



BODY WISE[®]
for every body • every day

Policies & Procedures Manual

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The Body Wise Code of Ethics

The Body Wise Policies and Procedures Manual is a guide to provide a foundation for growing your business. Body Wise Consultants follow the company's Code of Ethics for conducting their business.

- As a Body Wise Consultant, I will conduct my activities according to the Golden Rule, "do unto others as you would have them do unto you" with integrity to take responsibility for building my business by following ethical practices.
- I commit to sharing the Body Wise products and opportunity with honesty, and will not misrepresent the potential sales or earnings, knowing that it is up to each individual's efforts to determine their success.
- I will support our Body Wise values, policies and procedures and will not engage in any unethical, deceptive, or unlawful practice.
- I accept my responsibility to teach and train, support and encourage my team of Consultants and will treat my Customers and Consultants with respect at all times.
- I will not advise or encourage excessive purchases. I will honor the 70 percent Rule.
- I will represent the company's products in a professional manner in all of my transactions and communications.
- I will abide by all local, state, provincial and federal laws that govern my independent business, and will comply with these laws and the laws impacting the direct selling industry.
- I will reward and recognize the achievements of my Consultants.
- I will maintain an attitude of gratitude with everyone at all times.

I.0 General Information

The Policies and Procedures, in their present form and as amended at the sole discretion of Body Wise International, are an important part of your contract as an Independent Consultant of Body Wise International. As an Independent Consultant, you must comply with all the terms and conditions set forth by Body Wise International (hereinafter referred to as "Body Wise" or the "Company"). Your contract includes the Body Wise Independent Consultant Application and Agreement, the Policies and Procedures, the Body Wise Compensation Plan and the Body Wise online legal Terms and Conditions (for those who enroll online). These documents are incorporated into, and form an integral part of, the Consultant Agreement. They are referred to collectively herein as the "Agreement." As an Independent Consultant, you further agree to honor all applicable laws and regulations in the state, or province, country or other political subdivision where you live, and in which you operate your Body Wise business.

Please study this manual carefully. Each Body Wise Independent Consultant (the "Consultant") is responsible for reading, understanding, and adhering to the terms of the Agreement. When sponsoring or enrolling a new Consultant, it is the responsibility of the sponsoring Consultant to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures including the Body Wise Compensation Plan prior to his or her execution of the Consultant Application and Agreement. These Policies and Procedures apply to all Consultants and will be enforced as such. Violation will subject the Consultant to the Compliance Administration Procedure and any related disciplinary sanctions imposed by the Compliance Review Board.

1.1 - Purpose of Policies

Body Wise is a nutritional direct sales company that markets its products through Independent Consultants. It is important to understand that your success and the success of your fellow Consultants depends on the integrity of the men and women who market our products and services. To clearly define the relationship that exists between Consultants and Body Wise, and to explicitly set a standard for acceptable business conduct, Body Wise has established the Agreement.

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

1.2 - Changes to the Agreement

Because federal, state, provincial and local laws, as well as the business environment, periodically change, Body Wise reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By signing the Consultant Agreement, a Consultant agrees to abide by all amendments or modifications that Body Wise elects to make. Amendments shall be effective upon notice to all Consultants that the Agreement has been modified. Notification of amendments shall be published in official

Body Wise materials. The Company shall provide or make available to all Consultants a complete copy of the amended provisions by one or more of the following methods: (1) posting on the Company's official web site; (2) electronic mail (email); (3) inclusion in Company periodicals; (4) inclusion in product orders or bonus checks; or (5) special mailings. The continuation of a Consultant's Body Wise business or a Consultant's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

1.3 - Customer

A Customer is anyone who purchases Body Wise products and/or services. Customer benefits include excellent service and a 30-day money back guarantee.

1.4 - Preferred Customer

A Preferred Customer receives all the benefits of a Customer, plus saves 15 percent off all products ordered. Upon enrollment in the Body Wise Automatic Reorder Program, your order will be automatically sent to you once each month. The Company will automatically charge your credit card or debit your bank account for the amount of the product order, plus applicable taxes and shipping/handling charges. Participation in the Automatic Reorder program is optional and may be canceled at any time.

1.5 - Independent Consultant

"Consultant" is a term used to describe an Independent Consultant of Body Wise products and services. No purchase of product is required to become a Consultant. An Independent Consultant is a Consultant who purchases Company products for himself or herself and/or for retail consumers and earns commissions through the Compensation Plan by meeting certain volume and leadership requirements. As an Independent Consultant of the Company, with the purchase of a Starter Kit, you have the following benefits:

- 25 percent discount from the Suggested Retail Price (SRP) on all Body Wise products.
- Opportunity to earn periodic promotions and participate in the Body Wise Compensation Plan, including commission and bonuses.
- Sell Body Wise products.
- Sponsor other individuals as Customers or Consultants into the Body Wise business and thereby, build a marketing organization and progress through the Body Wise Compensation Plan.
- Participate in Body Wise-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable.
- Participate in promotional and incentive contests and programs sponsored by Body Wise for its Consultants.
- Receive periodic Body Wise literature and other Body Wise communications, including email.

1.6 - Term and Renewal of Your Body Wise Business

The term of the Consultant Agreement is one year from the date of its acceptance by Body Wise (subject to reclassification for inactivity after 12 months.) The agreement shall have a term beginning on the date of acceptance by Body Wise and ending 12 months from the date thereof. Renewal and related fees are stated below:

Personal Web Site: A free personal Body Wise website will be available for you to customize.

Annual Manager Renewal fee: For Managers and above, an annual fee will be automatically deducted from the monthly commission check payable in the month of the anniversary date.

Commission check processing fee: For monthly commission checks of \$200 or more, a nominal check-processing fee will be deducted from the check. Current fees are posted on the Body Wise Web site.

As an Independent Consultant of the Company, you have the following rights & responsibilities:

1.6.1 - To earn commissions and bonuses on sales of Company products and services throughout the United States and Canada.

1.6.2 - You are an independent contractor for all purposes, including legal purposes and governmental tax purposes. You are a self-employed independent business person who conducts business under an agreement with the Company. The agreement between the Company and the Independent Consultant does not create an employer/employee relationship, partnership, or joint venture between the Company and the Independent Consultant. Consultants set their own business hours and determine their own methods of procuring orders. Consultants are solely responsible for paying all taxes or duties required by law, including federal and state income taxes, national insurance contributions and the proper reporting, submission and payment of tax on sales and bonuses. Consultants are responsible to keep all records necessary to ensure the proper assessment and payment of any such taxes and duties. As independent contractors, Consultants will not be treated as employees or agents of Body Wise for federal, state, provincial or municipal tax purposes including, with respect to the Internal Revenue Code, Social Security Act, federal unemployment act, state unemployment acts, Canada Income Tax Act, Canada Employment Insurance Act, Personal Information Protection and electronic Documents ACGT (PIPEDA), or any other federal, state, provincial or local statute, ordinance, rule, or regulation. Consultants are responsible for all estimated income and self-employment taxes. At the end of each calendar year, Body Wise will issue to each Consultant IRS Form 1099 (T4A in Canada), non-employee compensation of a Consultant when earnings meet the current 1099 or T4A tax requirements.

1.6.3 - You must provide your own workers' compensation insurance, if required or applicable. Each Consultant is required to continuously provide Body Wise with a current address and phone number.

1.6.4 - You must provide all required insurance coverage, or which is desired by you with respect to your business, including, without limitation, medical and hospitalization insurance, automobile insurance and general comprehensive liability insurance. The Company shall not be liable for any debts or liabilities that you may incur, whether or not such liabilities are incurred during the term of the Agreement.

1.6.5 - You must obtain all necessary licenses, permits and other governmental approvals applicable to your business, including qualifications to transact business in states other than your domicile.

1.6.6 - You are solely responsible for your own activities, your own commitments and contracts, all liabilities, obligations and expenses which you incur. You may not bind the Company or incur any debt or expense in the name of the Company or open any checking account on behalf of, for, or in the name of the Company.

1.6.7 - You must always identify yourself as an "Independent Consultant" in all written and verbal communications.

1.6.8 - The Company reserves the right to request information about your business and downline to ensure compliance with the Agreement.

1.6.9 - You must operate your business in accordance with all applicable laws and/or regulations.

1.6.10 - You are prohibited from promoting or selling to existing Consultants or Customers any products, services or opportunities not directly associated with the Company at any of the Company's presentations or training events. Consultants cannot sell training programs, or sales aids, that have been personally-developed with Body Wise information to the field.

1.6.11 - It is against Body Wise policy to specifically and consciously target members of the sales force of another direct sales company to sell or work for Body Wise. Body Wise will not pay for the legal or defense costs, or agree to indemnify any Body Wise Independent Consultant who violates this policy. Also, if you encourage a prospect to breach or violate any agreement to which he or she is a party, you bear the risk of involvement in litigation. Body Wise will not pay any of your defense costs or legal fees, nor will Body Wise indemnify you if you are held liable.

1.7 - Nonsolicitation

During the term of this Agreement, Consultants may not directly or indirectly recruit other Body Wise Consultants or Customers for any other network marketing business. Following the cancellation of a Consultant's Independent Consultant Agreement, and for a period of 12 calendar months thereafter, with the exception of a Consultant who is personally sponsored by the former Consultant, a former Consultant may not recruit any Body Wise Consultant or Customer for another network marketing business. Consultants and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States and internationally, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Consultants and Body Wise agree that this non-solicitation provision shall apply to all markets in which Body Wise conducts business.

1.8 - Sale of Competing Goods or Services

Consultants must not sell, or attempt to sell, any competing non-Body Wise programs, products or services to Body Wise Customers or Consultants. Any program, product or services in the same generic categories as Body Wise products or services is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors. Consultants of Body Wise may not have a Consultantship with another network marketing company that sells competing products or services. Body Wise Consultants may not appear in the publications of other network marketing companies. Once a Consultant reaches the title of Executive Manager, the Consultant may not have a simultaneous interest in a Consultantship of another network marketing company. The Consultant will be given four weeks from the date of the appointment to Executive Manager to resign from the other network marketing company. Failure to do so may result in bonuses and commissions being withheld, suspension or any other sanction at the sole discretion of Body Wise.

1.9 - Consultant Participation in Other Direct Selling Programs

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

- Consultants shall not display Body Wise promotional material, sales aids, products or services with or in the same location as, any non-Body Wise promotional material or sales aids, products or services.
- Consultants shall not offer the Body Wise opportunity, products or services to prospective or existing Customers or Consultants in conjunction with any non-Body Wise program, opportunity, product or service.

- Consultants may not offer any non-Body Wise opportunity, products, services or opportunity at any Body Wise-related meeting, seminar or convention, or within two hours or a five mile radius of the Body Wise event. If the Body Wise meeting is held telephonically or on the Internet, any non-Body Wise meeting must be at least two hours before or after the Body Wise meeting, and on a different conference telephone number or Internet web address from the Body Wise meeting.

1.10 - Consultant Application and Agreement

1.10.1 - To become a Body Wise Independent Consultant, any person, or other entity, desiring Independent Consultant status must complete the Body Wise Independent Consultant Application and Agreement together with the appropriate Registration Fee (optional in North Dakota). The Registration Fee is not a service or franchise fee, but is rather to offset costs incurred by Body Wise for educational development costs, business materials and administrative costs. No product or inventory purchase by the Body Wise Consultant is required and there are no other fees or costs. The Company reserves the right to refuse to accept any prospective applicant without explanation and at its sole discretion. The prospective applicant must possess and provide a valid federal identification number (FEIN), social security number (SSN) or taxpayer identification number (TIN) or social insurance number (SIN) for Canada. Only after the Application and Agreement is accepted and processed, will Body Wise register you as an Independent Consultant and provide you with a nontransferable Identification Number (ID) and the Consultant Starter Kit. Your Consultant ID Number is cross-referenced to your taxpayer ID. Incomplete applications will not be accepted and may not be returned.

1.10.2 - The Company will reject any application, at its sole discretion, in the event the prospective applicant fails to provide this information. Consultants must be 18 years of age or older and reside in the United States, a U.S. Territory, Canada or any other country in which Body Wise is officially doing business, as announced in Body Wise literature or on the Body Wise Web site.

1.10.3 - The Company must receive a fully completed and signed (by the prospective applicant) Consultant Application and Agreement. In the case of online applications, the applicant must personally submit the application to Body Wise and is not eligible under the compensation plan until the signed application is received. If this process is not followed, the Sponsoring Consultant risks having the enrollment deemed as a fraudulent enrollment and may lose the enrollee and be subject to additional disciplinary sanctions. Consultants may cancel their Agreement within three days from the date on which the application is submitted to Body Wise, and must wait 12 months to re-enroll under a new Sponsor of their choice by submitting a written termination notice to Body Wise.

1.10.4 - An active Consultant is (1) any individual whose Body Wise Consultant Application or Renewal has been accepted by Body Wise within the preceding 12 calendar months, or (2) one who has a Consultant application on file and has placed an order for products with Body Wise within the preceding 12 calendar months.

1.10.5 - If you submit false FEIN, SSN, TIN or SIN (Canadian Identification Number) to the Company, you may be subject to immediate termination. No FEIN, SSN, TIN or social insurance number (SIN) for Canada may be used in connection with a Consultant Application, or order without that person's prior consent. If you submit forged signatures or false information on any Body Wise forms for yourself, or on behalf of another individual without the express written consent from the Consultant and/or individual granting permission, your Agreement may be subject to immediate termination.

