of allocation will be forfeited.

In order to make a claim from the Premiere Club Family Holiday Fund a Premiere Club Member must complete a Premiere Club Family Holiday Claim Form, attach original receipts, and send this together with photographs and a written story (less than 100 words) of the holiday to our Chief Executive Officer in the Country of Operation in which their Membership is registered.

7.3 AMBASSADOR CLUB

When a Member first qualifies as an Ambassador Club Member they will receive the following:

- a) Recognition on stage at an Official Omegatrend Function, subject to clause 2.1 of this Reward and Recognition Plan; and
- b) Two Ambassador Club Lapel Pins; and
- c) Ambassador Club Membership Certificate

When an Ambassador Club Member first qualifies as an Executive Ambassador Member they will receive the following:

- a) Recognition on stage at an Official Omegatrend Function, subject to clause 2.1 of this Reward and Recognition Plan; and
- b) Two Executive Ambassador Lapel Pins

7.4 PRESIDENTIAL CLUB

7.4.1 Initial Club Benefits

When a Member first qualifies as a Presidential Club Member they will receive the following:

- a) Recognition on stage at an Official Omegatrend Function, subject to clause 2.1 of this Reward and Recognition Plan; and
- b) Two Presidential Club Lapel Pins; and
- c) Presidential Club Membership Certificate; and
- d) Commemorative Presidential Club Award glass sculpture.

7.4.2 Additional Club Benefits

Presidential Club Members are eligible to participate in the following additional Club benefits:

- i. Reserved seating at all Official Omegatrend Conventions
- ii. Use of the Presidential Club VIP Room (where provided) at Official Omegatrend Functions
- iii. Limousine transfers and Business Class airfares when travelling to the Omegatrend World Discovery Seminar
- iv. The Presidential Club Holiday Fund which is calculated at the end of each Quarterly Bonus Period. Please note that this holiday fund is in addition to the Premiere Club Family Holiday Fund.

REWARD AND RECOGNITION PLAN

In order to participate in this Holiday Fund a Presidential Club Member must achieve the following within the same Quarterly Bonus Period:

- i. Qualify as a Business Builders Club Member, and
- ii. Presidential Club Recognition Level and Volume for at least one (1) Monthly Bonus Period in the Quarterly Bonus Period.

The amount of money allocated to the Presidential Club Family Holiday Fund will be 0.5% of the BV (Standardized) of the entire Membership Tree for the relevant Quarterly Bonus Period.

These funds will then be allocated to each participating Presidential Club Member using the following formula:

$$\frac{A \times C}{B}$$

Where:

- A = Total Funds allocated to the Fund.
- B = the total of all Personal Group Bonuses, 6% Downline Q21 Bonuses, 1.5% Throughline Q21 Bonuses and 1% Throughline Q21 Bonuses paid to all Presidential Club Members who qualified to participate in this Holiday Fund. These Bonuses paid are for all three (3) Monthly Bonus Periods of the Quarterly Bonus Period.
- C = the total of the Personal Group Bonus, 6% Downline Q21 Bonus, 1.5% Throughline Q21 Bonus and 1% Throughline Q21 Bonus paid to the individual Presidential Club Member who qualified to participate in this Holiday Fund. These Bonuses paid are for all three (3) Monthly Bonus Periods of the Quarterly Bonus Period.

NOTE: The maximum amount of money to be allocated to any one Presidential Club Member from a Quarterly Bonus Period will be AU\$7,500.

Presidential Club Members will be able to make up to three (3) claims in any twelve (12) Month period. Funds not used and therefore claimed (in the manner outlined below) within six (6) Months of the date of allocation will be forfeited.

In order to make a claim from the Presidential Club Family Holiday Fund a Presidential Club Member must complete a Presidential Club Family Holiday Claim Form, attach original receipts, and send this together with photographs and a written story (less than 100 words) of the holiday to our Chief Executive Officer in the Country of Operation in which your Membership is registered.

PART 8 – DEFINITIONS

8.1 DEFINITIONS

In accordance with clause 31 of The Membership Agreement, Interpretations contained in The Membership Agreement and in all other instruments apply to this Agreement unless the context indicates otherwise.

8.2 MEMBERSHIP AGREEMENT TERMS

All other defined terms have the same meaning given to them in the Omegatrend Membership Agreement and all other instruments unless the context indicates otherwise.

Omeгатrend Reward & Recognition Plan

Summary of Income Subsidies (Australia/New Zealand/Singapore)

Club Level	Subsidy Details		Minimum Volume (Points) Requirements							
	Up To	# Times	Bus 1	Bus 2	Bus 3	Bus 4	Bus 5	Outside	Floating	Total
Foundation Club										
Club 500	See Note	1	100	100				100	200	500
Club 1000	\$1,000	1	250	250				250	250	1,000
Executive Club										
Club 1500	\$2,000	4	400	400				400	300	1,500
Club 2500	\$2,250	4	600	600				600	700	2,500
Club 4000	\$2,750	4	1,000	1,000				1,000	1,000	4,000
Club 6000	\$3,000	3	1,500	1,500				1,500	1,500	6,000
Premiere Club	\$3,500	3	1,500	1,500	1,500			400	1,600	6,500
Premiere Club	\$4,000	3	1,500	1,500	1,500			600	3,400	8,500
Executive Premiere	\$4,500	3	6,000	3,000	1,500			1,000	0	11,500
Executive Premiere	\$5,000	3	6,000	3,500	2,500			1,500	500	14,000
Executive Premiere	\$5,500	3	6,000	4,000	3,500			2,000	1,500	17,000
Ambassador Club	\$7,000	3	6,000	6,000	6,000	2,500		400	1,100	22,000
Ambassador Club	\$8,000	3	6,000	6,000	6,000	3,500		1,000	3,500	26,000
Ambassador Club	\$10,000	3	6,000	6,000	6,000	4,500		1,500	7,000	31,000
Executive Ambassador	\$12,500	3	6,000	6,000	6,000	6,000	2,500	600	9,900	37,000
Executive Ambassador	\$15,000	3	6,000	6,000	6,000	6,000	3,500	1,000	16,500	45,000

Club 500 Subsidy:

Singapore \$300 / Australia \$325 / New Zealand \$350

Outside Volume:

This is Volume required outside of the specified Business Lines.

Floating Volume:

This Volume is in addition to the minimum required for each Business. It can be in any one or more Business Lines.

