



# **POLICIES & PROCEDURES - ASSOCIATES**

GUIDELINES FOR MAKING THE MOST OF YOUR MANNATECH BUSINESS



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## 1. GENERAL INFORMATION

### 1.1 ASSOCIATE POLICIES & PROCEDURES

The Policies and Procedures ("Policies and Procedures") are hereby incorporated by reference and are an integral part of the Australian Associate Application and Agreement (hereinafter referred to as "Agreement"). As an Independent Associate, you must comply with all the terms and conditions set forth by Mannatech Swiss International GmbH (hereinafter referred to as the "Company" and/or "Mannatech") within the Policies and Procedures, the Agreement and the Compensation Plan as well as honour all applicable laws and regulations in the state, province, country or other political suburb where you live and in which you operate your Mannatech business. Please study this document carefully. Each Mannatech Independent Associate ("Associate") is responsible to adhere to the Agreement and Policies and Procedures. The Policies & Procedures apply to all Associates and will be rigidly enforced as such. Violation will subject you to termination of your Agreement and/or the Compliance Administration Procedure and any related disciplinary sanction imposed from that Procedure. The Company's Board of Directors ("Board") reserves the right to waive any rules embodied in the contents herein as deemed appropriate and without explanation.

### 1.2 INDEPENDENT ASSOCIATE

"Associate" is a term used to describe an independent distributor. An independent distributor is an Associate who purchases Company products for himself or herself and/or for retail to consumers and earns commissions through the Compensation Plan by meeting certain volume and structural requirements. As an Independent Associate of the Company, you have the following rights and responsibilities:

- 1.2.1 To earn commissions and bonuses on sales of Company products throughout Singapore and any other Country of Operation as defined in Section 3 in which Mannatech does business.
- 1.2.2 You are an independent contractor for all purposes, including legal purposes and governmental tax purposes. There is no employer/employee relationship, partnership, agency or joint venture relationship between an Associate and the Company. Associates set their own business hours and determine their own methods of procuring orders. Associates are solely responsible for paying all taxes or duties required by law, including income tax, national insurance contributions and the proper reporting, submission and payment of tax on sales and bonuses/commissions/incentives. You will keep all necessary records to ensure the proper assessment and payment of any such taxes and duties.
- 1.2.3 You may not bind the Company or incur any debt or expense in the name of the Company or open any cheque account on behalf of, for, or in the name of the Company.
- 1.2.4 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.
- 1.2.5 You must always identify yourself as an "Independent Associate" in all written and verbal communications.
- 1.2.6 The Company has the right to request information about your business and down-line to ensure compliance with the Agreement.
- 1.2.7 You do not earn bonuses on your own personal product purchases and acknowledge that bonuses/commissions/incentives are paid only on product sales. No benefits or bonuses are paid or received solely from sponsoring other Associates in the Company Compensation Plan, and no earnings are guaranteed from mere participation in the Compensation Plan.
- 1.2.8 You must operate your business in accordance with applicable laws and/or regulations.
- 1.2.9 You are prohibited from promoting or selling to existing Associates or prospective Associates any products, services or opportunities not directly produced or approved by the Company whether at a Company presentation, training event or otherwise as stated in Section 4.9.
- 1.2.10 You shall not utilise the services of an Associate that has been terminated by the Company, or any shareholder, member, or partner of such terminated Associate, in conjunction with your Mannatech business.
- 1.2.11 You shall not utilise the services of a person, whether acting as your agent or

on your behalf, who has been determined by the Company to be acting in derogation of these policies and procedures.

- 1.2.12 You cannot serve as an officer, director, or employee of MannaRelief during the time you are an Independent Associate of Mannatech.