1.11 - Corporations, LLCs, Partnerships or Trusts

A corporation, limited liability company ("LLC"), partnership or trust (collectively referred to in this section as a "Business Entity") may apply to be a Body Wise Independent Consultant by submitting its Certificate of Incorporation, Certificate of Organization, Partnership Agreement or trust documents (these documents are collectively referred to as the "Entity Documents") to Body Wise, along with a properly completed Business Entity Registration form. This must be included with the Independent Consultant Application and Agreement. The Business Entity Registration form must be signed by all of the shareholders, officers, directors, members, managers, partners or trustees, as the case may be. Members of the entity are jointly and severally liable for any indebtedness or other obligation to the Company.

1.11.1 - You must report changes to your account, DBA, sole proprietorship, Consultant name or address in writing to the Company within 14 days of the change occurring. If the change is clearly misspelling, inverted digit, or an incomplete entry in a name or address, this change may be made by phone.

1.11.2 - The Company reserves the right to approve or disapprove your change of business name ("DBA Name") in the event that it is offensive or conflicts with its trade names, trademarks, or services marks. You may not use the name "Body Wise," or any of its product or trade names in your business name which might be confused with the Company.

1.12 - Crossline Switching

Crossline Switching, actual or attempted, is strictly prohibited. "Crossline Switching" includes the following:

- (a) The enrollment of an individual or entity who is an active Consultant in another line of sponsoring;
- (b) The enrollment of the spouse or other immediate household member of an active Consultant under any Sponsor other than as permitted under Policy;

(c) The enrollment of any business entity which is owned in whole, or in part, by an active Consultant, the spouse, or other immediate household member of an active Consultant, in another line of sponsoring; or (d) Any artifice or mechanism that has the design, or effect of, causing an active Consultant, an immediate household family member of an active Consultant, or a partner, shareholder, member or other affiliated individual in a business entity who is an active Consultant, to join a line of recruitment other than that of the original Sponsor of the active Consultant except as permitted pursuant to Policy.

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

1.13 - Stacking

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent Consultant Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a Consultant or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Consultants or Customers ("phantoms"); (d) Purchasing Body Wise products or services on behalf of another Consultant or Customer, or under another Consultant's or Customer's ID number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods or services that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers.

1.13.1 - Stacking is strictly prohibited. The term ("stacking") includes: (a) providing financial assistance to new Independent Consultants; (b) violating the one -business-per-Consultant rule; and/or (c) fraudulently Sponsoring actual or fictitious individuals or entities into the Body Wise Compensation Plan.

1.13.2 - Holding Applications or Orders – Consultants must not manipulate enrollments of new applicants and purchases of products. All Consultant Applications and Agreements, and product orders must be sent to Body Wise within 72 hours from the time they are signed by a Consultant or placed by a Customer, respectively.

1.14 - One Business Per-Consultant

A Consultant may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Body Wise business. No individual may have, operate or receive compensation from more than one Body Wise business. Individuals of the same family unit may not enter into or have an interest in more than one Body Wise business. A "family unit" is defined as spouses and dependent children living at or doing business at the same address. In order to maintain the integrity of the Body Wise Compensation Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become Body Wise Consultants must be jointly sponsored as one Body Wise business. Spouses, regardless of whether one or both are signatories to the Consultant Application and Agreement, may not own or operate any other Body Wise business, either individually or jointly, nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or any other legal or equitable ownership) in the ownership or management of another Body Wise business in any form. An exception to the one business per Consultant rule will be considered on a case by case basis if two Consultants marry or in cases of a Consultant receiving an interest in another business through inheritance. Requests for exceptions to the policy must be submitted in writing to the Compliance Review Board.

1.15 - Succession

1.15.1 - Upon the death or incapacitation of an Independent Consultant, his or her business may be passed on to his or her heirs. Only businesses that have achieved the rank of Director or above may be transferred pursuant to this policy. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a Consultant should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a Body Wise Consultancy is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Consultant's downline organization provided the following qualifications are met. The successor(s) must:

- (a) Execute an Independent Consultant Application and Agreement;
- (b) Comply with terms and provisions of the Agreement;
- (c) Meet all of the qualifications for the deceased Independent Consultant's status subject to all the obligations of a Body Wise Consultant. Bonus and commissions of the Body Wise business transferred pursuant to this section will be paid in a single transaction jointly to the devisees. The devisees must provide Body Wise with an "address of record" to which all bonus and commission transactions will be issued. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer identification number. Body Wise will issue all bonus and commission transactions and one 1099 to the business entity.

1.15.2 - Transfer upon death of a Consultant – To affect a testamentary transfer of a Body Wise business, the successor must provide the following to Body Wise: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor's right to the Body Wise business; and (3) a completed Independent Consultant Application and Agreement executed by the successor.

1.15.3 - Transfer upon incapacitation of a Consultant – Only businesses that have achieved the rank of Director or above may be transferred pursuant to this policy. To effectuate a transfer of a Body Wise business because of incapacity, the successor must provide the following to Body Wise; (1) a notarized copy of an appointment as trustee; (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the Body Wise business; and (3) a completed Independent Consultant Application and Agreement executed by the trustee.

1.16 - Separation of a Body Wise Business

1.16.1 - Body Wise Consultants sometimes operate their Body Wise businesses as husband-wife partnerships, regular partnerships, Corporations, or trusts. At such time as a marriage may end in divorce or a Corporation, partnership or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to ensure that any separation or division of the business is accomplished, so as not to adversely affect the interests and income of other businesses up or down the line of sponsoring. If the separating parties fail to provide for the best interests of other Consultants and the Company, Body Wise will involuntarily terminate the Consultant Agreement and roll-up their entire organization pursuant to Section 1.13.

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

1.16.2.1 - One of the parties may, with consent of the other(s), operate the Body Wise business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Body Wise to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.

1.16.2.2 - The parties may continue to operate the Body Wise business jointly on a "business-as-usual" basis, whereupon all compensation paid by Body Wise will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

1.16.3 - Under no circumstances will Body Wise split commission and bonus checks between divorcing spouses or members of dissolving entities. Body Wise will recognize only one downline Organization and will issue only one commission check per Body Wise business per commission cycle. Commission checks shall always be issued to the Consultantship. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the Consultant Agreement shall be involuntarily terminated.

1.16.4 - If a former spouse has completely relinquished all rights in the original Body Wise business pursuant to a divorce, he or she is thereafter free to enroll under any Sponsor of his or her choosing without waiting 12 calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait 12 calendar months from the date of the final dissolution before re-enrolling as a Consultant. In either case, however, the former spouse or business affiliate shall have no rights to any Consultants in their former organization. They must develop the new business in the same manner as would any other new Consultant.

1.17 - Sale, Transfer or Assignment of a Consultant Agreement Prohibited

A Consultant may not sell, assign, merge or transfer his or her Consultantship (or rights thereto) without the prior written approval of Body Wise and compliance with the following conditions: The selling Consultant must provide Body Wise with a copy of (i) a written request to transfer, (ii) a written request to accept the transfer from the buyer, (iii) a genealogy confidentiality agreement signed by the buyer and the seller, and (iv) all documents which detail the transfer, including without limitation, the purchase price and terms of purchase and payment; a transfer fee of \$250 (refundable if not approved) and an application fee for a Starter Kit for the buyer must accompany the transfer documents; the documents must contain a covenant made by the selling Consultant for the benefit of the proposed buyer not to compete with the buyer or attempt to divert any existing Consultants from the Body Wise business for a period of one year from the date of the sale or transfer; and upon a sale, transfer or assignment being approved in writing by Body Wise, the buyer must assume the position of the selling Consultant and must execute a current agreement and all such other documents as reasonably required by Body Wise. Body Wise reserves the right, in its sole discretion, to stipulate additional terms and conditions prior to approval of any proposed sale or transfer. Body Wise has a minimum of 60 days to approve or disapprove the transfer. A Consultantship under review for violation of the Body Wise Policies is not eligible for sale, transfer or assignment.

Because the relationship between Body Wise and each Consultant is for the Consultant's personal services, a Consultant may not assign any rights or delegate any duties under the Consultant Agreement. Any attempt to sell, transfer, or assign a Body Wise business will render the Consultant Agreement voidable at the option of Body Wise.

1.18 - Changes to a Consultant's Body Wise Business

1.18.1 - Each Consultant must immediately notify Body Wise of all changes to the information contained on his or her Consultant Application and Agreement. Consultants may modify their existing Consultant Agreement (i.e., change Social Security number to Federal ID Number, or change the form of ownership from an individual proprietorship to a business entity owned by the Consultant) by submitting a written request, a properly executed Consultant Application and Agreement, and appropriate supporting documentation, such as a Business Entity Agreement, if applicable.

1.18.2 - Change of Sponsor: Maintaining the integrity of sponsoring is critical for the success of every Consultant and downline Organization. A change of sponsor may be accomplished by a Consultant resigning and waiting 12 months from the date of resignation to reapply. Such re-application shall be presented to the Sales Department for consideration. Upon approval of the re-application, the Consultant shall purchase a new Consultant Starter Kit.

1.18.3 - In cases in which Sponsor changes have improperly occurred following the initial three (3) day period, and a downline Organization has been developed in the second business developed by a Consultant, Body Wise reserves the sole and exclusive right to determine the final disposition of the subject downline Organization. It is difficult to resolve conflicts having to do with the proper placement of a downline and under an organization that has improperly switched Consultants. Therefore, CONSULTANTS WAIVE ANY AND ALL CLAIMS AGAINST BODY WISE THAT RELATE TO OR ARISE FROM BODY WISE'S COMPLIANCE REVIEW BOARD DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

1.18.4 - Termination and Reapplication: A Consultant may legitimately change organizations by voluntarily terminating his or her Body Wise business and remaining inactive (i.e., no purchases of Body Wise products, no sales of Body Wise products, no Sponsoring, no attendance at any Body Wise functions, no participation in any other form of Consultant activity, or operation of any other Body Wise business) for 12 full calendar months. Following the 12 month period of inactivity, the former Consultant may reapply under a new Sponsor.

1.19 - International Marketing

1.19.1 - Because of critical legal and tax considerations, Body Wise must limit the resale of Body Wise products and services, and the presentation of the Body Wise business to prospective Customers and Consultants located within the United States and U.S. and Canadian Territories and those other countries that the Company has announced are officially open for business.

1.19.2 - Consultants are authorized to sell Body Wise products and services, and enroll Customers or Consultants only in the countries in which Body Wise is authorized to conduct business, as announced in official Company literature. Body Wise products or sales aids cannot be shipped into or sold in any foreign country. Consultants may sell, give, transfer, or distribute Body Wise products or sales aids only in their home country. In addition, no Consultant may, in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential Customers or Consultants; or (c) conduct any other activity for the purpose of selling Body Wise products, establishing a marketing organization, or promoting the Body Wise opportunity.

1.20 - Roll Up of Downline Organization

When a vacancy occurs in a downline due to the non-renewal, resignation or termination of a Consultant business, each Independent Consultant in the first level immediately below the terminated Consultant on the date of the termination will be moved to the first level ("front line") of the terminated Consultant's Sponsor. For example, if A sponsors B, and B sponsors C1, C2 and C3, if B terminates his/her business, C1, C2 and C3 will "roll up" to A and become part of A's first level. If the roll up is more than a one for one replacement of downline Managers, Body Wise reserves the right to withhold some or all of the bonuses or commissions resulting from that unjust enrichment.

1.21 - Combining a Third-Party Agreement with Your Body Wise Business

1.21.1 - A "third party" includes, but is not limited to, another Independent Consultant or an unrelated individual/company offering business-building services or related/non-related goods and services, including but not limited to training programs, lead generation, etc.

1.21.2 - The Company does not endorse or permit any third-party income representations, guarantees or other such representations to build your downline Organization. In addition, the Company does not endorse any third-party individual or company making income representations through the use of third-party sales aids.

1.21.3 - If you choose to enter into any such agreement with a third party, you do so at your own risk. The Company will not be bound by any such agreement or contract. The Company will not reimburse you for costs incurred as a result of any such agreement or contract described above.

1.21.4 - You may not enter into third-party contracts combining any aspect of the Company business, as presented by the Company, with another offering having to do with the sale of the Company products, opportunity or the Compensation Plan with any other non-Company component, agreement, business plan, method or device. The Company does not honor these agreements. The Company will not settle disputes resulting from third-party agreements or between Consultants.

1.21.5 - The Company does not allow the Body Wise Products or Compensation Plan to be presented/offered in conjunction with any other business plan or other form of business. Violation of this Policy will be considered a breach of your Agreement and subject to termination of your Agreement.

1.21.6 - You must not induce third parties to acquire the Company's products by representing to that third-party that they would, after the acquisition of the Company's products receive cash bonuses, commissions or any other benefit from you in return for assisting you to supply the Company's products to others.

2.0 - Conducting Your Business, Product Sales and Sponsoring

2.1 - Compliance with Compensation Plan

Consultants must adhere to the terms of the Body Wise Compensation Plan as set forth in official Body Wise literature. Consultants shall not offer the Body Wise opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Body Wise literature. Consultants shall not require nor encourage other current or prospective Customers or Consultants to participate in Body Wise in any manner that varies from the program as set forth in official Body Wise literature. Consultants shall not require nor encourage other current or prospective Customers or Consultants to execute any agreement or contract other than official Body Wise agreements and contracts in order to become a Body Wise Consultant. Similarly, Consultants shall not require nor encourage other current or prospective Customers or Consultants to make any purchase from, or payment to, any individual or other entity to participate in the Body Wise Compensation Plan other than those purchases or payments identified as recommended or required in official Body Wise literature.