Omegatrend Reward & Recognition Plan

Summary of Income Subsidies (Malaysia)

Club Level	Subsidy Details		Minimum Volume (Points) Requirements							
	Up To	# Times	Bus 1	Bus 2	Bus 3	Bus 4	Bus 5	Outside	Floating	Total
Foundation Club										
Club 500	RM380	1	100	100				100	200	500
Club 1000	RM1,500	1	250	250				250	250	1,000
Executive Club										
Club 1500	RM3,000	4	400	400				400	300	1,500
Club 2500	RM3,400	4	600	600				600	700	2,500
Club 4000	RM4,150	4	1,000	1,000				1,000	1,000	4,000
Club 6000	RM4,500	3	1,500	1,500				1,500	1,500	6,000
Premiere Club	RM6,000	3	1,500	1,500	1,500			400	1,600	6,500
Premiere Club	RM6,250	3	1,500	1,500	1,500			600	3,400	8,500
Executive Premiere	RM6,750	3	6,000	3,000	1,500			1,000	0	11,500
Executive Premiere	RM7,500	3	6,000	3,500	2,500			1,500	500	14,000
Executive Premiere	RM8,250	3	6,000	4,000	3,500			2,000	1,500	17,000
Ambassador Club	RM10,500	3	6,000	6,000	6,000	2,500		400	1,100	22,000
Ambassador Club	RM12,000	3	6,000	6,000	6,000	3,500		1,000	3,500	26,000
Ambassador Club	RM15,000	3	6,000	6,000	6,000	4,500		1,500	7,000	31,000
Executive Ambassador	RM18,750	3	6,000	6,000	6,000	6,000	2,500	600	9,900	37,000
Executive Ambassador	RM22,500	3	6,000	6,000	6,000	6,000	3,500	1,000	16,500	45,000

Outside Volume: This is Volume required outside of the specified Business Lines.

Floating Volume: This Volume is in addition to the minimum required for each Business. It can be in any one or more Business Lines.

TRAINING AND DEVELOPMENT PROGRAM

PART 1 – INTRODUCTION

1.	COACHING	90
2.	FUNCTIONS	90
3.	WORKSHOP SPECIALIST TRAINING	90
4.	EXECUTIVE CLUB MEMBER (ECM) INDUCTION CONFERENCE	90
5.	PREMIERE CLUB LEADERSHIP WEEKENDS	91
6.	WORLD DISCOVERY SEMINAR	92

TRAINING AND DEVELOPMENT PROGRAM

This Training and Development Program is published by us pursuant to the Agreement, but you acknowledge and agree that where there is any inconsistency between this Training and Development Program and the Agreement, the Agreement shall prevail.

1. COACHING

Our coaching program has been specifically designed to ensure you receive the individual training and support you need in order to build a Business.

From the time you join us, you are encouraged to seek out an Upline Coach at a higher Business level than yourself and to commit to a Monthly coaching session.

At that session the Coach will review your Business goals and your specific progress toward the attainment of those goals based upon the guidelines recommended by us and documented in the Omegatrend Coaching System.

Coaching sessions are designed to offer practical advice together with training on the necessary skills. The Coach may offer to demonstrate specific processes as a part of skill development.

2. FUNCTIONS

We run a functions program that consists of Business Presentations, Business Seminars and Business Conventions.

The purpose of the Function Program is to help you to achieve your goals by providing ongoing training and development.

Further Functions allow you the opportunity to associate with other Members who are also building a Business.

Finally, the Omegatrend Function Program provides a consistent and effective communication channel for us, both corporate and field, to all of our Members.

3. WORKSHOP SPECIALIST TRAINING

You are eligible to become a Workshop Specialist if you meet the criteria as specified in the Workshop Specialist Agreement.

Where you are eligible, you may elect to attend training to conduct a Vital Skin Renewal Workshop and/or a Creative Colour Workshop and/or any other workshop developed by us.

The purpose of the training is to provide you with the knowledge and skills required to conduct a Workshop.

An accredited trainer who will follow the guidelines as specified by us and documented in the Workshop Training Manual conducts training for each workshop.

The training is hands on and all trainees are taught the prerequisite theoretical background knowledge before participating in a practical session whereby they are stepped through the entire workshop procedure.

In order to fully participate in the practical session you are required to purchase a training kit, which contains all of the Products and equipment required to successfully conduct a workshop.

There is no fee for training.

4. EXECUTIVE CLUB MEMBER (ECM) INDUCTION CONFERENCE

The Executive Club level is the first leadership level within our Business.

The purpose of the ECM Induction Conference is to teach new Executive Club Members how to effectively perform their role.

TRAINING AND DEVELOPMENT PROGRAM

This two (2) day training session covers information regarding Product Ordering and use of Omegatrend Online, the Membership Agreement, the Code of Ethics, the Reward and Recognition Plan, and the Sanden Brook Product Range.

There are breakout sessions for each Country of Operation where country specific information is covered as well as sessions on leadership and other business skills.

This conference will be held at various times each year as notified from time to time in Business News. An invitation to attend will be issued by us, and we will pay for your economy class return travel and accommodation.

You will only be eligible to attend an ECM Induction Conference once you have qualified as an Executive Club Member for the second time.

The specific conference to which you will be invited will be dependent on the nearest scheduled ECM Induction Conference relational to the second time you achieve Executive Club qualification.

For example: if an EC Induction Conference was scheduled to be held in June, you would be invited to attend that conference if you qualified as an Executive Club Member for the second time in the November, December, January, February, March or April Monthly Bonus Periods.

You acknowledge and agree that where you do not attend the ECM Induction Conference to which you have been invited you will forfeit the invitation to attend and your invitation cannot be redeemed for cash or like kind. We reserve the right to not issue an invitation to you if your business practices are under investigation by us or by any governmental or other authority constituted by law.

5. PREMIERE CLUB LEADERSHIP WEEKENDS

Premiere Club Members are at a senior leadership level within our Business and as such fulfill a unique role.

The purpose of Premiere Club Leadership Weekends is to gather together all Premiere Club Members within a zone in order to impart high level training regarding the specific leadership and coaching issues that arise for these Members.

New initiatives are also discussed and trained upon in order for our key leaders to be able to implement the new initiative within their Business.

Learning occurs not only in a formal teaching environment but also through association with other senior Members in less structured and less formal circumstances.

Accordingly, we may select a suitable location that will facilitate learning and encourage association.

Unless we Notify you otherwise, Premiere Weekend's will be held three (3) times per year; namely as part of the February, August, and November Conventions. Where you are eligible to attend, we may issue you with an invitation and will pay for two (2) nights accommodation and meals.

In order to be eligible to attend a Premiere Weekend you must be a Premiere Club Member and achieve the following in the Convention Quarter immediately preceding the Premiere Weekend:

- i. Qualify as a Business Builders' Club Member; and
- ii. Qualify as a Club 6,000 Member in at least one (1) of the Monthly Bonus Periods in the Convention Quarter.

NOTE: Up to and including the January 2005 Monthly Bonus Period, a Member who qualifies as a Q21 Member in one of the Monthly Bonus Periods of the Convention Quarters will also qualify to attend.

TRAINING AND DEVELOPMENT PROGRAM

You acknowledge and agree that where you do not attend the Premiere Weekend to which you have been invited you will forfeit the invitation to attend and your invitation cannot be redeemed for cash or like kind. We reserve the right to not issue an invitation to you if your Business practices are under investigation by us or by any governmental or other authority constituted by law.