2.1.1 - Operating your business with integrity and in compliance with the law: Each Body Wise Independent Consultant agrees to utilize his or her best efforts to represent and sell body Wise products and present the Body Wise opportunity with the highest degree of professionalism, integrity, ethics and accuracy. Consultants shall not participate in any activity which is illegal, or in any way may be deemed detrimental to the Body Wise name, product, opportunity, business, corporate entity or the organization of Body Wise Consultants.

2.1.2 - Responsibilities to Your Downline Organization: You are responsible for training your downline Organization on effective and lawful methods of building a successful business and you are restricted from advising Consultants to restructure their downline in a fashion that gives the Sponsor or upline Consultants an income advantage, doing potential long term damage to his/her Consultant position.

2.1.3 - You are responsible for answering questions for Consultants whom you have personally sponsored. Consultants who have questions about any aspect of the company should contact their upline sponsors for assistance.

2.1.4 - The following monthly guidelines are required to maintain the Executive Manager, and above, "paid as" title:

2.1.4.1 - Communicate with your team of Customers, Preferred Customers, Consultants and Managers, weekly through one-on-one calls, or three-way calls to help them stay in activity, answer questions and motivate them toward success. This includes calls to review their business-building progress, three-way calls with prospects and/or emails supporting their Body Wise business. To contact your downline with ease and ability, we encourage every Manager to join iBodywise online to have access to all events and news to keep your team up-to-date. To help Consultants achieve goals, take advantage of all the training opportunities available. For convenience, we have recorded calls that are accessible 24-hours a day and are now available online. These calls offer support and learning opportunities (check online for current offerings), with new topics each month, featuring the top leaders in Body Wise, who share their secrets of success.

2.1.4.2 - Host a Body Wise meeting each month for your downline Managers, Consultants, Customers and prospects to train your team about Body Wise, the products and opportunity/building your business, and incentives and promotions.

2.1.4.3 - Host your own Body Wise meeting or join with another Body Wise Consultant to host a meeting. This can be a home party, hotel meeting or gathering where you share the products and opportunity. Notify the Sales and Marketing Department to post your meeting information online in the Body Wise News and Events section.

2.1.4.4 - Communicate with your team by distributing company product and sales literature, and review all corporate messages. This includes participating in Conference and Training Calls. To help you achieve your goals, take advantage of all the training opportunities available. For your convenience, we have recorded calls that are accessible 24-hours a day and are now available online. These calls offer you support and learning opportunities. Visit the Consultant portal Web site for the most recent calls at www.bodywise.com under "Calls."

2.1.4.5 - Review their business-building progress through three-way calls with prospects and/or emails to support them. To contact your downline with ease and ability, we encourage every Manager to subscribe to iBodywise online. You will get your own personal Web site, email account, eCards, customized reports, calendar and a contact management tool to help grow your business, simplify daily tasks and save valuable time.

Please note: these guidelines are posted online for your reference on the Consultant portal Web site.

2.1.4.6 - Executive Manager Guideline Implementation:

An Executive Manager and above Report (posted online) must be turned into the Corporate Office at the end of each month. Non-receipt of the Executive Manager Report will result in automatic default to "paid as Manager" title for that month. It is your responsibility to verify that your Executive Manager Report is received (faxed or emailed) by the Body Wise U.S. Corporate office. If these Guidelines have not been met during a given month, your Manager Report will be reviewed by the Compliance Review Board, and your pay could be impacted (i.e.: Infinity Bonus reduced or held; Generation Bonus reduced or held, etc). All decisions made by the Compliance Review Board will be final.

2.1.4.7 - Ongoing leadership responsibilities and expectations include:

a) Personally host, or co-host, one meeting each quarter, supported with corporate staff, when possible. To arrange a meeting with a corporate staff member, please visit www.bodywise.com for contact information. Attend all Body Wise corporate-sponsored events, such as Manager's School and our Annual Awards and Training Event. We train and recognize our new and current Managers, and encourage and motivate everyone, from their first day with us. Work toward qualifying to attend all corporate-sponsored incentive trips. Set a goal for yourself, create momentum within your team, and reward yourself with a relaxing trip to an exotic destination and have Body Wise pay for it. As company leaders, our hope is that all Managers will strive toward qualifying for all the trips, and do everything you can to help your team members qualify for the trips, too. It is such a great way to celebrate your success and the success and the growth of your team. We realize you may not qualify for all the trips, or may not be able to attend all incentive trips. We encourage you to help guide your team, so they have the opportunity to qualify and succeed. b) Maintain current Executive Manager qualifications with required volume. c) Purchase new product and sales literature, and review all corporate messages and communicate it with your team.

2.2 - Sponsoring

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

2.3 - Responsibilities of Consultants

2.3.1 - Change of Address or Telephone Number – To ensure timely delivery of products, support materials, and commission checks, it is critically important that information on file with Body Wise is current. Consultants planning to move should update their personal information, or send their new address and telephone numbers to Body Wise Corporate Offices to the attention of the Customer Service Team. To guarantee proper delivery, two weeks advance notice must be provided to Body Wise on all changes.

2.3.2 - Downline Training and Support – Any Consultant who sponsors another Consultant into Body Wise must perform a bona fide supervisory and training function to ensure that his or her downline is properly operating his or her Body Wise business. Consultants must have ongoing contact and communication with the Consultants in their downline Organizations. Examples of such contact and communication may include, but are not limited to newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline Consultants to Body Wise meetings, training sessions, and other functions. Upline Consultants are also responsible to motivate and train new Consultants in Body Wise product knowledge, effective sales techniques, the Body Wise Compensation Plan, and compliance with Company Policies and Procedures. Communication with, and the training of downline Consultants, must not however, violate Section 2.10 Creating Your Own Materials (regarding the development of Consultant-produced sales aids and promotional materials).

2.3.3 - Consultants must monitor the Consultants in their downline Organizations to ensure that downline Consultants do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every Consultant should be able to provide documented evidence to Body Wise of his or her ongoing fulfillment of the responsibilities of a Sponsor.

2.3.4 - As Consultants progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the Body Wise program. They will be called upon to share this knowledge with lesser experienced Consultants within their organization.

2.3.5 - Ongoing Sales – Regardless of their level of achievement, Consultants have an ongoing obligation to continue to personally promote sales through the generation of new Customers and Consultants through servicing their existing Customers and Consultants.

2.3.6 - Non-disparagement – While Body Wise welcomes constructive input, negative comments and remarks made in the field by Consultants about the Company, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other Body Wise Consultants. For this reason, and to set the proper example for their downline, Consultants must not disparage, demean, or make negative remarks about Body Wise, other Body Wise Consultants, Body Wise products, the Compensation plan, or Body Wise directors, officers, or employees.

2.3.7 - Providing Documentation to Applicants – Consultants must provide the most current version of Body Wise Policies and Procedures and the Compensation Plan to individuals whom they are Sponsoring to become Consultants before the applicant signs a Consultant Agreement. Additional copies of Policies and Procedures can be downloaded from the Body Wise Web site.

2.3.8 - Reporting Policy Violations – A Consultant observing a Policy violation by another Consultant should submit a written report of the violation directly to the attention of the Sales Department within one year of the violation. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

2.4 - Advertising

2.4.1 - You may not advertise Body Wise products or the opportunity by way of the Internet or any other form of media, including but not limited to, radio or television, or electronic or printed media except through the Body Wise Web site and pre-approval process via the Body Wise Marketing Department.

2.4.2 - In order to protect its trademarks, the Company must restrict its Consultants from producing their own advertisements to promote the Company or its products. The Company provides compliant advertisements for your use. Only those Company-produced sales materials may be utilized to promote the Company and its products. The company approved advertisements must be used verbatim.

2.4.3 - An Independent Consultant is fully responsible for all his or her verbal and written statements made regarding Body Wise products, services, and the Compensation Plan which are not expressly contained in official Body Wise materials. The Consultant agrees to indemnify Body Wise and Body Wise directors, officers, employees and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs or lost business incurred by Body Wise as a result of the Consultant's unauthorized representations or actions.

2.5 - Classified Advertising

2.5.1 - Notwithstanding the Consultant Advertising Policy, you may use "lineage" or classified opportunity advertisements (less than 30 words in length) provided by the Company for publication in the opportunity section of a local newspaper, magazines and directories. Approved classified advertising is available at www.bodywise.com. These advertisements must be reproduced in their entirety without modification. Your name and contact information is all that can be added.

2.6 - Telephone Directory Advertising

Only Consultants who have reached the level of Director or higher may advertise in a telephone directory. Yellow Pages advertising must conform to all applicable Policies and Procedures. The approved White and Yellow Pages listing is as follows:

(Consultant's Name)

Body Wise Independent Consultant

(Consultant's Address)

(Consultant's Telephone Number)

You may not use a telephone or toll-free number which, when numbers are converted to letters, spells out all or part of the name Body Wise or any of its products.

2.7 - Answering the Telephone

Consultants agree that they shall not answer the telephone in any manner that gives the caller the impression that they have reached the Company's corporate office. Telephone recordings must state that the caller has reached an "Independent Consultant" of Body Wise.

2.8 - Business Stationery

2.8.1 - Business cards and letterhead stationery may be purchased only through the Company designated ordering process online at www.bodywise.com in the online Business Tools section. The title "Independent Consultant" must always accompany your name when used in conjunction with the Company.

2.9 - Use of Company Name, Logo and Trademarks

2.9.1 - You may not use the Company name, logo, trademarks and/or names of company products in Consultant-produced advertisements or materials since you are prohibited from producing your own promotional materials.

2.9.2 - You may not use the name Body Wise or any of its trademarks as a part of your business, Corporation, Internet name, meta tags source and search code, or email address.

2.9.3 - You may not use the names or images of Company employees, executives, Consultants, athletes and/or organizations who endorse the Company, except as specifically written in current Company-approved materials.

2.9.4 - You are prohibited from using names of any other companies, associations, hospitals or institutions when promoting the Company.

2.10 - Creating Your Own Materials

2.10.1 - All Consultants shall safeguard and promote the good reputation of Body Wise and its products.

The marketing and promotion of Body Wise, the Body Wise opportunity, the Compensation Plan and Body Wise products shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices. To promote both the products and services, and the tremendous opportunity Body Wise offers, Consultants must use the sales tools and support materials produced by Body Wise. The rationale behind this requirement is simple. Body Wise has carefully designed its products, product labels, Compensation Plan, and promotional materials to ensure that each aspect of Body Wise is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal and state laws. If Body Wise Consultants were allowed to develop their own sales tools and promotional materials notwithstanding their integrity and good intentions, the likelihood that they would unintentionally violate any number of statutes or regulations affecting a Body Wise business is almost certain. These violations, although they may be relatively few in number, would jeopardize the Body Wise opportunity for all Consultants. Accordingly, Consultants must not produce their own literature, advertisements, sales tools and promotional materials, or Internet web pages.

2.10.2 - Consultants often have concepts or ideas for promotional materials that the Company may consider offering in the normal course of business. Body Wise receives Consultant concepts for production by the Company only with the understanding that the idea, concept or execution, either in whole or part (Consultant-submitted material), shall be the sole property of Body Wise. Body Wise may use any Consultant-submitted material, with or without changes, at its sole discretion and as its sole property. You must submit a complete "Submission Release Form" along with the materials to the Marketing Department located at the corporate offices for approval. The Company will review the materials to determine, among other things, budget feasibility, market trend analysis and appropriateness. The Company has the sole and final discretion on whether to approve or deny the idea or concept based on its Company strategic plan and image. Any cost(s) incurred by you in the design or production of the idea or concept is not the responsibility of the Company. Materials submitted will not be returned, therefore, you should retain the original when submitting ideas to the Company. Should the Company determine that the materials are of use, it will determine whether the materials should be made available to all Consultants. If not, the Company will notify the author/originator of the Consultant-submitted material in writing of the decision. If the material is determined to be valuable to Consultants, the Company will initiate direct communication with the author/originator. Consultants who produce their own materials using the Company trademark names outside of this Policy are in violation of Body Wise Policies and Procedures and applicable trademark laws and will be subject to the Disciplinary Sanctions.

2.11 - Reproducing Approved Educational and Promotional Materials

2.11.1 - You may copy Company-produced printed materials which are posted online at www.bodywise.com at the Consultant portal. They must be printed verbatim in their entirety for use in conducting your business. Educational materials may ONLY be used verbatim and IN THEIR ENTIRETY. You may not duplicate or record audio or video materials produced by the Company. Any recording or duplication is strictly prohibited. Body Wise may require, among other things, that you cease and desist from using or distributing such recordings; and require destruction, at your expense, of non-authorized recordings.

2.11.2 - Consultants may not create “generic” materials designed for use in connection with the sale of product or the opportunity. Only Company-approved educational or promotional material may be used by Consultants.

2.11.3 - Only materials produced by Body Wise are permitted to carry the Body Wise Official Seal.



2.12 - How to Properly Use Educational Materials

2.12.1 - Educational material is defined as published scientific and peer-reviewed articles or papers.

The Company will select papers that meet the approved requirements and make them available for Consultants via the Body Wise Consultant portal.

2.12.2 - Educational materials may be used in the United States and Canada as follows: Mention of educational material in public sales meetings is strictly prohibited. The papers may NOT be discussed, but only referred to if the specific health-related condition is asked about or commented on during the meeting.

The above-described papers may only be used in the following ways:

- Must be used in their entirety and not excerpted.
- Must not have any information (such as company promotional materials) attached by sticker or any other method.
- If displayed, must be physically separate from Body Wise dietary supplements.

2.13 - Contacting the Media

2.13.1 - All media inquiries (radio, television, newspapers, magazines or any other periodicals or media) are to be referred to the Body Wise Sales and Marketing Department. Consultants who are contacted by the media directly or indirectly to participate in any fashion are strictly prohibited from discussing the Company, products, business or Compensation Plan, or to provide testimonials of any kind. You are not authorized to represent the Company if contacted by the media. Consultants must not attempt to respond to media inquiries regarding Body Wise, its products or services, or their independent Body Wise business. All inquiries by any type of media must be immediately referred to Body Wise’s Sales and Marketing Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

2.13.2 - Personal Appearances – You are prohibited from representing the Company either directly or indirectly on television, cable television or radio without prior written permission from the Company.

2.13.3 - Public Relations – You are prohibited from employing broadcast media either directly or indirectly as a form of public relations, including but not limited to news releases, articles and talk-show appearances without prior written permission.

2.13.4 - Meeting Notices – Notification for public opportunity meetings for insertion into newspapers or periodicals must comply with all Body Wise Policies and Procedures and require approval from the Marketing Department. Specifically, they may not allude to any income representations or medical/disease claims or reference disease names. The Body Wise Web site offers posting for meetings in the events section.

2.14 - Governmental Approval or Endorsement

Body Wise business relationships with its vendors, manufacturers and suppliers are confidential. Consultants must not contact, directly or indirectly, or speak to or communicate with any supplier or manufacturer of Body Wise, except at a Body Wise-sponsored event, at which the supplier or manufacturer is present at the request of Body Wise.

2.15 - Trade Shows and Expositions

You may display and procure orders for Company products at trade shows and expositions. However, Company and product literature must be Company produced. You must identify yourself as a “Body Wise Independent Consultant.” You must keep the Company products and materials separate from any third-party offerings. Educational materials must be physically separated from the Company products and promotional materials.

2.16 - Retail Sales of Products in Commercial Outlets (“Stores”)

2.16.1 - Body Wise is a person-to-person marketing company. Our business is not oriented for retail outlets. Displaying and selling Company products in a retail store setting is inconsistent with Network Marketing, and a violation of Company proprietary interests. Therefore, displaying and selling Company products in a retail store setting is prohibited. The product may not be sold

to the general public in any commercial outlet or through home shopping network programs or the Internet. The product may not be displayed in public view, such as in a window display. Examples of outlets that may not sell Body Wise products or display promotional materials include but are not limited to supermarkets, drug stores, health food stores, discount establishments, swap meets, mall carts and kiosks.

2.16.2 - The exception to the foregoing rule, product may be sold or displayed in: (1) offices and other areas located in private clubs that are not accessible to, or in view of, the general public; or (2) the private offices of professionals who operate by appointment only (e.g., doctors, chiropractors, training establishments, etc.). Body Wise products may not be sold or displayed in any other public retail service locations.

2.17 - Misrepresenting the Company

Presenting the Company, Compensation Plan, employees or products in a deceptive, fraudulent, slanderous or misleading way will result in disciplinary action that may include termination of your Consultant Agreement, when such conduct becomes known to the Company.

2.18 - Product Claims and Misrepresentations

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Body Wise may be made except those contained in official Body Wise literature. In particular, no Consultant may make any claim that Body Wise products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only do such claims violate Body Wise policies, but they potentially violate federal and state laws and regulations, including the Federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act. Additionally Consultants may not:

2.18.1 - Make any representation about products other than those which have been approved by the Company specifically for use in the United States and Canada.

2.18.2 - Discuss or make warranties, representations or statements concerning Company products in a manner that is inconsistent with the Company produced literature and educational materials.

2.18.3 - Represent that the Company or products have been approved or endorsed by any governmental agency.

2.18.4 - Use or distribute, for the purpose of marketing products or in promotion of the Compensation Plan, material other than Company-generated sales aids or promotional materials. Prohibited materials include outdated Company-produced literature that are no longer listed on the sales aids price list and materials that a Consultant creates and produces for sale and distribution in his or her downline.

2.18.5 - Use disease-specific names or written testimonials in promotion of the Company or its products.

2.18.6 - Audio, video and written testimonials cannot be used when discussing the opportunity or the products.

2.19 - Repackaging and Re-labeling Company Products

You are strictly prohibited from re-labeling, or in any manner altering the labels on any Company products. Additionally, you may not repackage or refill products and must sell the products in their original unopened containers. If you participate in this activity, you expose yourself to potential criminal charges and/or civil damage claims.

2.20 - Right of Publicity Authorized

Independent Consultants authorize Body Wise to use their name, photo, personal story in print, audio, video and other media, including on the Internet, to promote Body Wise products or the Body Wise opportunity. Consultants waive all claims to remuneration for such use, and will be required to sign and submit a written release form.

3.0 - Internet Policies

3.1 - Selling Products Online

Each Independent Consultant is offered the opportunity to purchase a Body Wise approved Consultant iBodywise Web site for selling products online using a direct link to the Body Wise Internet shopping Web site. Online orders will be fulfilled directly by Body Wise; however the Body Wise pages will remain within the Consultant's Web site so that guests virtually never leave the Consultant's Web site. In order to maintain the integrity of the Body Wise brand name, product line and the Customer/Preferred Customer/Consultant relationship, Consultants may only sell Body Wise products online, through the Body Wise Web site replicating Program. Any other online sales media, including independent Web sites online malls or auction sites, such as, but not limited to eBay, are prohibited.

3.2 - Independent Consultant Web site Replicating Program

The Body Wise Independent Consultant Web site Replicating Program is a cost effective way for Consultants to quickly and easily establish a business presence online and start automating specific business tasks. With this program, Consultants can sell Body Wise products and register new Consultants online from their Body Wise Web site, all linked directly to their Consultant ID Number.

3.3 - No Web site Warranties

Body Wise makes no guarantees for the Independent Consultant iBodywise Web site Program. INTERNET SERVICES PROVIDED BY BODY WISE ARE SOLELY PROVIDED "AS IS." BODY WISE MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, CONDITIONS OF MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NONINFRINGEMENT.

Body Wise may not be held liable for any downtime on iBodywise Replicating Web sites due to server delays or problems, viruses, maintenance or any other reason whatsoever.

3.4 - Internet Customer Referrals

Customers who purchase products online at www.bodywise.com, and do not specify a Body Wise Independent Consultant, will be directed to a participant in the Body Wise referral program. Only Independent Consultants participating in the Body Wise Web site Program will receive new Customer referrals from www.bodywise.com.

3.5 - Independent Consultant Web sites

Outside Web sites are prohibited except for Web sites approved and managed by Body Wise as part of the iBodywise Web site Program, or Body Wise home page.

3.5.1- Sponsoring Independent Consultants online via an electronic signature application or online form is not permitted outside of the iBodywise Web site Program or www.bodywise.com.

3.5.2 - Product images from www.bodywise.com cannot be downloaded to an Independent Consultant Web site. People or model images cannot be downloaded or copied due to copyright laws.

3.5.3 - Copies downloaded from www.bodywise.com or taken from printed Body Wise literature must be used exactly as printed or written. Changing a word or two may change the real meaning or definition and violates copyright laws.

3.5.4 - Independent Consultants may not publish, post or distribute any material on any Web site or in connection with Body Wise that is defamatory, libelous, disparaging, threatening, offensive, harassing, abusive, obscene, pornographic, or in violation of applicable laws. Independent Consultants may not violate or infringe on the rights of others, including privacy, publicity and proprietary rights.

3.5.5 - Independent Consultants agree not to interfere or take action that results in interference with or disruption of the Body Wise or iBodywise Web site, Servers or Networks. Consultants agree not to attempt to gain unauthorized access to computer systems or networks connected to the foregoing.

3.6 - Search Engines and Meta Tags

3.6.1 - Independent Consultants agree to cooperate fully with Body Wise so that Internet search engines list the Body Wise Web site www.bodywise.com as the first search result when an Internet browser makes a query containing the name "Body Wise" or any one of Body Wise product names or trademarks.

3.6.2 - Pay for placement listings using the Body Wise name, Body Wise product names or trademarks as the target keywords are strictly prohibited and in direct violation of the Body Wise Policies and Procedures. Pay for placement listings include listings that appear in search results, as well as display ads that appear on a search engine's search results page.

3.6.3 - The search string, titles or descriptions that you provide to search engines or online directories must not contain the Body Wise name, Body Wise product names or trademarks.

3.6.4 - Meta tags placed in a Web site, such as "title," "description" and "keywords," cannot contain the Body Wise name, Body Wise product names or trademarks.

3.6.5 - If your Independent Consultant iBodywise Web site is no longer displayed on the Internet, or you are no longer an active Consultant in good standing, you must contact the search engine or online directory provider to remove your submission.

3.7 - Web site Domain and Email Addresses

The use of the Body Wise name within a URL address/domain name or email address is not permitted, except those provided as part of iBodywise (name@bodywise.org). Body Wise Independent Consultants may not use any domain name or email address that includes any reference, whether abbreviated or not, to the Body Wise name, product or services, except in connection with the Body Wise Web site Program. The Body Wise name and product names are registered trademarks. Only Body Wise International is authorized to produce and market products and literature under this trademark. The production of any literature under the Body Wise name, or the distribution of any information, electronic or otherwise, is strictly prohibited.

3.8 - Redirecting URLs

Independent Consultants shall only use the URL assigned to their iBodywise Web site to direct Web traffic to that site. Consultants shall not use any other domain name or URL and redirect Web traffic to their personalized iBodywise Web site from such other URL.

3.9 - Telephone and Fax Solicitation

The Federal Trade Commission and the Federal Communications Commission each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have “do not call” regulations as part of their telemarketing laws. Although Body Wise does not consider Consultants to be “telemarketers” in the traditional sense of the word, these government regulations broadly define the term “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the federal “do not call” registry could cause you to violate the law.

Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation). Therefore, Consultants must not engage in telemarketing in the operation of their Body Wise businesses. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of a Body Wise product or service, or to recruit them for the Body Wise opportunity. “Cold calls” made to prospective customers or Consultants that promote either Body Wise’s products or services or the Body Wise opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or Consultant (a “prospect”) is permissible under the following situations:

- a. If the Consultant has an established business relationship with the prospect. An “established business relationship” is a relationship between a Consultant and a prospect based on the prospect’s purchase, rental, or lease of goods or services from the Consultant, or a financial transaction between the prospect and the Consultant, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect’s purchase of a product or service.
- b. The prospect’s personal inquiry or application regarding a product or service offered by the Consultant, within the three (3) months immediately preceding the date of such a call.
- c. If the Consultant receives written and signed permission from the prospect authorizing the Consultant to call. The authorization must specify the telephone number(s) which the Consultant is authorized to call.
- d. You may call family members, personal friends, and acquaintances. An “acquaintance” is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you make a habit of “card collecting” with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice.
- e. In addition, Consultants shall not use automatic telephone dialing systems relative to the operation of their Body Wise businesses. The term “automatic telephone dialing system” means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

3.9.1 - Unsolicited Faxes

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

3.10 - Spam

Body Wise does not permit Independent Consultants to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CANSPAM Act. Any email sent by a Consultant that promotes Body Wise, the Body Wise opportunity, or Body Wise products and services must comply with the following:

- 3.10.1 - There must be a functioning return email address to the sender.
- 3.10.2 - There must be a notice in the email that advises the recipient that he or she may reply to the email via the functioning return email address to request that future email solicitations or correspondence not be sent to him or her (a functioning “opt-out” notice).
- 3.10.3 - The email must include the Independent Consultant’s physical mailing address.
- 3.10.4 - The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- 3.10.5 - The use of deceptive subject lines and/or false header information is prohibited.
- 3.10.6 - All opt-out requests, whether received by email or regular mail, must be honored. If an Independent Consultant receives an opt-out request from a recipient of an email, the Consultant must forward the opt-out request to the Company.

3.10.7 - Body Wise may periodically send commercial emails on behalf of Independent Consultants.

By signing the Independent Consultant Application and Agreement, the Consultant agrees that the company may send such emails and that the Consultant's physical address and email address will be included in such emails as outlined above. Consultants shall honor opt-out requests generated as a result of such emails sent by the company.

3.11 - Privacy Policy

Body Wise Independent Consultants may not collect, distribute or gather personal or aggregate information, including Internet or email addresses about other Body Wise Consultants or their Customers or potential Customers. Consultants agree to abide by the Privacy Policy set forth on the Body Wise Web site and to honor and extend those same policies to persons visiting Body Wise Consultant Replicated Web sites.

3.12 - Electronic Advertising

Body Wise strictly prohibits any advertising or other information or content on the Internet, except that which has been approved by Body Wise International for Web sites that are part of the iBodywise Web site Program.

3.13 - Confidential, Proprietary Company Information/Reports Provided to Consultants

Downline Reports are confidential, proprietary property of the Company, and they are furnished to you only to provide information for your Company business and for no other reason. The information contained in a downline Report is proprietary and valuable to the Company and must be kept confidential and not directly or indirectly disseminated or copied to any third-party or to other Consultants, and it is subject to the Policies and Procedures. Consultants agree that, but for this agreement of confidentiality and nondisclosure, Body Wise would not provide downline Reports to Consultants.