6. WORLD DISCOVERY SEMINAR

Executive Premiere is a very key leadership level and Members at this level have important leadership responsibilities.

The purpose of the World Discovery Seminar is to gather this key group of people together on an annual basis in order to conduct specific high-level teaching and also to launch the organisation's proposed strategic direction for the coming year.

In addition to thorough briefings on all new initiatives Members are taught the necessary change management and coaching skills required in order to instigate positive acceptance for any changes throughout their Business.

World Discovery provides us with the opportunity to gather all of our key leaders from all Countries of Operation together in order to ensure consistency of business practices and a unified global approach.

Formal training sessions are held daily and Members are also given the opportunity to associate with other senior leaders outside of these sessions.

Unless we Notify you otherwise, this Seminar will be held in October of each year. Where you are eligible to attend, we may issue you with an invitation to attend, and will pay for economy class return travel and accommodation.

The qualification period will be from and including the September Monthly Bonus Period to and including the following August Monthly Bonus Period.

In order to be eligible to attend a World Discovery Seminar you must be a Premiere Club Member or above and achieve either A or B as detailed below.

- A. Premiere Club Members who **have never been eligible** to attend a previous World Discovery Seminar must achieve Executive Premiere qualifications in one (1) or more of the Monthly Bonus Periods between May and August inclusive.
- B. Premiere Club Members who **have been eligible** to attend a previous World Discovery Seminar must achieve Executive Premiere qualifications twice in the Monthly Bonus Period between September and August inclusively. This must be achieved in at least two (2) separate Convention Quarters, one (1) of which must be during the Monthly Bonus Periods of May and August inclusive.

You acknowledge and agree that where you do not attend the World Discovery Seminar to which you have been invited you will forfeit the invitation to attend and your invitation cannot be redeemed for cash or like kind. We reserve the right to not issue an invitation to you if your Business practices are under investigation by us or by any governmental or other authority constituted by law.

PART A – INTRODUCTION

1.	BACKGROUND INFORMATION	95
----	------------------------	----

PART B – PROMOTE ETHICAL BUSINESS PRACTICE

2.	MEMBERS	95
3.	OMEGATREND	86

PART C – DEALING WITH THE GENERAL PUBLIC

4.	CONTACTING AND TELEPHONING	96
5.	PRESENTING THE OMEGATREND BUSINESS	96
6.	CONDUCTING YOUR BUSINESS	97

PART D – PRODUCT CLAIMS

7.	OMEGATREND'S INFORMATION	98
----	--------------------------	----

PART E – RETURNS, EXPRESS GUARANTEES AND WARRANTIES

8.	RECEIPTS	99
9.	RESPONSE TO SANDEN BROOK CONSUMER CLAIMS OR ENQUIRIES	99
10.	UPLINE ASSISTANCE	99

PART F – REWARD AND RECOGNITION PLAN

11.	REWARD AND RECOGNITION PLAN	99
-----	-----------------------------	----

PART G – MISLEADING AND DECEPTIVE CONDUCT

12.	NO MISLEADING OR DECEPTIVE CONDUCT	100
-----	------------------------------------	-----

PART H – INTEGRITY IN BUSINESS

13.	STRUCTURE OF LINES OF INTRODUCTION	101
14.	INTRODUCING OTHERS	101
15.	ETHICAL CONTACT	102
16.	COMMUNICATION WITH YOUR ZONE LEADER OR UPLINE	102
17.	PROHIBITED CONTACT	102
18.	STACKING	102
19.	COMPLAINTS	102

CODE OF ETHICS

20.	SEXUAL HARASSMENT	102
21.	FINANCIAL	103
22.	PARTICIPATION IN OTHER BUSINESSES, PROMOTION OF CAUSES	103

PART I – COMMUNICATIONS

23.	INTRA-GROUP COMMUNICATIONS	104
24.	ADVERTISING	104
25.	MEDIA CONTACT	104

PART A – INTRODUCTION

1. BACKGROUND INFORMATION

You acknowledge and agree that this Code of Ethics forms an important part of the Agreement and that your obligations and responsibilities under it are contractual obligations of your Membership.

This Code of Ethics sets out the principles of ethical conduct and integrity which you must apply in your dealings with other Members, with the general public, with Sanden Brook Consumers and with us, and includes but is not limited to, your obligation to promote the integrity of the Omegatrend Business and to comply with the regulatory and legal requirements in the Countries of Operation in which your Membership is registered and in which you conduct your Business.

You acknowledge and agree that ethical success promotes business success.

You must uphold the principles of this Code of Ethics in all your dealings and activities as a Member.

You must take responsibility for your actions. Any unethical business practices may jeopardize the Omegatrend opportunity to the detriment of all Members.

You acknowledge that as an independent contractor, you have a responsibility to learn about and comply with the law as it applies to you in the conduct of your Business.

We will administer our dealings with you and our other Members in a manner that is conducive to compliance with the Code of Ethics. Accordingly, if you breach this Code of Ethics, we, may through our Business Ethics Review Team, investigate and take such disciplinary action regarding a breach in relation to you and your Downline as we may consider appropriate in the circumstances, including but not limited to, imposing Restrictions or Terminating your Membership.

Additionally, every Country of Operation has a Direct Selling Association. Each of these bodies publishes their own code of ethics. Our website has a link to the relevant DSA's website, where you should be able to obtain a copy of the relevant code of ethics. If you are unable to obtain a copy of the relevant code of ethics, we will provide a copy to you upon request. You must comply with the Direct Selling Association code of ethics in every Country of Operation in which you are building a Business.

We may from time to time amend this Code of Ethics upon giving you thirty (30) calendar days' Notice.

PART B – PROMOTE ETHICAL BUSINESS PRACTICE

2. MEMBERS

You will:

- (a) ensure that you and your Downline understand this Code of Ethics, as it may be amended from time to time, and at all times conduct your Business and relationships either within your Business or with members of the public lawfully, honestly, with courtesy and integrity and in accordance with this Code of Ethics;
- (b) ensure you remain well informed regarding laws applicable to your Business and your duties as a Member, together with other essential facts and public policies which affect such Business and duties;

CODE OF ETHICS

- (c) comply with the code of ethics of the Direct Selling Association applicable in each Country of Operation in which you are building a Business and ensure the Members in your Business understand such code as it applies to your Country of Operation;
- (d) not defame or make controversial statements about us, our Directors, staff, other Members or our Products;
- (e) comply with privacy laws, keep confidential and not unethically use our or any Sanden Brook Consumer's or Member's personal or commercially sensitive information.

3. OMEGATREND

We will ensure:

- (a) our Staff act in a manner which promotes the legitimate interests of our Members as a whole and will perform their work with professional courtesy and integrity;
- (b) full co-operation of our Staff with respect to advising you about matters which affect you;
- (c) that our Staff will assist you with any difficulties surrounding guarantee or warranty claims pursuant to our terms and conditions of sale and act promptly to resolve any problems experienced.

PART C – DEALING WITH THE GENERAL PUBLIC

4. CONTACTING AND TELEPHONING

You must:

- (a) **(Good manners and the law):** observe good manners and comply with any relevant laws regulating telephone prospecting or Contacting and door to door sales in all circumstances to which such laws are applicable;
- (b) **(Calling times and identity):** when Contacting in person or by using any other means of communication ensure you and your Downline Members call at a reasonable hour, identify yourself or themselves (as the case may be) to the Contact, state the reason for the call, identify your/their status as an independent Member and end the call if asked to do so by the prospect;
- (c) **(Be reasonable):** never engage in high pressure sales tactics, objectionable, threatening, scaremongering or abusive conduct, the “foot in the door” approach of selling or unfair or aggressive conduct when Contacting or dealing with any other person in relation to us or the opportunity we provide;
- (d) **(No exaggeration):** offer the opportunities of, and associated with Membership and/or of being a Sanden Brook Consumer on its merits without exaggeration, deception or misrepresentation and only quote information from Official Omegatrend Literature; and
- (e) **(Professional standards):** ensure you maintain your personal presentation in dress, language and documentation to a professional business standard.

5. PRESENTING THE OMEGATREND BUSINESS

On every occasion when you present our Business at any time, or conduct a Business Presentation or other function, you must:

- (a) **(Professional standards):** observe the principles of neat business dress unless the context or situation demands a different standard; and

- (b) **(Success depends on self effort and sales):** clearly explain in a manner readily understood by the Contact to whom you describe our Business that financial rewards to Members are based on a Member's individual product sales performance and upon the sales by Members introduced by that Member of Products sold by us and not on rewards directly or indirectly attributable to the introduction for Membership of other Members; and
- (c) **(Accurate representations):** not make false, deceptive or misleading representations, whether directly or by implication, or engage in conduct that is liable to mislead or deceive, to any person about any matter, including but not limited to the following matters:
 - (i) **(Risks and rewards):** providing details regarding the financial risks and rewards available under the Reward and Recognition Plan, including the making of unrealistic predictions or any income claims;
 - (ii) **(Product features):** describing the features of our Products and programs, including their standard, quality, value, characteristics, accessories, uses for a particular purpose, merchantability or benefits;
 - (iii) **(Prices):** outlining the price of our Products and programs;
 - (iv) **(Product sources):** describing the origin of Products or the existence, exclusion or effect of any conditions, warranties, guarantees, rights or remedies relating to Products;
 - (v) **(Needs):** explaining the need by anyone for goods or services.

6. CONDUCTING YOUR BUSINESS

As a Member and as an independent contractor, you are responsible for the manner in which you conduct your Business. However, your conduct reflects on and impacts the reputation of all Members and on our Business.

Accordingly, your conduct must comply with the following:

- (a) **(Do identify yourself):** always identify yourself at the earliest opportunity;
- (b) **(No unconscionable conduct):** do not take advantage of another person's disabilities or weaknesses, such as illness, age, infirmity, lack of education or unfamiliarity with language;
- (c) **(No free prizes):** do not offer free gifts or prizes over and above our promotions in connection with the supply of Products by us;
- (d) **(No unsolicited products):** do not send or deliver unsolicited Products.;
- (e) **(No harassment or coercion):** only actively solicit or request Orders by an offer to collate any Order a Member or Sanden Brook Consumer wishes to make and never use physical force, undue harassment or coercion;
- (f) **(Always explain the refund policy):** never state in any promotions that there are no refunds for the supply of Products; and
- (g) **(Don't overstay your welcome):** do not remain in a person's home if asked to leave.
- (h) **(Professional Conduct):** always conduct yourself in a professional manner and refrain from the use of alcohol or drugs whilst conducting your Omegatrend Business or attending Official Omegatrend Functions.

7. OMEGATREND'S INFORMATION

We publish detailed information about our Products which we make available to all Members for the purpose of understanding, explaining, presenting and promoting the Products. We make all reasonable efforts to ensure that the Product information we provide to you is complete and conforms to regulatory requirements in the Countries of Operation in which we offer the Products for sale. In order not to jeopardize the Products, you must use Official Omegatrend Literature and comply with the following:

- (a) **(No misleading or false claims in any way):** you must not make any misleading, deceptive or false claim, or any potentially misleading, deceptive or false claim about any Product in any way or form (i.e. whether by conduct, verbal, written, printed, recorded or internet communication, or otherwise).
- (b) **(Only use claims from Official Omegatrend Literature):** you must not make claims about any Products unless they are sourced from Official Omegatrend Literature for the market in which the Product is sold and accurately reflect information contained in the appropriate Official Omegatrend Literature.
- (c) **(Product testimonials):** you must not create, use or publish any testimonial that is false or may mislead Sanden Brook Consumers or Members as to the performance characteristics, uses or benefits of any Product offered by us. Testimonials can only be made in connection with the specific Product for which the testimonial was originally made. Testimonials must be current, authorized by the person quoted, able to be substantiated and can only be used if the experience is typical and achievable by most people.
- (d) **(No health or medical claims):** you must not make any health, medical or therapeutic claims for any Product whether directly or indirectly including any representation, via any medium or in any form that is likely to be interpreted as a representation regarding the treatment, cure, prevention or alleviation of any disease, health, medical or physiological condition.
- (e) **(No medical claims at Omegatrend meetings even if you are a doctor):** If you are a doctor or qualified health care professional you must not make any health, medical or therapeutic claims or representation regarding the treatment, cure, prevention or alleviation of any disease, physiological or medical condition at any Business or Product presentation or at any gathering of Members, or otherwise. If you do so, this may amount to applying a therapeutic or medical “label” to the Product and breach product labelling, registration and other laws.
- (f) **(Shop sales):** We are a direct selling Business. We prohibit Members from selling Products or promoting our Business through retail or wholesale outlets, market stalls, internet stores or any other method which is not officially sanctioned by us. Accordingly, you are prohibited from engaging in any such activities in relation to the Products.

PART E – RETURNS, EXPRESS GUARANTEES AND WARRANTIES

8. RECEIPTS

You must provide receipts and invoices to Sanden Brook Consumers with every purchase detailing his or her rights to a cooling off period and cancellation rights to the Product purchase. We provide pre-printed receipts for this purpose.