3.13.1 - The Company's genealogies (the information held by the company related to its Consultants, including, without limitation to its relationship with each of its Consultants, the sponsoring of each Consultant, the Consultant's upline and downline Organization, charts, data reports and other material, and historical purchasing information for each Consultant (collectively, "Confidential Information") are owned by the Company, are highly sensitive and valuable to the Company's business and are transmitted to you in the strictest confidence. The Company's legitimate business interests require the non-disclosure thereof to (among other things) the Company's competitors. In the event the Company shall disclose details of any of its genealogies to you during the term of the Agreement, you agree as follows: (a) You shall, at all times and without limit in time, treat such details as Confidential Information in the nature of a trade secret and shall not disclose such details to any other person (including any company or person in competition with the Company). You shall take all reasonable steps to protect and maintain the security of the information and shall use the details solely for the benefit of the business of the Company and for the stated purpose for which they were provided. (b) You shall not release, sell, reproduce for sale or in any way distribute confidential information to any other Consultant, individual or any other party unrelated to the Company. (c) You shall not, during the term of the Agreement or at any time following the termination of the Agreement for any reason, take or encourage any action which would circumvent, breach, interfere with or diminish the value of benefit of the Company's genealogies.

3.13.2 - You shall only use the Confidential Information for your Body Wise business.

3.13.3 - The Company shall suffer irreparable harm in the event its confidential and proprietary information is disseminated in a manner in contravention of its interest. The Company reserves the right to seek injunctive relief or any other remedy available at law to protect its Confidential Information.

3.13.4 - The Company will suspend your access to its Confidential Information during any Consultant Disciplinary proceeding, and thereafter.

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

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

4.0 - Compensation, Recognition and Rewards

4.1 - The Body Wise Compensation Plan

The Body Wise International Business Plan has been created to reward you with immediate and residual income including:

- RETAIL PROFITS
- TEAM BUILDING BONUS – extra 20%
- MENTORING BONUS – up to \$500
- PERSONAL GROUP COMMISSIONS – up to 25%
- MANAGER BONUS – extra 2% to 4%
- GENERATION OVERRIDES – 3 Generations up to 5%
- INFINITY BONUS – extra 2% to 6%
- VICE PRESIDENT POOL BONUS – extra 1% of company sales

Your Success Plan at a Glance

Be part of an opportunity with unlimited potential. Our simple and easy formula for success makes it easier than ever before.

Use the products. Discover firsthand the incredible benefits of Body Wise, share them with others, and before you know it, you'll be making commissions and bonuses beyond your dreams. You can now create your future filled with endless possibilities, limited only by your imagination.

	Discount off retail:	1 Retail Profits: Earn the difference between wholesale, Preferred Customer and retail prices.	2 Team Building Bonus: Earn a 20% bonus, up to \$200, on the personally purchased volume of every new Consultant you sponsor during their first two months.	3 Mentoring Bonus: 1st Month: \$200 Simply sponsor a new Manager that sponsors three new Consultants. 2nd Month: \$300 When the Manager maintains 1500 and sponsors three new Consultants. 3rd Month: \$500 If the Manager maintains and sponsors three new Consultants. (Sponsored Consultants require an active \$75 minimum purchase.)	4 Personal Group Commissions: Earn up to 25% on the total Personal Group Volume (PGV) accumulated each month. Earn double your Personal Group Commissions in the first month you promote to Senior Consultant and Executive Consultant.	5 Manager Bonus: Qualified Managers, Directors and Vice Presidents receive an additional bonus on their PGV. • Earn 2% with PGV of 1500-2499 • Earn 4% with PGV of 2500 or more Doubled in the month of promotion for first-time Managers.	6 Three-Generation Overrides: Qualified Senior Managers and above, including Directors and Vice Presidents, receive generation overrides on 3 generations. • Earn 3.5% with PGV of 1500 or more • Earn 5.0% with PGV of 2500 or more	7 Infinity Bonus: Qualified Executive Managers, Directors and Vice Presidents earn Infinity bonuses up to 6%, which are paid beginning on your first generation down to the next qualified Executive Manager or above.	8 Senior Vice President Bonus: 1% of company volume is allocated to a Senior Vice President pool that is shared by Vice Presidents who develop another Vice President.							
Senior Vice President Minimum one Vice President within 3 generations	25%	✓	✓	✓	25%	2% of 1500 to 2499 PGV then... 4% of 2500+ PGV	3.5% of 1500 to 2499 PGV then... 5% of 2500+ PGV	6%	1%							
Vice President 300,000 in Organizational Volume, 3 Generations (OV3)	25%	✓	✓	✓						2% to 4% → Doubled in month of promotion.	6%					
Executive Director 200,000 in Organizational Volume, 3 Generations (OV3)	25%	✓	✓	✓								5%				
Senior Director 100,000 in Organizational Volume, 3 Generations (OV3)	25%	✓	✓	✓									4%			
Director 50,000 in Organizational Volume, 3 Generations (OV3)	25%	✓	✓	✓										3%		
Executive Manager 20,000 in Organizational Volume, 3 Generations (OV3)	25%	✓	✓	✓											2%	
Senior Manager One qualified Manager leg	25%	✓	✓	✓												
Manager 1,500 Personal Group Volume*	25%	✓	✓	✓												
Executive Consultant 1,000 – 1,499 Personal Group Volume	25%	✓	✓	✓												10% → Doubled in month of promotion.
Senior Consultant 500-999 Personal Group Volume	25%	✓	✓	✓												5% → Doubled in month of promotion.
Consultant \$19.95 sign-up fee with Consultant Starter Kit, 25% discount off retail	25%	✓	✓	✓	Consultants who qualify with a \$75 monthly personal purchase are eligible to begin earning retail profits, commissions and bonuses.	*Personal Group Volume (PGV) is your Personal Volume including retail and Preferred Customer volume plus the PGV from Consultants you sponsor (excluding Managers).										
Preferred Customer 15% discount off retail	15%															

See full description of the compensation plan at www.bodywise.com
07/08/08

4.1.2 - DETAILED COMPENSATION PLAN

4.1.2.1 - ELIGIBILITY FOR BONUSES AND COMMISSIONS

Qualification Requirement

To receive retail profits or any commissions, bonuses or overrides, a Consultant must be qualified with a minimum \$75 personal purchase each month. Qualifications for promotions and bonuses are based on Qualifying Volume. Bonuses are paid on Commissionable Volume.

Commissions are paid to qualified Consultants as defined within the Compensation Plan who are in compliance with the Policies. A commission month refers to the time period opening on the first day of the month and extending up until midnight Pacific Time on the last day of the month. Personal Group commissions and paid as title are calculated each month based on the performance in that month.

4.1.2.2 - RETAIL PROFITS

There are two types of retail customers:

Retail Customers – Product consumers who purchase products at the Suggested Retail Price

Preferred Customers – Customers who receive a 15% discount off the retail price because they have a qualified monthly Automatic ReOrder (ARO). Preferred Customers who cancel their ARO will be considered Retail Customers and purchase products at the Suggested Retail Price.

In both of the above instances, the Consultant receives the difference between the purchase price and the wholesale price, along with any commissions they are qualified for under the Personal Group Commission Plan. Retail profits on orders purchased directly from Body Wise are paid the first week of the following month to the sponsoring Consultant, if qualified with a \$75 personal purchase.

4.1.2.3 - TEAM BUILDING BONUS

Earn a 20% bonus, up to \$200, on the personally purchased volume of every new Consultant you sponsor during their first two months as a Consultant. Personally purchased volume includes volume your Consultant purchases for their own personal use and/or inventory purchase. This does not include Preferred Customer or Retail Customer volume. The Team Building Bonus is paid on personally purchased volume in your new Consultant's first two months. For example, if you register a new Consultant on September 3rd, you will receive the bonus on their personally purchased volume for September (their first month) and October (their second month). The maximum bonus paid is \$200 per commission month per new Consultant.

4.1.2.4 - MENTORING BONUS

The Mentoring Bonus is a reward for the sponsor who takes the time to "mentor" their new Manager to help them build a successful Body Wise business by working with their new Manager to develop a 30/60/90 day action plan, which includes prospecting, selling, sponsoring and identifying potential new Managers. It is critical to teach the new Manager how important it is to always sponsor new Consultants into their business so their business can continue to thrive and to maintain monthly Manager qualifications. For these reasons, the Mentoring Bonus is now a three month program.

When a Consultant promotes a new (first time) personally sponsored Manager who sponsors three new qualified Consultants in each of their first three months as a Manager and maintains Manager qualifications during those same three months, the promoting Manager will receive a \$200 Mentoring Bonus after the first month, a \$300 Mentoring Bonus after the second month, and a \$500 Mentoring Bonus at the end of the 3 months. The promoting Manager also needs to maintain Manager qualifications during those same three months to be eligible for this bonus. The three months are the month of promotion to Manager and the following two months. For the newly sponsored Consultants to be qualified, they must be active and have a \$75 personal purchase.

4.1.2.5 - PERSONAL GROUP COMMISSIONS

Earn up to 25% on the Personal Group Volume (PGV) accumulated each month. Earn double your Personal Group Commissions in the first month you promote to Senior Consultant and Executive Consultant.

Qualifications for Personal Group Commissions are based on the total Personal Group Volume (PGV) accumulated each month. Personal Group Volume is based on the Qualifying Volume (QV) of products purchased from Body Wise and includes: personal purchases, Retail Customer and Preferred Customer purchases, and the PGV of personally sponsored Consultants who have not yet promoted to Manager. Personal group commissions are a differential bonus meaning you are paid net of what your downline Consultants receive.

Pay Level		Consultant	Senior Consultant	Executive Consultant	Qualified Manager
PGV Minimum			500	1,000	1,500
Personal Volume*		0%	5%	10%	25%
Commissions Paid on	Consultant	0%	5%	10%	25%
	Senior Consultant	0%	0%	5%	20%
	Executive Consultant	0%	0%	0%	15%

Note: If you promote past a title in one month, you will be paid the double bonus for the highest title attained that month. For example, if you promote from Consultant to Executive Consultant, your Personal Group Commissions will be doubled in recognition of your appointment to Executive Consultant.

4.1.2.6 - Consultant

Qualifications: Purchase a Starter Kit and complete a Consultant Application and Agreement Form.

Benefits:

- Purchase products at wholesale (25% off retail)
- Sponsor other Consultants
- Must be qualified with a \$75 personal purchase to earn retail profits

4.1.2.7 - Senior Consultant

Monthly Qualifications:

- Be qualified with a minimum personal purchase of at least \$75
- Personal Group Volume of 500 - 999 in a single calendar month

Benefits:

Earn retail profits

- 5% commissions on personal purchases
- 5% commissions on Retail and Preferred Customer volume
- Up to 5% commissions on the Personal Group Volume of every personally sponsored Consultant

4.1.2.8 - Executive Consultant

Monthly Qualifications:

- Be qualified with a minimum personal purchase of at least \$75
- Personal Group Volume of 1,000 - 1,499 in a single calendar month

Benefits:

- Earn retail profits
- 10% commissions on personal purchases
- 10% commissions on retail and Preferred Customer volume
- Up to 10% commissions on the Personal Group Volume of every personally sponsored Consultant
- Up to 5% commissions on the Personal Group Volume of every personally sponsored Senior Consultant

Important Notes:

To be eligible for retail profits, commissions and promotions in any calendar month, a Consultant must be personally qualified with a minimum of \$75 in personal purchases in the commission month. Volume requirements are based on the Qualifying Volume (QV) of the products purchased.

4.1.2.9 - MANAGER

The goal of all successful Consultants is to promote to the Manager position as quickly as possible. As a Manager you maximize the Body Wise Compensation Plan that generously pays retail profits, commissions, bonuses and overrides.

Qualifications for promotion to Manager are:

- Be qualified with a minimum of \$75 personal purchase
- Have Personal Group Volume (PGV) of 1500 in any single calendar month with 500 unencumbered volume in the qualifying month (volume not from a downline Consultant promoting to Manager in the same month)

Benefits:

- Earn retail profits
- 25% commissions on personal purchases
- 25% commissions on Retail and Preferred Customer volume
- Up to 25% commissions on the Personal Group Volume of every personally sponsored Consultant
- Up to 20% commissions on the Personal Group Volume of every personally sponsored Senior Consultant
- Up to 15% commissions on the Personal Group Volume of every personally sponsored Executive Consultant

New Manager Payout Notes:

The new Manager is promoted and paid at the Manager level in the qualifying month.

The volume generated by the new Manager in their promotion month is counted toward the Sponsor's PGV for their promotion and qualification requirements. The new Manager counts as a Qualified Manager for the Sponsor. In the event that a Consultant promotes to Manager prior to any upline non-Manager, that non-Manager will have two months to also promote to Manager and retain the downline Manager leg created by the new Manager. Only qualified Senior Managers are eligible for Generation Overrides. Unencumbered volume simply means you can't promote solely on the efforts of a single person you sponsor. You must have 500 in qualifying volume from sources other than a downline Consultant promoting to Manager in the same month. (See definition of unencumbered volume.)

Manager Monthly Qualifications

After qualifying for the Manager position, a Manager has monthly maintenance requirements in order to be paid as a Manager in subsequent months. The monthly requirements are:

- Be qualified with a minimum \$75 personal purchase
- Have Personal Group Volume (PGV) of 1500 or more

Note: A Manager whose PGV drops below 1500 in any given month after their initial qualification is paid according to the Personal Group Commission schedule and is not eligible for commissions on any downline Manager(s) volume.