9. RESPONSE TO SANDEN BROOK CONSUMER CLAIMS OR ENQUIRIES

Where you receive a claim or enquiry by another Member or a Sanden Brook Consumer pursuant to a warranty or guarantee with respect to Products supplied and which binds us, you will, so far as possible:

- (a) **(Listen):** do not reject a Member or Sanden Brook Consumer's claim or enquiry immediately, but rather discuss it with him or her in order to gather all the relevant information;
- (b) **(Check the detail):** ascertain the exact nature of the claim with the Member or Sanden Brook Consumer;
- (c) **(Act promptly):** act promptly at all times to fully satisfy a Member or Sanden Brook Consumer's claim or enquiry and to co-operate with us in doing so;
- (d) **(Check the process):** if necessary, check with us or your Upline Member what your rights and obligations are with respect to any claim and the process for making a claim;
- (e) **(Tell us):** when it becomes apparent a claim or potential claim may exist, you must immediately notify us directly or through your Upline Executive Club Member so that we can handle the claim under the Guidelines for the Resolution of Disputes;
- (f) **(We decide):** we will investigate the claim and promptly advise you as to whether we accept the claim;
- (g) **(Explain to the Sanden Brook Consumer):** you will advise the Member or Sanden Brook Consumer whether or not the item will be covered by the guarantee, or after receiving a decision from us that an item will not be covered by the guarantee, explain to the Member or Sanden Brook Consumer in detail why the item will not be covered by the guarantee;

10. UPLINE ASSISTANCE

The Upline Executive Club Member, when approached for assistance, must promptly investigate and where relevant, act promptly together with us and the Downline Member, to assist in resolving the matter.

PART F – REWARD AND RECOGNITION PLAN

11. REWARD AND RECOGNITION PLAN

Please also refer to clause 5 Part C of this Code of Ethics on "Presenting the Omegatrend Business".

It is important that you clearly and unambiguously explain the rewards of the Reward and Recognition Plan. People are attracted to our Business for different reasons. Ensuring that you understand your Contact's reasons for joining and clearly explaining what is involved in achieving their personal aims will help make your Business more successful.

CODE OF ETHICS

In explaining and presenting the Reward and Recognition Plan, you must clearly and unambiguously explain that:

- (a) **(Independent Business):** We offer an independent Business which carries risk. There is no compensation or remuneration for personal expenditure or exertion, and these are responsibilities that are voluntarily assumed in the hope but not the certainty, of long term reward.
- (b) **(Success depends on time, effort and Product sales):** the ability to achieve rewards will depend on the amount of time a prospective Member is willing to invest and their ability to generate Product sales and build a Downline.
- (c) **(No guarantees):** as each individual's circumstances and talents are different, there are no guarantees in relation to prospective earnings, income or rewards or timeframes in which rewards may be achieved.
- (d) **(Prediction):** the only predictions as to profitability (if any) are those published by us in Omegatrend Official Literature.
- (e) **(Official Omegatrend Literature):** To avoid any doubt, you must only state what is in the Reward and Recognition Plan and other Official Omegatrend Literature produced for the Country of Operation where the Contact proposes to conduct their Business.
- (f) **(No False representations):** When presenting or discussing the Reward and Recognition Plan, you must not make statements that are, or are potentially false, misleading or deceptive about any matters, including but not limited to:
 - (i) any risks likely to be associated with carrying on their Business;
 - (ii) the amount of time the average person would have to devote to carrying on the Business;
 - (iii) the annual gross expenditure and the annual gross income which the average person carrying on the Business might expect and the method of calculating those figures; and
 - (iv) the market for the Products which may be supplied by us to persons who form part of a Business and the number of persons who are likely to carry on such Businesses in the future.

This clause 11 should be read in conjunction with clauses 7 and 11 of the Agreement.

PART G – MISLEADING AND DECEPTIVE CONDUCT

12. NO MISLEADING OR DECEPTIVE CONDUCT

You must not engage in, promote or condone any conduct that is or is likely to be unlawful, misleading or deceptive regarding recruiting, promotion and sale of the Products and the Business, including but not limited to:

- (a) **(Sign-up):** submitting to us any Membership application that is, in our reasonable opinion, false, forged or altered. Where you do so, the Agreement we have entered into in respect of that Membership application shall be terminated immediately and all rights accrued thereunder (if any) will be forfeited.
- (b) **(Membership fee):** misrepresenting or charging more than the charge stated for Membership in Official Omegatrend Literature. To do so is a breach of the Agreement, and will be dealt with pursuant to the Guidelines for the Resolution of Disputes and the Agreement.
- (c) **(Fraud):** engaging in, promoting or condoning fraud or any other dishonest behaviour under any circumstances.

PART H – INTEGRITY IN BUSINESS

Integrity in business is important to each and every Member and vital to the success of all Members' Businesses and our Business as a whole. This Code of Ethics is designed to promote the integrity of the Membership Tree.

13. STRUCTURE OF LINES OF INTRODUCTION

An Introducing Member or Upline Member must explain to the new Member and complete in their presence, the details of the Membership Application so they clearly understand:

- (a) that they are personally introduced by the Introducing Member;
- (b) that they will assume the position of First Downline from the Introducing Member in the Membership Tree;
- (c) the relationship of the position they will have to others in the Introducing Member's Line of Introduction;
- (d) that the positioning as First Downline is to facilitate personal direct contact for the purposes of Business and personal development, and the obligation to refer any matter Upline pursuant to this Code of Ethics, the Agreement or the Guidelines for the Resolution of Disputes; and
- (e) who their Long Distance Introducing Member and Upline is, if applicable.

The Introducing Member or Upline Member must thoroughly explain the details of the Membership Application, the Agreement and this Code of Ethics. All new Members should be given time to read the Agreement prior to signing a Membership Application.

14. INTRODUCING OTHERS

It may happen that more than one Member contacts a person who may be interested in joining us who has or may in future be contacted by another Member for the same purpose.

- (a) Conflicting "Rights" to Introduce

As a general rule, we expect a Member to conduct their Business so that those who may be introduced to us are not disconcerted or turned away due to disagreements as to "rights" over that person because of differing times of contact.

- (b) "Fourteen and Thirty Days" Rule

If you Contact another person and conduct a follow through within fourteen (14) calendar days, we expect other Members to respect your ability to introduce that person in preference to any other Member for a period of up to thirty (30) calendar days from the date of first Contact.

- (c) The Introduced Member has ultimate choice if no foul play

If the person seeking to be introduced to the Business chooses, within the timeframes of the "Fourteen and Thirty days" rule, for any reason to be introduced by a Member other than you, you and other Members must honour that decision.

However, a new Member's choice may be set aside by us if we are satisfied that a Member in any way solicits, makes representations or provides information of a nature that influences or encourages the person seeking to be introduced to make a decision to be introduced by any Member other than the first Introducing Member prior to the expiry of the prescribed times. In such a case, if there is a complaint, we may issue a Determination (as that process is set out in the Guidelines for the Resolution of Disputes) as to who is the authorised Introducing Member.

CODE OF ETHICS

(d) Consultation

In any other circumstance where difficulties might occur, the Introducing Member should contact their Presidential Club Member.