Manager Bonus

Qualified Managers and above receive an additional Manager Bonus up to 4% on their Personal Group Volume (PGV). This bonus is in addition to the 25% Personal Group Commissions earned by Managers.

- Earn an extra 2% with PGV of 1500-2499
- Earn an extra 4% with PGV of 2500 or higher

This bonus is doubled in the month of promotion for first-time Managers.

Note: If you promote past a title in one month, you will be paid the double bonus for the highest title attained that month. For example, if you promote to Manager from Senior Consultant in a single month, your Manager bonus will be doubled in recognition of your appointment to Manager (and not your Personal Group Commissions for promoting to Executive Consultant in the same month).

Compensation for Grandfathered Unqualified Managers

We continue to support all who have achieved the rank of Manager during their Body Wise career and built a prosperous business. Managers promoted before April 2005, and in any given month do not qualify for Manager pay at the minimum 1500 PGV, but who are qualified with a minimum \$75 personal purchase, will be paid 15% on their Personal Volume. All Group Volume for that unqualified Manager in that month will be paid in accordance with the Personal Group Commissions schedule described above.

Annual Re-qualification for Managers

Managers must maintain paid-as Manager status in 6 out of a rolling 12-month period. If not, they will be retitled to Consultant after the close of the 7th month. After retitling to Consultant, their group volume compresses to be part of their upline Manager's group volume.

Note: This requirement is waived for Managers appointed before April 2005.

Charitable Organizations

In order to assist charitable organizations in fund raising, Body Wise International waives the requirements to promote to the Manager position and is exempt from personal purchase requirements. The organization must purchase a Starter Kit and complete a Consultant Application and Agreement and a Business Entity Agreement. The monthly Manager Group Volume qualifications (minimum PGV of 1500) must be met to count as a qualified Manager leg for the Sponsor. Charitable organizations do not have to meet personal purchase requirements to be paid a Commission check but they do need to meet the PGV and other qualifications to earn commissions, overrides and bonuses.

The Business Entity Agreement must be completed, and the following information provided for, designation as a charitable organization Consultant:

- A copy of an IRS application, a copy of a notice of intent to apply, or approval for recognition as a 501(c)(3).
- An affidavit of compliance with IRS policy that "...none of the earnings of the organization may inure to any private shareholder or individual."

Senior Managers and Above – Generation Overrides and Infinity Bonuses

As you support your Manager team in growing a successful organization, you earn income on their growing businesses. Senior Managers and above earn a maximum 5% commission on three generations of compressed downline Manager Volume and up to 6% Infinity bonuses.

4.1.2.10 - Senior Manager

Promotion & Monthly Qualification Requirements:

- Be qualified with a \$75 minimum personal purchase
- Have Personal Group Volume of 1500 or more
- Have one qualified Manager Leg
- Title and pay are awarded in the first qualifying month

Benefits

- Manager Compensation on Personal Group Volume
- Senior Managers and above are paid generation overrides on 3 generations
 - Earn 3.5% with PGV of 1500 - 2499
 - Earn 5.0% with PGV of 2500 or more

4.1.2.11 - Executive Manager

Promotion and Monthly Qualification Requirements:

- Be qualified with a \$75 minimum personal purchase
- Have Personal Group Volume of 1500 or more
- Have a minimum of one qualified Manager Leg
- Three generation compressed organization volume of at least 20,000
- Promotion and pay are awarded in the second month

Benefits

- Manager Compensation on Personal Group Volume
- Senior Managers and above are paid generation overrides on 3 generations
 - Earn 3.5% with PGV of 1500 - 2499
 - Earn 5.0% with PGV of 2500 or more
- Up to 2% Infinity Bonus down to the next qualified Executive Manager, if any

4.1.2.12 - Director

Promotion & Monthly Qualification Requirements:

- Be qualified with a \$75 minimum personal purchase
- Have Personal Group Volume of 1500 or more
- Have a minimum of one qualified Manager Leg
- Three generation compressed organization volume of at least 50,000
- Promotion and pay are awarded in the second month

Benefits

- Manager Compensation on Personal Group Volume
- Senior Managers and above are paid generation overrides on 3 generations
 - Earn 3.5% with PGV of 1500 - 2499
 - Earn 5.0% with PGV of 2500 or more
- Up to 3% Infinity Bonus down to the next qualified Director, if any

4.1.2.13 - Senior Director

Promotion and Monthly Qualification Requirements:

- Be qualified with a \$75 minimum personal purchase
- Have Personal Group Volume of 1500 or more
- Have a minimum of one qualified Manager Leg
- Three generation compressed organization volume of at least 100,000
- Promotion and pay are awarded in the second month

Benefits

- Manager Compensation on Personal Group Volume
- Senior Managers and above are paid generation overrides on 3 generations
 - Earn 3.5% with PGV of 1500 - 2499
 - Earn 5.0% with PGV of 2500 or more
- Up to 4% Infinity Bonus down to the next qualified Senior Director, if any

4.1.2.14 Executive Director

Promotion and Monthly Qualification Requirements:

- Be qualified with a \$75 minimum personal purchase
- Have Personal Group Volume of 1500 or more
- Have a minimum of one qualified Manager Leg
- Three generation compressed organization volume of at least 200,000
- Promotion and pay are awarded in the second month

Benefits

- Manager Compensation on Personal Group Volume
- Senior Managers and above are paid generation overrides on 3 generations
 - Earn 3.5% with PGV of 1500 - 2499
 - Earn 5.0% with PGV of 2500 or more
- Up to 5% Infinity Bonus down to the next qualified Executive Director, if any

4.1.2.15 - Vice President

Promotion and Monthly Qualification Requirements:

- Be qualified with a \$75 minimum personal purchase
- Have Personal Group Volume of 1500 or more
- Have a minimum of one qualified Manager Leg
- Have three qualified Executive Manager Legs within your first three generations
- Three generation compressed organization volume of at least 300,000
- Promotion and pay are awarded in the second month

Benefits

- Manager Compensation on Personal Group Volume
- Senior Managers and above are paid generation overrides on 3 generations
 - Earn 3.5% with PGV of 1500 - 2499
 - Earn 5.0% with PGV of 2500 or more
- Up to 6% Infinity Bonus down to the next qualified Vice President, if any

4.1.2.16 - Senior Vice President

Promotion and Monthly Qualification Requirements:

- Meet the Vice President qualifications
- Have at least one qualified Vice President, or above, within your first three generations

Additional Notes:

Promotion Qualification Period

For Executive Managers and above, there is a two-month promotion qualification period. To be promoted and paid at these levels, the qualifications must be met in two consecutive months. Upon meeting the qualifications in the second month, the qualifying Consultant will be paid and promoted in that month and is eligible for pay at that level in any following months as long as all monthly qualifications and annual requalifications for that position are met.

Infinity Bonuses

Infinity Bonuses are paid beginning on the first generation down to the next qualified Manager at your title or higher, if any. For example, a Director, who has a frontline Senior Manager would be paid a 3% Infinity Bonus on all the Managers in that leg in addition to Generation Overrides on the first three generations. This Director would be paid a 3% Infinity bonus on a frontline Executive Manager, then 1% on all Managers downline from the Executive Manager since the Executive Manager would receive a 2% Infinity bonus on those Managers. This is in addition to the generation overrides earned on three generations. This Director would be paid a 3% Infinity bonus on a frontline Senior Director and no Infinity bonuses on the Managers downline from the Senior Director since the Director would receive a 4% Infinity bonus on those Managers. In other words, just like Personal Group Commissions, Infinity bonuses are paid net of what your downline receives.

ANNUAL RE-QUALIFICATION FOR SENIOR MANAGERS AND ABOVE

Senior Managers must qualify to be paid at the Manager level, or above, at least six times in every rolling 12-month period. Otherwise, upon the seventh month in 12 of not qualifying, the Consultant will be retitled to Manager. In the event of retitling, any downline Managers roll up to the first upline Manager or above. The demoted Senior Manager retains their personal group.

SENIOR VICE PRESIDENT POOL BONUS

1% of company volume is allocated to a Senior Vice President Pool. You are eligible to earn shares in the Senior Vice President Pool if you are paid as a Vice President and have a qualified Vice President within three generations (uncompressed). Your title will be equal to the number of qualified Vice President legs you have within three generations (uncompressed). For example, if you have two Vice President legs, you will be recognized as a Senior Vice President II. You earn points on a maximum of one Vice President per leg. Shares are awarded quarterly (January – March, April – June, July – September, and October – December). You must earn shares in all three months of a quarter to be eligible for the quarterly pool calculation. You will be awarded shares for the lowest title you held during the quarter. (For example, if you were a Senior Vice President II in one month and a Senior Vice President III for two months, you will earn shares on two Vice President legs for that quarter.) Points will be awarded for the total three generation organizational volume of the qualified Vice President(s) in your organization. If you qualify for quarter shares based on two Vice Presidents during one or two months of the quarter, the two Vice Presidents with the highest generation earnings will be used. The total number of points earned during a quarter will be divided by 1% of company sales for a per share price. The per share price is then multiplied by the number of shares to calculate the quarterly earnings. No Consultantship can earn more than 25% of the pool. The pool will be paid annually for the previous year at the Annual Event. You must be a qualified Vice President through the month of the event where your shares are paid to receive your payout.

GLOSSARY OF BUSINESS PLAN TERMS

Complete understanding of the Body Wise Business Plan requires a thorough knowledge of key terms. Review and become familiar with the following Body Wise terms. Refer to this glossary for clarification of terms as you read through the explanation of the Compensation Plan. If you have any questions, discuss them with your Sponsor, upline Manager, or call Consultant Services.

APPLICATION DATE

The application date is when Body Wise first receives either the oral, written, or Internet application along with the purchase of a Body Wise Starter Kit. All Consultants must fax or mail a completed and signed application in order to receive commission checks. A Social Security number or Federal Tax Identification number, or Social Insurance number in Canada, is required. In cases of duplication or conflict, the first receipt of a written application shall determine Sponsor recognition.

BREAKAWAY

The process that occurs when a Consultant qualifies for the Manager position is a breakaway. Once qualified and promoted to Manager, the Personal Group Volume of the new Manager is no longer part of their upline Manager's Personal Group. A Manager's Personal Group is now known as the upline Manager's Breakaway Group and the upline Manager is now entitled to an override on the business volume generated by this Breakaway Group.

COMMISSION

Income earned on Commissionable Volume generated by all the Consultants in one's downline is commission. The percentage paid and eligibility for commission is determined monthly, based on meeting qualifications under the Compensation Plan.

COMMISSION MONTH

The Commission month equals the calendar month. All volume purchased during the commission month is applied to all monthly volume requirements and is paid out on a monthly basis.

COMMISSIONABLE VOLUME (CV)

Commissionable Volume is used to calculate commission payout on each product. Commissionable Volume is normally the same as the wholesale price in each country and may differ from the wholesale price and Qualifying Volume.

COMPRESSION OR COMPRESSED VOLUME

Compressed volume is the total volume produced by all titled Managers in a downline whether qualified or not and counting only the qualified Managers as a generation. Pre-compressed or uncompressed volume counts each Manager as a payout level (generation) whether a Manager is qualified or not. Compressed Organizational Volume does not count unqualified Managers as a payout level (generation) but compresses the volume counting only qualified Managers as a generation while paying on all the volume in between.

DIFFERENTIAL COMMISSIONS/BONUSES

Personal group commissions and Infinity Bonuses are differential commissions. This means you are paid net of what your downline receives. A Sponsoring Consultant will not receive any Personal Group Commission or Infinity Bonus on a sponsored Consultant in their organization if that sponsored Consultant shares an equal or greater title than that of his/her Sponsor.

DOWNLINE ORGANIZATION

The Downline Organization of a Consultant consists of all the Consultants personally sponsored by the Consultant as well as all Consultants sponsored below them, also referred to as a genealogy.

GENERATIONS

Generations are the lineage of Manager Organizations. In other words, a Consultant who has reached Manager status is the First Generation of the nearest upline titled Manager. For purposes of generation overrides and Infinity Bonuses, only qualified paid as Managers are counted as a generation.

INFINITY BONUSES

Infinity Bonuses are earned by qualified Executive Managers and above. Infinity Bonuses are paid on all downline Managers with no restriction as to the number of generations. Infinity bonuses are a differential bonus.

LEGS

A Leg is an entire downline genealogy beginning with each personally sponsored Consultant or Manager.

MANAGER

A Manager is a Body Wise Consultant who has achieved all of the qualifications to reach the Manager level.

ORGANIZATIONAL VOLUME, THREE GENERATIONS

Three generation Organizational Volume is based on Qualifying Volume. It equals your own PGV plus the PGV of your first three compressed generations of Managers (which, by definition, includes the volume of any intervening unqualified Managers.)

PERSONAL GROUP

Your Personal Group consists of all personally sponsored Consultants and those Consultants sponsored by them who have not yet promoted to Manager. Also included are the Retail and Preferred Customers of the Consultants within this group.

PERSONAL GROUP VOLUME (PGV)

Personal Group Volume is the total accumulated Qualifying Volume of all products personally purchased by a Consultant and all of their Consultants within their Personal Group. It is also any Qualifying Volume generated by purchases of Retail and Preferred Customers directly from the Company within the Personal Group.

PERSONAL VOLUME (PV)

Personal volume is the total accumulated Qualifying Volume of all commissionable products personally ordered by a Consultant, as well as any Qualifying Volume from purchases made by their Retail Customers and Preferred Customers directly from the Company.