15. ETHICAL CONTACT

You must not engage in Cross-lining or Canvassing or any similar conduct for the purpose of:

- (a) touting for or on behalf of another Multi-Level Marketing Company or Direct Selling Company;
- (b) discussing financial aspects of other Members' Businesses;
- (c) gaining access to Confidential Information;
- (d) touting for or on behalf of your personal interests that are unrelated to our Business either financially or otherwise;
- (e) complaining about a common Upline or us; or
- (f) encouraging another Member to change their Line of Introduction.

16. COMMUNICATION WITH YOUR ZONE LEADER

Subject to clause 15, contact with your Zone Leader is not a breach of this Code of Ethics and is encouraged by us to keep the Zone Leader informed as to your views and concerns regarding your Business.

17. PROHIBITED CONTACT

Subject to the provisions of this Code of Ethics, you must not at any time:

- (a) engage in Cross-lining, Canvassing or Poaching;
- (b) encourage or induce any other person to engage in Cross-lining, Canvassing or Poaching; or
- (c) use our official functions, Official Omegatrend Literature or the Omegatrend Audio Program to support Cross-lining, Canvassing or Poaching.

18. STACKING

You must not, at any time, engage in the practice of Stacking.

19. COMPLAINTS

Any Member with a complaint about Cross-Lining, Canvassing or Poaching is encouraged to consult with their Upline concerning the complaint. Members and/or their Uplines may also write directly to their Executive Club Support Team detailing their complaint. Preferably specific instances (dates, place, time, people involved) should be described in the letter. It is desirable also to copy the Member's Upline on the letter.

20. SEXUAL HARASSMENT

- (a) **(Not to Engage in Harassment):** Sexual harassment has no place in your conduct or in our Business. You must avoid any behaviour that may be interpreted or misunderstood as harassment or sexual harassment. It is important to remember gender, cultural and social differences may impact on a person's perception of your behaviour.
- (b) **(Meaning of Harassment):** Without limiting the meaning of harassment for the purposes of this clause, harassment includes any form of behaviour that is unwelcome, unsolicited, humiliating, offensive or intimidating. Such behaviour can include verbal, non-verbal or

physical behaviour. It can be an isolated incident or a series of incidents or an ongoing pattern of behaviour. Sexual harassment is any harassment of a sexual nature, and without limiting the foregoing, includes sexually suggestive remarks, unwelcome physical contact, circulating or displaying sexually offensive material, unwelcome jokes, offensive hand or body gestures, intrusive questions about sexual activity, sexual invitations, sexual assault or attempted assault, and obscene messages.

- (c) **(Contact your Executive Club Support Team Manager):** You are encouraged to contact your Executive Club Support Team manager immediately if you experience or witness any sexual harassment or have a complaint.
- (d) **(Contact Authorities):** You are encouraged to also contact the police (regarding criminal behaviour) or the relevant government agency in your Country of Operation.
- (e) **(Keep Us Informed):** If you do contact the police or a government agency, we request that you advise us of such action and the outcome of such action so that we may take appropriate steps with regard to the harasser. All such complaints will be kept strictly confidential.
- (f) **(Internal):** If you have a sexual harassment complaint and prefer in the first instance to have us deal with the complaint, then we may ask you to consent to a Member in your Upline or your Presidential Upline Member being involved in trying to resolve the issue. If the matter appears to be of a criminal or otherwise illegal nature, we will, after consultation with you, suggest that the matter be referred to the appropriate authorities.

21. FINANCIAL

- (a) **(No Borrowing):** No prospective new Member should ever need to borrow money to become a Member or, in the case of an existing Member, to continue to conduct their Business.
- (b) **(State Cost):** Members must clearly state the actual cost of joining.
- (c) **(No Loans):** We do not condone loans made between Members.
- (d) **(Bonuses/Refunds Paid to Member Only):** We will not recognise nor be bound by agreements between Members to redirect payments to any person other than the Member entitled.

22. PARTICIPATION IN OTHER BUSINESSES, PROMOTION OF CAUSES

- (a) **(Reasonable Restrictions):** Pursuant to clause 7 of the Agreement, we may place Restrictions or restrictions on Members' rights to solicit and promote other direct selling businesses.
- (b) **(Omegatrend Prohibits):**
 - (i) soliciting for or promoting other direct selling products and opportunities at our meetings and other gatherings of Members, prospective Members, Sanden Brook Consumers or prospective Sanden Brook Consumers;
 - (ii) using the Membership Tree or personal information that has been disclosed to you by us, Members or Sanden Brook Consumers in the course of conducting your Business, for soliciting for or promoting another direct selling opportunity or product whether through telephone prospecting, email or hard copy mailouts or other methods;
 - (iii) approaching people whom you would not have known except for your involvement in our Business about other direct selling opportunities and products.

CODE OF ETHICS

- (c) **(Personal Causes):** We prohibit the use of the Membership Tree and our meetings and other functions for the promotion of Members' personal causes (including political, charitable and religious causes).

PART I – COMMUNICATIONS

23. INTRA-GROUP COMMUNICATIONS

- (a) **(Comply with the Agreement):** All communications between Members and Sanden Brook Consumers and others must be in accordance with the terms and conditions of the Agreement and in particular but without limitation clauses 11 and 14.
- (b) **(Website policy):** All Members' websites must comply with our website policy (a copy of which will be supplied on application for a website) which includes prohibitions against spamming, content liable to inflame racial prejudice, defamation of other Members or other direct selling companies, and mandates password protection.

24. ADVERTISING

- (a) **(No advertising):** Subject to your rights pursuant to Clause 23, advertising by Members is prohibited.
- (b) **(Independent Business):** The content of all communications by you to the general public must comply with this Code of Ethics and make it clear that you are an independent sales person. This can usually be done by clearly stating that you are an "independent Omegatrend Member carrying on an independent Business but not as an agent or representative of Omegatrend".

25. MEDIA CONTACT

- (a) **(Let Omegatrend speak):** You must not respond directly to the media nor give interviews in relation to your Business or anything directly or indirectly concerning us without our prior written consent.
- (b) **(Contact with the media):** If you are contacted by the press or any other sector of the media in relation to your Business or anything directly or indirectly concerning us, you must obtain the media contact's name and contact details and reason for interest in us and inform the media contact that we will contact them as soon as possible. You should then promptly pass the information on to the Chief Executive Officer in your Country of Operation.

GUIDELINES FOR THE RESOLUTION OF DISPUTES

PART A – INTRODUCTION

1.	BACKGROUND INFORMATION	106
2.	GUIDELINES FOR THE RESOLUTION OF DISPUTES POLICY	106
3.	HOW THE PROCESS IS STARTED	106

PART B – COMPLAINTS HANDLING AND DISPUTES RESOLUTION

4.	PROCESS	107
5.	PROCEDURE	107
	Clause 5.1 Procedures	107
	Clause 5.2 Effective Date of Decision	108
	Clause 5.3 Disciplinary Actions	108
	Clause 5.4 Restoration of Status	108
	Clause 5.5 Extension	108
	Clause 5.6 Confidentiality	108

PART C – MEDIATION

6.	REQUEST FOR MEDIATION	109
	Clause 6.1 Request for Mediation	109
	Clause 6.2 Mediation Procedure	109
	Clause 6.3 Costs of Mediation	109
	Clause 6.4 Successful Mediation	110

PART D – ARBITRATION

7.	APPLICATION FOR ARBITRATION	110
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PART E – MISCELLANEOUS

8.	TIME LIMIT FOR APPLICATION	111
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GUIDELINES FOR THE RESOLUTION OF DISPUTES

PART A – INTRODUCTION

1. BACKGROUND INFORMATION

These Guidelines for the Resolution of Disputes are published by us pursuant to the Agreement, but you acknowledge and agree that where there is any inconsistency between these Guidelines for the Resolution of Disputes and the Agreement, the Agreement shall prevail.

These Guidelines for the Resolution of Disputes set out our policy for dealing with disputes between Members and complaints about a Member's conduct not being in accordance with the Code of Ethics; for dealing with breaches of the Agreement, for appeals by Members regarding our decisions under the Agreement and for complaints from Members against us.

These Guidelines for the Resolution of Disputes recognise the particular nature of your Business and our Reward and Recognition Plan as well as the special relationship created between you and us.

Any breach of the Agreement or the law which causes a Member, Sanden Brook Consumer or general consumer concerns may reflect adversely on our Members and on us. In extreme cases, breaches may attract media, regulatory authority or other government attention.

We are committed to the ethical conduct of our Business operations. We provide an opportunity for people to enhance their lives. We do not condone any conduct which is unfair. Nor do we condone conduct which misleads or deceives any person, including those who are considering building a Business and those who buy our Products.

2. GUIDELINES FOR THE RESOLUTION OF DISPUTES POLICY

These Guidelines for the Resolution of Disputes apply in the following circumstances but their application is not limited to:

- (a) **(Disputes):** disputes between Members;
- (b) **(Complaints):** complaints about you from any source, whether from other Members, Sanden Brook Consumers, the general public or regulatory authorities;
- (c) **(Other Matters):** if we have or may have any other concerns regarding your conduct;
- (d) **(Breach of Agreement):** complaints or concerns we may have in connection with a breach or threatened breach of the Agreement;
- (e) **(Omegatrend):** any concerns that you might have regarding our conduct;
- (f) **(Breach):** a breach or potential breach of contract by a party, breach of a DSA code or any applicable law.

3. HOW THE PROCESS IS STARTED

- (a) **(Members):** We will generally only take action or respond in accordance with these Guidelines for the Resolution of Disputes when a Member makes a written complaint to us.
- (b) **(General Public):** The general public and regulators may make a complaint, in which case we may take steps to deal with the complaint in accordance with our rights under the Agreement, including these Guidelines for the Resolution of Disputes.
- (c) **(Omegatrend):** Where we become aware of any circumstances which we believe need to be addressed, we may deal with the matter in accordance with the Agreement including these Guidelines for the Resolution of Disputes.

GUIDELINES FOR THE RESOLUTION OF DISPUTES

We may act independently of these Guidelines for the Resolution of Disputes, if we believe it is advisable to do so.

PART B – COMPLAINTS HANDLING AND DISPUTES RESOLUTION

4. PROCESS

We have a three-step process for handling complaints and dispute resolution as follows.

- (a) **(Upline Consultation):** In circumstances in which we consider that the complaint or dispute has arisen due to an inadvertent or unknowing breach of the Agreement, we may first attempt to resolve the complaint or dispute through consultation with your First Upline Premiere Club Member or First Upline Ambassador Club Member or First Upline Presidential Club Member, whichever we deem most relevant.
- (b) **(Formal Internal Review):** We may investigate any complaint or dispute and issue a Determination.
- (c) **(Arbitration):** If you disagree with a Determination made by us, you may refer the matter to arbitration in accordance with the procedures set out in Part D of these Guidelines for the Resolution of Disputes.

Nothing in these Guidelines for the Resolution of Disputes prevents us from taking any action we consider appropriate, including starting proceedings, seeking injunctive relief and/or enforcement action in any court of law.

5. PROCEDURE

Clause 5.1 (Procedures)

You must follow the procedure set out below where you have a dispute or complaint.

- (a) **(Contact Executive Club Support Team):** You or any other person with a complaint or dispute should first write to our Executive Club Support Team at our office in the Country of Operation in which the complaint or dispute has arisen. In each of our offices, our Executive Club Support Team is the first contact point for all inquiries and complaints. The Executive Club Support Team is empowered to provide information regarding the Agreement and will receive and make inquiries into enquiries and/or complaints by Sanden Brook Consumers, Members or other people. The Executive Club Support Team may also make decisions to resolve returns issues and other types of complaints.
- (b) **(Investigation and Determination):** Following initial contact with the Executive Club Support Team, and where the Executive Club Support Team has not resolved the dispute or complaint, we will notify the relevant Member of the complaint or dispute and will then carry out an investigation which will include consulting you and other relevant Members where appropriate. As soon as it is practicable thereafter, we will issue a Notice setting out our Determination regarding the complaint or dispute. To the extent allowed by law, you waive your rights under the privacy laws of the relevant Country of Operation so that we can make such disclosures for the purpose of our investigation. We will only make such disclosures where they are, in our reasonable opinion, necessary.
- (c) **(Suspension):** Where we believe it appropriate in the circumstances, we may suspend any Member pending Determination by us.
- (d) **(Determination Not Subject to Review):** Determinations are not subject to review other than by arbitration in accordance with the arbitration provisions set out in Part D of these

GUIDELINES FOR THE RESOLUTION OF DISPUTES

Guidelines for the Resolution of Disputes, or as a result of lawful intervention by an independent regulatory authority pursuant to non-excludable rights under any legislation. To the extent permitted by the law of the relevant Country of Operation, we exclude statutory rights and rights at law to review our Determinations under these Guidelines for the Resolution of Disputes.

- (e) **(Mediation):** We may agree to mediation with respect to a Determination if we are requested to do so under Part C of these Guidelines for the Resolution Disputes.

Clause 5.2 (Effective Date of Decision)

Subject to these Guidelines for the Resolution of Disputes, any decision made by Omegatrend under clause 5.1(b) of these Guidelines for the Resolution of Disputes comes into effect when the Notice referred to in that clause is deemed to have been delivered to you.

Clause 5.3 (Disciplinary Actions)

Pursuant to a Determination, we may:

- (a) simultaneously impose any one or more of the Restrictions set out in the interpretation section of the Agreement or such other Restrictions as we consider appropriate in the circumstances or
- (b) suspend your Membership with immediate effect;
- (c) terminate your Membership with immediate effect.