PERSONAL PURCHASE REQUIREMENT

The personal purchase requirement is the monthly amount required to receive commissions and overrides in the Body Wise Compensation Plan. The personal purchase requirement is at least \$75 in the commission month in which commissions and overrides are calculated. Any Consultant who does not meet this requirement is not considered qualified for the month and is not eligible for retail profits, commissions, bonuses or overrides for that month. Purchases made by Retail and Preferred Customers do not count toward this requirement. A Consultant who goes 12 consecutive months without being personally qualified will lose their Body Wise Consultant status and any downline.

PREFERRED CUSTOMER

A Preferred Customer is a Retail Customer who receives a 15% discount off the retail price when they have a qualified monthly Automatic ReOrder (ARO). Preferred Customers are product consumers who cannot resell the products or participate in the Compensation Plan. If a Preferred Customer cancels their ARO, they are no longer eligible for PC pricing and are considered Retail Customers.

QUALIFIED MANAGER (QM)

Any personally sponsored Manager who is personally qualified (with personal purchases of at least \$75), and has PGV of 1500 QV or more in a commission month counts as a qualified Manager for their Sponsor for Senior Manager promotions and payout qualifications.

QUALIFYING VOLUME (QV)

The volume assigned to each product that is used to calculate promotions and qualifications in the Compensation Plan is qualifying volume.

RETAIL CUSTOMER

A Retail Customer is a product consumer who purchases products from a Consultant or is referred by a Consultant and purchases products directly from Body Wise at the Suggested Retail Price. Retail Customers are product consumers only and cannot resell the product or participate in the Compensation Plan or Bonuses.

RETAIL PROFIT

The Retail profit is the difference between the retail price (regular or Preferred Customer) and wholesale. Consultants may also qualify for additional commissions on the Retail Volume under the Group Commission Plan.

SPONSOR

A Sponsor is any Consultant who registers another individual to become a Body Wise Consultant. The Sponsor is the Consultant directly above another Consultant in the genealogy.

SUGGESTED RETAIL PRICE

The published retail price set by the Company for the purchase of products at retail is the SRP. It is the basis for sales tax on wholesale purchases (non-ARO orders) by Consultants where it is assumed the products will be resold. In the case of a Preferred Customer, the suggested retail price is 15% off the retail price and this is the basis for the sales tax calculation.

UNENCUMBERED VOLUME

Unencumbered Volume is defined as all Qualifying Volume except for the Personal Group Volume of a Consultant who is promoting to Manager in the same month. This includes the Consultant's own PV, plus the volume of all remaining Consultants within the Personal Group that are not promoting. The use of 500 Unencumbered Volume as a requirement for promotion to the position of Manager is critical to the fairness of the Manager Generation Overrides Program. Simply stated, you cannot be promoted to the Manager position based on the efforts of only one of your downline organizations. Note: Unencumbered Volume is only a factor in the month that a Consultant is promoting to Manager.

UPLINE

The upline begins with the Sponsor and follows up the line of sponsorship between a particular Consultant and all the sponsorship levels above.

VOLUME

References to volume in the Compensation Plan normally refers to Qualifying Volume (see Qualifying Volume definition). See also Commissionable Volume.

Note: The Enroller/Placement program was discontinued as of January 1, 2007. Any Consultant placed under another Sponsor will remain so designated. All of the rules regarding volume accrual in effect as of December 31, 2006 continue to apply to these individuals.

RIGHT TO AMEND

Body Wise International reserves the right to amend, delete, replace, or otherwise modify bonuses and compensation as set forth herein. Such changes or modifications are binding on all Consultants at the time they are posted on the corporate Web site, www.bodywise.com. Consultants understand that it is incumbent on them to review and acquaint themselves fully with the most current Policies and Compensation Plan. By posting them on the Internet, it is understood by all parties that this is conclusive and effective notice. Changes and modifications are necessary to maintain a feasible and workable Compensation Plan, to respond to economic conditions, and to comply and respond to changes in policies and laws by governmental agencies.

4.2 - Errors or Questions

If a Consultant has questions, or believes any errors have been made, regarding commissions, bonuses, or charges, the Consultant must notify Body Wise in writing within 60 days of the date of the purported error or incident in question. Body Wise will not be responsible for any errors, omissions or problems not reported to the Company within 60 days. There is a \$25 fee for returned checks.

4.3 - Income Claims

4.3.1 - In their enthusiasm to enroll prospective Consultants, some Consultants are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new Consultants may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At Body Wise, we firmly believe that the Body Wise income potential is great enough to be highly attractive, without reporting the earnings of others. Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While Consultants may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact Body Wise as well as the Consultant making the claim, unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because Body Wise Consultants do not have the data necessary to comply with the legal requirements for making income claims, a Consultant, when presenting or discussing the Body Wise opportunity or Compensation Plan to a prospective Consultant, may not make income projections or income claims. Consultants may not make statements alluding to the income potential of any prospective Consultant except as stated in Corporate literature. Consultants must utilize the Income Statistics provided by the Company when presenting the Compensation Plan to prospective Consultants. All income is strictly derived from the sale of products. Consultants may not misrepresent income earnings of the Compensation Plan. Misrepresentation of income earnings or the Compensation Plan includes, but is not limited to the following:

(a) Reviewing the Compensation Plan with any person without clearly stipulating that no remuneration is received solely for enrolling or Sponsoring new Consultants and providing required compensation disclosures; (b) Reviewing the Compensation Plan with any person without informing them of the initial Consultant Application Fee (enabling them to become a Consultant); (c) Reviewing the Agreement with a prospective Consultant without explaining the various entry levels and the differences between a Customer and Consultant; (d) Reviewing the Preferred Customer Automatic Reorder Program and Agreement details without disclosing that the Preferred Customer Automatic Reorder is automatically charged to the credit card provided or debited from their bank one time each month, that the products selected are shipped directly to the address provided each month until the company is notified to discontinue the Automatic Reorder Order; (e) Representing or implying that all participants who enter into the business will succeed; (f) Misrepresenting the amount an average Consultant might expect to earn from their Body Wise business (for example, you may not show copies of company-issued checks to represent potential earnings); (g) Misrepresenting the amount of time an average Consultant would have to devote to the business in order to achieve income or Leadership levels. You may not represent or imply that it is relatively easy to succeed in the business but may only represent that a participant's success occurs through their efforts, diligence and perseverance; (h) Representing through statements or implication that you will build a downline for another person; (i) Using any misleading, deceptive or unfair Sponsoring methods; (j) Promoting the Company, its products and/or Compensation Plan in conjunction with the sale of stocks or securities related to the Company;

4.4 - Recognition and Rewards

To recognize the outstanding achievements of Consultants to Vice Presidents, the following recognition and rewards programs have been developed to recognize the outstanding efforts of Body Wise leadership. These areas of recognition include the top performers in sales, sponsoring and promoting Consultants toward building a successful Body Wise business. See the Recognition and Rewards information posted on the Consultant portal for full details.

4.5 - Training

You will gain the advantage of expert training, effective marketing literature and state-of-the-art resources to support your business. We are continuously researching the most effective and valuable sales and marketing techniques to provide you with the best resources and services possible. You will also enjoy the support of an experienced Executive Management and Customer Care Team, and a vast community of successful Consultants who enjoy helping others. People in Body Wise are there for you – they want to see you succeed and take the time to help make that happen.

4.5.1 - Manager's School – Learn proven techniques to build your Body Wise business. Receive essential training, a positive outlook and an effective plan of action at Manager's School. Experts share how to become a dynamic leader and effectively manage and grow a team.

4.5.2 - Corporate Training Support – We have dynamic leadership with firsthand experience to support your success every step of the way with:

- Live training every week, including conference calls that update you on the latest and greatest training tips and sales techniques.
- Audio and visual training presentations that help you discover the best ways to share the products and opportunities to grow your business.
- Annual Awards and Training Event held each year.

5.0 - Ordering, Product Returns, Refunds and Shipping

5.1 - Mail Orders

All product orders received by mail that are not properly completed and signed will be returned to the Consultant. Orders with no payment or incomplete payment enclosed cannot be processed. Unless the Company otherwise announces special arrangements, the bonus value of the order will be credited in the Business Period in which the payment is received and approved.

5.2 - Payment Information

Products and promotional materials can be purchased with Company-accepted credit cards (VISA, MasterCard, American Express, or Discover Card). The credit card holder must sign all credit card orders/payments received via mail or fax (including Automatic Reorder orders and changes). Consultants may only use credit cards belonging to them, or for which they are authorized users. Consultants who are found to process orders without the consent of the cardholder are in violation of federal and state laws and will be subject to immediate termination. Any Consultant causing an unwarranted charge back to the Company due to an unauthorized transaction will be subject to immediate termination. Credit card disputes must be presented to the Company in writing within one year from the date of transaction.

5.3 - Sales Tax

Independent Consultant:

5.3.1 - Consultants will pay sales tax based on the retail price of the product, except on Automatic Reorders which are assumed to be for personal consumption.

5.3.2 - In order to qualify for exemption of sales taxes on product orders in the U.S., you must provide a valid resale tax certificate from the state of your residence or business address in the name used for your Body Wise business.

5.4 - Sales Receipts

You must provide your retail Customers with two copies of an official Body Wise sales receipt at the time of the sale for sales not from a fixed location. These receipts set forth the Consultant's Satisfaction Guarantee, as well as any consumer protection rights afforded by federal or state law. Consultants must maintain their copies of all retail sales receipts for a period of two years and furnish them to the Company at its request. Records documenting the purchases of your Preferred Customers and online Customers will be maintained electronically by Body Wise.

5.5 - Suggested Retail Price (SRP)

Retail prices set by the Company are recommended prices only. You may sell products for any price you choose.

5.6 - Purchase for Own Use (Inventory Requirements)

You have no inventory requirements.

5.7 - Stockpiling Product

5.7.1 - The Body Wise Compensation Plan is based on retail products sales. You are not required to carry an inventory of product for retail sale. Stockpiling is the excess ordering of products in amounts solely for the purpose of qualifying for commissions, bonuses or advancement in the Compensation Plan. You should order only enough products for a four-week period to reasonably fill your needs and/or retail Customer orders. Stockpiling is a manipulation of the Compensation Plan and unfairly leads to one Consultant's gain and another's loss.

If the purchases were made through a credit card, the refund will be credited back to the same account. If a Consultant was paid a commission or earned an incentive award based on the purchase of product(s), and such product(s) is subsequently returned for a refund, the commission and /or value of the incentive award that was paid to the Consultant will be deducted from the amount of the refund.

The 70 percent Rule: A minimum of seventy percent (70 percent) of your personal order must be used by you or sold to your personal retail Customers prior to ordering additional products. By reordering or accepting a subsequent Automatic ReOrder, a Consultant certifies that he or she has complied with the 70 percent Rule.

5.8 - Retail Sales

5.8.1 - Product Sales: The Company Compensation Plan is based upon the sale of Body Wise products and services to end consumers. You must fulfill personal and downline Organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement.

5.9 - Replacement of Defective Product

5.9.1 - The Company will replace any defective product with the same or similar goods within thirty (30) days of purchase. However, no products should be returned to the Company without prior approval. To ensure that replacement of product will be issued, you must comply with the following procedures:

5.9.1.1 - You must contact the Company at 800.830.9596 (U.S.) or 866.611.3438 (Canada) and provide the reason for requesting product replacement. The Company cannot process product returns without a Return Authorization. Unauthorized returns will be destroyed, and no replacement or refund will be given.

5.9.1.2 - The Company will instruct you where to ship the product for inventory and verification. Upon receipt and verification of the returned product, the Company will ship replacement product.

5.10 - Product Return by Downline

5.10.1 - If any of your downline Consultants return any products to the Company and request a refund due to misrepresentation and/or other alleged violation of policy, you will be subject to the Compliance Disciplinary Procedure.

5.11 - Refunds to Independent Consultants

Upon termination of a Consultant's Agreement for any reason, the Consultant may return products and sales aids held in his or her inventory for a refund within 12 months of the date of purchase. A Consultant may only return products and sales aids that he or she personally purchased and are in resalable condition. Upon receipt of the products and sales aids, the Consultant will be reimbursed 90 percent of the net cost of the original purchase price(s), less shipping charges.

5.11.1 - Products and Sales aids shall be deemed "resalable" if each of the following elements is satisfied:

- (a) They are unopened and unused;
- (b) Packaging and labeling has not been altered or damaged;
- (c) They are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price;
- (d) It is returned to Body Wise within one year from the date of purchase;
- (e) The product contains current Body Wise labeling. Any merchandise that is clearly identified at the time of sale as non-returnable, discontinued, or as a seasonal item shall not be resalable.
- (f) The product must not have been discontinued and must be listed on the current product price list posted on the Web.

5.11.2 - Independent Consultant is responsible for return shipping cost.

5.11.3 - The terminating Consultant must show proof that the products being returned were purchased by them by providing correlating order numbers from the original purchase. Any products returned that do not correlate with the personal product orders are not eligible for refund and will not be returned to the terminating Consultant. Product that is returned from Consultants in non-resalable condition is destroyed and cannot be returned under any circumstances.

5.11.4 - Any returned items for refund that entitled upline Consultants to qualify for incentives and/or commissions will result in loss of incentive qualification and any commissions earned. The Company will deduct commissions paid for returned or refunded products from future commission checks.

5.11.5 - A Montana resident may voluntarily terminate his or her Consultant Agreement within 15 days from the date of enrollment, and may return his or her Starter Kit for a full refund within such time period.

5.12 - Refunds to Retail Customers

All returns must have a Return Authorization Number assigned to them. Refused packages that are returned by consignee (person receiving package) to Body Wise that do not have a Return Authorization Number (RA#) assigned by Customer Service will incur a restocking fee of 10% which will be deducted from the amount of the return plus any commissions earned on the product or shipping incurred. Return Authorization Numbers (RA#) are obtained from Customer Service.

5.12.1 - Body Wise Customers have an unconditional retail guarantee and can return product up to thirty (30) days when a proof of purchase is supplied and may receive 100 percent refund, provided 5.12 is followed, not including shipping.

5.12.2 - It is the responsibility of the Independent Consultant to provide refunds to their dissatisfied Retail Customers. In order to receive replacement product on a retail sale, Consultants are required to send the Retail Sales Invoice to the Company with a written statement from the Retail Customer verifying that the Customer did receive the refund.

5.12.3 - Refunds to Preferred Customers and Retail Customers for Retail Orders placed over the Internet through your iBodywise Web site will be refunded by the Company; however, any commissions paid for the refunded order will be deducted from your future commissions.

5.13 - Adjustments to Bonuses and Commissions for Returns

5.13.1 - Basis for Commissions

Commissions and other compensation cannot be paid until a completed signed Agreement has been received and accepted by Body Wise. Commissions are paid only on the sale of Body Wise products. No commissions are paid on the purchase of a Consultant Starter Kit, sales materials, or for sponsoring Consultants. In order to receive commissions on products and services sold, Body Wise must have received and accepted an Agreement prior to the end of the month in which the sale is made. Otherwise, commission checks will be held until a completed application is received.

5.13.2 - Calendar Period

A commission month refers to the time period opening on the first day of the month and extending up until midnight (Pacific Time) on the last day of the month.

5.13.3 - Commission and Bonus Payment Dates

a) All orders must be received during this period for qualification and commissions and bonuses paid for the calendar month. Monthly commission checks are mailed on the 15th day of the month for the previous monthly commission period. If the 15th day falls on a weekend or holiday, the checks are mailed on the next business day. b) It is the responsibility of the Consultant to make sure that orders are in and qualifications are met before the end of the commission or bonus period. Attention should be given to the impact of unanticipated returned goods on qualifications for pay.

5.13.4 - Minimum Check Amount

The minimum amount for payment of commission and bonus checks is \$10. Commissions and/or bonuses in an amount less than \$10 for a pay period will accumulate until they equal or exceed \$10. A \$25 fee per check will be charged for reissuing a commission check if not cashed within a 6-month period of issuance.

5.13.5 - Bonus/Commission Qualifications

Commissions are paid to "qualified" Consultants as defined within the Compensation Plan who are in compliance with the Policies. Consultants should consult the Compensation Plan for a detailed explanation of the benefits, commission structure and requirements of the Compensation Plan.

5.13.6 - Offset of Commissions

Any commissions or bonuses or incentive rewards earned, and paid on products returned is the obligation of the Consultants and must be repaid to Body Wise by Consultants earning such commissions. Body Wise has the right to offset such amounts against future commissions and other compensation paid or owed to such Consultants who received commissions.

5.14 - Damaged or Lost Shipments

5.14.1 - Company products are in perfect condition when the carrier takes possession of shipment at the Company Distribution Center. By signing "received" on their shipment receipts, recipients are indicating that the order was received in satisfactory condition. You should sign only for the number of packages received and should note any damage or shortages on the carrier's documents before the carrier departs.

5.14.2 - Lost shipments (complete or partial) must be reported to the Company within seven days after estimated time of arrival.

5.14.3 - Hidden damage, discovered after the carrier has left the recipient's premises, must be reported to the Company within seven days. Keep the shipment in the original package. The carrier may send a representative to examine it.

5.14.4 - When you contact the Company, we will initiate the proper procedures and follow the investigation through to completion.

6.0 - Inactivity and Termination

6.1 - Effect of Termination

As long as a Consultant remains active and complies with the terms of the Consultant Agreement and Company Policies and Procedures, Body Wise shall pay commissions to such Consultant in accordance with the Compensation Plan, according to sales requirements in section 4.1. A Consultant's bonuses and commissions constitute the entire consideration for the Consultant's efforts in generating sales and all activities related to generating sales (including building a downline Organization). Following a Consultant's termination for inactivity, or voluntary or involuntary termination of his or her Consultant Agreement (all of these methods are collectively referred to as "termination"), the former Consultant shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. A Consultant whose business is terminated will lose all rights as a Consultant. This includes the right to sell Body Wise products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the Consultant's former downline Organization. In the event of termination, Consultants agree to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline Organization. Following a Consultant's termination of his or her Consultant Agreement, the former Consultant shall not hold himself or herself out as a Body Wise Consultant and shall not have the right to sell Body Wise products or services. A Consultant whose Consultant Agreement is terminated shall receive commissions and bonuses only for the last full pay period he or she was active prior to termination (less any amounts withheld during an investigation preceding an involuntary termination).

6.2 - Termination Due to Inactivity

If a Consultant fails to make a product purchase for 12 consecutive months, his or her Consultant Agreement shall be terminated for inactivity.

6.3 - Involuntary Termination

A Consultant's violation of any of the terms of the Agreement, including any amendments that may be made by Body Wise at its sole discretion, may result in any of the Disciplinary Sanctions including the involuntary termination of his or her Consultant Agreement. Termination shall be effective on the date on which written notice is mailed, faxed, or delivered to an express courier, to the Consultant's last known address (or fax number), or to his/her attorney, or when the Consultant receives actual notice of termination, whichever occurs first. Body Wise reserves the right to terminate all Consultant Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

6.4 - Voluntary Termination

A participant in this network marketing plan has a right to terminate at any time, regardless of reason. Termination must be submitted in writing to the Company at its principal business address. The written notice must include the Consultant's signature, printed name, address, and Consultant ID Number. A Consultant who terminates may apply for reinstatement after 12 months, beginning the first day of the following calendar month from the date of termination.

7.0 - Disciplinary Procedures, Laws and Regulations

7.1 - Grievances and Complaints

When a Consultant has a grievance or complaint with another Consultant regarding any practice or conduct in relationship to their respective Body Wise businesses, the complaining Consultant should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the Sales Department within 12 months of the issue of grievance that occurred. The Sales Department will review the facts and attempt to resolve it. If it is not resolved, it will be referred to the Compliance Review Board for final review and determination.

7.1.1 - Compliance Review Board

The purpose of the Compliance Review Board is to: (1) review appeals of disciplinary sanctions; and (2) review matters between Body Wise Consultants. A Consultant may submit a written request within seven business days from the date of: (1) the written notice by Body Wise of disciplinary action; or (2) the written decision of Compliance Review Board regarding disputes between Consultants. All communication with Body Wise and the Consultant seeking resolution of a dispute must be in writing. It is within the Compliance Review Board discretion whether a claim is accepted for review. If the Compliance Review Board agrees to review the matter, it shall schedule a hearing within 14 days of receipt of the Consultant's written request. All evidence (e.g., documents, exhibits, etc.) that a Consultant desires to have considered by the Compliance Review Board must be submitted to Body Wise no later than seven business days before the date of the hearing. The Consultant shall bear all of the expenses related to his or her attendance and the attendance of any witnesses he or she desires to be present at the hearing if requested by the Compliance Review Board. The decision of the Compliance Review Board will be final and subject to no further review.

During the pendency of the claim before the Compliance Review Board, the Consultant waives his or her right to pursue arbitration or any other remedy. Following issuance of a sanction, the disciplined Consultant may appeal the sanction to the Compliance Review Board. Consultant's appeal must be in writing and received by the Company within 15 days from the date of Body Wise's cancellation notice. If the appeal is not received by Body Wise within the 15 day period, the sanction will be final. The Consultant must submit all supporting documentation with his or her appeal correspondence. If the Consultant files a timely appeal of cancellation, the Compliance Review Board will review and reconsider the cancellation, consider any other appropriate action, and notify the Consultant in writing of its decision.

7.2 - Disciplinary Sanctions

Violation of this Agreement, these Policies and Procedures or violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by a Consultant that, in the sole discretion of the Company may damage its reputation or goodwill (such damaging act or omission need not be related to the Consultant's Body Wise business), may result, at Body Wise's discretion, in one or more of the corrective measures listed in section 7.2.2

7.2.1 - Body Wise reserves the right to sanction any Independent Consultant as specified in these Policies and Procedures when: (1) it is determined that Consultant has violated any provisions of this Agreement, including the provisions of these Policies and Procedures in their current form and as they may be amended from time to time at the Company's sole discretion; (2) The Consultant has violated any laws, regulations, or standards of fair dealing; or (3) the Consultant has conducted himself/herself in a fashion that, in the company's sole discretion, damages or tarnishes the reputation or goodwill of Body Wise.

7.2.2 - DISCIPLINARY SANCTIONS

Disciplinary sanctions may result, at the Company's discretion, in one or more of the following corrective measures: (a) Issuance of a written warning or admonition; (b) Requiring the Independent Consultant to take immediate corrective measures; (c) Imposition of a fine, which may be withheld from bonus and commission checks; (d) Loss of rights to one or more bonus and commission checks; Body Wise may withhold from an Independent Consultant all or part of the Consultant's bonuses and commissions during the period that Body Wise is investigating any conduct allegedly in violation of the Agreement. If a Consultant's business is involuntarily terminated for disciplinary reasons, the Consultant will not be entitled to recover any commissions withheld during the investigation period; (e) Loss of rights to one or more types of bonuses or commissions; realignment of sponsorship lines; (f) Suspension of the individual's Independent Consultant Agreement for one or more pay periods; (g) Involuntary termination of the offending Independent Consultant Agreement and Body Wise business; (h) Any other measure expressly allowed within any provision of the Agreement or which Body Wise deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Independent Consultant's policy violation or contractual breach; (i) In situations deemed appropriate by Body Wise, the Company may institute legal proceedings for monetary and/or equitable relief; (j) In situations deemed appropriate by Body Wise, the Company may institute legal proceedings for monetary and/or equitable relief; (k) All disciplinary sanctions are in addition to the Company's right to terminate, realign or cancel with or without cause.

7.2.3 - NOTICE OF DISCIPLINE

Body Wise shall notify a disciplined Independent Consultant by email, U.S. mail, overnight courier, or other reasonable commercial means. Notice will be sent to the latest address listed with Body Wise for the Independent Consultant. Sanctions shall become effective when sent or upon the Consultant's actual notice, whichever occurs first.

7.3 - Mediation and Arbitration

7.3.1 - Independent Consultants waive all rights to jury or court trial to resolve any dispute arising from or relating to the Agreement except as expressly set forth herein.

7.3.2 - All disputes and claims relating to Body Wise, or its related entities, officers, directors, employees, Consultants or vendors, its marketing and compensation plan, its products, the rights and obligations of an Independent Consultant and Body Wise, or any other claims or causes of action relating to the performance of either a Consultant or Body Wise under the Consultant Agreement, or Policies and Procedures, or the purchase of products shall be settled totally and finally by binding arbitration as set forth herein. If a dispute arises, it is expected that the parties will attempt in good faith to resolve any such dispute in an amicable and mutually satisfactory manner.

7.3.3 - In the event such efforts are unsuccessful, the parties agree to attempt to resolve the dispute through mediation, which may be initiated by either party.

7.3.4 - If the dispute cannot be resolved by mediation, the parties agree it shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Consultants waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in Orange County, California, or Ontario, Canada. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure.

There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. The prevailing party shall be entitled to receive from the losing party OR each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

7.3.5 - Nothing in these Policies and Procedures shall prevent Body Wise from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect Body Wise interests prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of decision or award in connection with any arbitration or other proceeding.

7.3.6 - The existence of any claim or cause of action of an Independent Consultant against Body Wise, whether predicated on the Consultant Agreement or otherwise, shall not constitute a defense to the Company's enforcement of a Consultant's covenants and agreements contained herein or under the Agreement. This agreement to arbitrate shall survive any termination or expiration of any other agreements.

7.4 Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside in Orange County, State of California, or Ontario, Canada, depending on the residence of the Consultant, unless the laws of the state, or province, in which an Independent Consultant resides expressly require the application of its laws. The Federal Arbitration Act shall govern all matters relating to arbitration. The laws of the State of California (or the province of Ontario) shall govern all other matters relating to or arising from the Agreement unless the laws of the state or province in which a Consultant resides expressly require the application of its laws.

Notwithstanding the foregoing, and the arbitration provision in Policy 7.3.4, residents of the State of Louisiana shall be entitled to bring an action against Body Wise in their home forum and pursuant to the laws of the State of Louisiana.

7.5 - Indemnification

You shall indemnify and hold harmless the Company against any claims, demands, liability or loss, or cost or expense, including but not limited to attorney's fees arising or alleged to arise out of your operations.

7.6 - Changes to the Agreement

The Company specifically reserves the right to make any changes it deems necessary to any of the Policies and Procedures and Compensation Plan (Pricing and/or business programs) upon written or printed notice to Consultant in Body Wise online documents and/or in other printed materials. Any revisions to the Policies and Procedures and Compensation Plan shall become binding for all Consultants upon the publication of such revisions on Body Wise online documents or as officially announced in any Company communication. The continuation of a Consultant's Body Wise business or a Consultant's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

7.7 - Delays

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

7.8 - Severability

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid, or unenforceable provision never comprised a part of the Agreement.

7.9 - Waiver

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



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