Clause 5.4 (Restoration of Status)

Subject to any Restrictions imposed on your Membership or other disciplinary action imposed upon you, we may restore full rights and privileges to you and pay the balance of any monies (subject to the terms of the Determination) withheld and owing to you once the period specified in the relevant Determination is completed.

Clause 5.5 (Extension)

If, after the period during which we have imposed Restrictions on you or suspended your Membership has expired, we are not satisfied that you are ready to be restored to full rights and privileges, or if we become aware of other or further breaches during the period the disciplinary action is in force, we may:

- (a) require that the applicable Restrictions be continued for any such additional period and on such conditions as we consider appropriate; or
- (b) bring the Restrictions to an end immediately and terminate or downgrade your Membership.

You acknowledge and agree that this clause does not limit our ability in instances of serious or repeated misconduct to suspend and/or terminate your membership without first imposing Restrictions.

Clause 5.6 (Confidentiality)

Except as otherwise provided in these Guidelines for the Resolution of Disputes, complaints, disputes, investigations and Determinations pursuant to these Guidelines for the Resolution of Disputes are strictly confidential. You must ensure that you do not disclose the existence or details of any such complaint, dispute, investigation or Determination to other Members or to the public unless we authorise you to do so.

PART C – MEDIATION

6. REQUEST FOR MEDIATION

Clause 6.1 (Request for Mediation)

- (a) **(Request):** If you have received Notice of a Determination from us, you may within fourteen (14) days of receipt of that Notice request in writing that the parties submit to mediation with respect to the Determination.
- (b) **(Response):** Where we receive a request for mediation under clause 6.1(a) above, we will notify you whether we accept the request for mediation within ten (10) days of receiving your request.
- (c) **(Refusal):** Where we refuse a request for mediation, the provisions of Part D of these Guidelines for the Resolution of Disputes shall apply.

Clause 6.2 (Mediation Procedure)

- (a) **(Nomination of Mediators):** If we accept the request for mediation, we will nominate three (3) persons capable of undertaking a mediation of the relevant issues (one of whom may be your First Upline Presidential Club Member) and give you notice of that nomination.
- (b) **(Independent Appointment of Qualified Mediator):** If you do not agree with the mediators we nominate under clause 6.2(a) within ten (10) Working Days of our Notice accepting the request for mediation, we will refer the matter to the President for the time being of the the law society or equivalent body in your relevant Country of Operation, who will nominate a mediator. Once such a nomination has been made, both parties will accept the nomination without further challenge.
- (c) **(Mediation Rules):** Both parties agree that the mediation will be carried out pursuant to the applicable Mediation Rules in the relevant Country of Operation.
- (d) **(Mediation Not to Stay Determination):** Where you request a mediation, neither your request, nor any mediation entered into as a result of your request will act as a stay on the implementation of a Determination we have issued to you. The Determination will be implemented and only revised in accordance with the terms of a binding Settlement Deed entered into in accordance with these Guidelines.

Clause 6.3 (Costs of Mediation)

- (a) **(Parties' Costs):** The cost of attending the mediation and of obtaining independent legal representation is at each party's own expense.
- (b) **(Mediator's Costs):** The costs of the mediator and the venue for the mediation and any interpreters agreed on by you and us, will be equally shared between you and us and both parties will sign, before the mediation starts, a mediation agreement which shall include provisions to the effect that:
 - (i) the mediator will not be able to incur substantial out-of-pocket expenses, travel or accommodation charges without the prior consent of you and us, which shall not be unreasonably withheld or delayed;
 - (ii) if you or we wish to limit the total costs or charges that may be incurred or rendered by the mediator at any time throughout the mediation, the maximum amount shall be included in the mediation agreement;

GUIDELINES FOR THE RESOLUTION OF DISPUTES

- (iii) the mediator will provide an estimate or a quotation of the costs to be borne by you and us respectively; and
- (iv) you and we each agree to put money in trust with an agreed third party for half of the amount of the mediator's estimated costs prior to the start of the mediation. If you or we refuse to do so and maintain such refusal for a period of ten (10) Working Days after a written request from the mediator, then the other party may discontinue the mediation.

Clause 6.4 (Successful Mediation)

- (a) **(Successful):** If the mediation is successful, you and we shall sign a Settlement Deed and a mutually binding release of all further claims in respect of the issues which is subject to the mediation.
- (b) **(Breach of Settlement Terms):** If you breach the terms of a Settlement Deed, we may take any action we consider appropriate, including starting proceedings seeking injunctive relief and /or enforcement action in any court of law.
- (c) **(Failure of Mediation):** If the parties have not signed a Settlement Deed within ten (10) Working Days of the start of the mediation, the mediator shall advise you and us in writing that the mediation has failed and is finished. You or we may then refer the matter to arbitration in accordance with Part D of these Guidelines for the Resolution of Disputes.
- (d) **(Withdrawal from Mediation):** In the event that you or we withdraw from the mediation process, you or we may then refer the matter to arbitration in accordance with Part D of these Guidelines for the Resolution of Disputes. In such circumstances the mediator shall give Notice to each party recording that the mediation has failed.

PART D – ARBITRATION

Clause 7 (Application for Arbitration)

- (a) **(Request):** If we cannot resolve a dispute informally (as described herein), any dispute either of us asserts will be resolved only by binding arbitration. If you have received Notice of a Determination from us, you must within fourteen (14) days of receipt of that Notice request in writing that the parties submit to arbitration with respect to the Determination.
- (b) **(Rules):** The arbitration will be conducted under the relevant legislation in the Country of Operation and by the UNCITRAL Arbitration Rules that are in effect at the time the arbitration is initiated (referred to as the "Arbitration Rules") and under the rules set forth in the Agreement and these Guidelines for the Resolution of Disputes. If there is a conflict between the Arbitration Rules and the rules set forth in the Agreement and these Guidelines for the Resolutions of Disputes, the rules set forth in the Agreement and these Guidelines for the Resolution of Disputes will govern. Arbitration means that you waive your right to institute legal proceedings.
- (c) **(Special Rules):** In the arbitration proceeding, the arbitrator must follow applicable law of the relevant Country of Operation, and any award may be challenged if the arbitrator fails to do so. Otherwise the arbitrator's decision is final and binding on all parties and may be enforced in any court that has jurisdiction.
- (d) **(Exceptions):** Nothing in these Guidelines for the Resolution of Disputes shall affect our ability to terminate your Membership for non-payment of amounts owed to us at the time due or to bring an action in a court of competent jurisdiction in order to collect any unpaid amounts.

GUIDELINES FOR THE RESOLUTION OF DISPUTES

PART E – MISCELLANEOUS

Clause 8 (Time limit for Application)

If you have not applied within the time limits outlined in these Guidelines for the Resolution of Disputes, you agree that any Notice of the original Determination is conclusive evidence of the facts stated therein and we may then take action, including Termination.



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