### 1.3 ASSOCIATE APPLICATION AND AGREEMENT AND IDENTIFICATION NUMBERS

- 1.3.1 Any person, corporation, or other entity desiring Independent Associate status must complete a Company Associate Application & Agreement. The Company reserves the right to refuse to accept any prospective applicant without explanation and in its sole discretion. In the case of a Corporation, Private Limited Company Partnership or Trust, a Company Registration Number and the appropriate paperwork must be submitted. See MOD SG1806416 or SG1806316.
- 1.3.2 The Company will reject any application, at its sole discretion, in the event the prospective applicant fails to provide this information. Applicants who choose not to provide the information may sign up as a Member. Associates must be at least 18 years of age or older. Associates found to be under 18 years of age will be terminated.
- 1.3.3 The Company must receive in care of its affiliate's office in Sydney, Australia a fully completed and signed (by the prospective applicant) Associate Application and Agreement. The Agreement does not become effective until it is accepted by the Company at Sydney, Australia, and you have been assigned an account number. Incomplete applications will not be accepted and may not be returned. No commissions, bonuses and/or incentives will be paid until the Company receives the signed application, or, when registering electronically, the e-signature of the Associate accepting the Terms and Conditions.
- 1.3.4 Upon acceptance of the Application by the Company, you are assigned a Company "Account Number" to serve as your official identification number when sponsoring new Associates or placing product orders.
- 1.3.5 You must report changes to your account, Trading As, sole proprietorship, Associate Name or address to the Company, in writing, within fourteen (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.
- 1.3.6 If you submit false information to the Company, you may be subject to immediate termination. No personal information may be used in connection with an Associate Application or order without that person's prior consent. If you submit forged signatures or false information on any Mannatech forms for yourself or on behalf of another individual, or you submit forms without the express written consent from the Associate and/or individual granting permission, your Agreement may be subject to immediate termination.
- 1.3.7 The Company must receive a signed Application and Agreement from all new Associates. All accounts must have a valid contact name and telephone number to list on the account.
- 1.3.8 You are solely responsible for registering and/or obtaining any city, state or provincial licenses required to sell Company products.

### 1.4 ESTABLISHING A CORPORATION, PARTNERSHIP OR TRUST

- 1.4.1 If your application is in the name of a corporation, partnership or trust, you must provide a Company Registration Number (Co. Reg. No.) identify the shareholders, officers and directors of their corporate, partnership or trust entity by completing a Form C-1 (MOD SG1806416), Disclosure of Corporate Partnerships or Corporate Members or a Form C-1 (a) (MOD SG1806316) Disclosure of Trust Members. Any and all officers and directors of the corporation, private limited company or partnership must provide a Statement of Guarantee and Indemnity (Form C-2 or Form C-2 [a]), respectively to the Company at the time the Associate Application and Agreement is submitted.
- 1.4.2 The Associate Application and Agreement may not be processed without all of the proper attachments. If the business entity adds new officers and/or directors, another Statement of Guarantee and Indemnity, Form C-2 or Form C-2 (a), must be completed and submitted to the Company. You must notify the Company, in writing, of changes to individual shareholders, partners or directors within fourteen (14) days of the change occurring.
- 1.4.3 The Company reserves the right to approve or decline your change of

business name ("Trading As name") in the event it is offensive or conflicts with its trade names, trademarks, services marks or other law. If the Company approves such a change, the organisation's name and the names of the principals of the organisation must appear on the Change of Associate Information Form, or a disclosure form with signed Guarantee of Indemnity. You may not use the name "Mannatech" or any of its product or trade names in your business name which might be confused with the Company.

## 1.5 COMBINING A THIRD-PARTY AGREEMENT WITH YOUR MANNATECH BUSINESS

- 1.5.1 A "third party" includes, but is not limited to, another Independent Associate or an unrelated individual/company offering business-building services or related/nonrelated goods and services.
- 1.5.2 The Company does not endorse or permit any third party income representations, guarantees or other such representations to build your downline organisation. In addition, the Company does not endorse any third-party individual or company making income representations through the use of third-party sales aids.
- 1.5.3 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.
- 1.5.4 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 honour these agreements. The Company will not settle disputes resulting from third party agreements or between Associates.
- 1.5.5 The Company does not allow the Mannatech 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 subjects you to termination of your Agreement.
- 1.5.6 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.

## 1.6 RESPONSIBILITIES TO DOWNLINES

- 1.6.1 You are responsible for training your downline organisation on effective and lawful methods of building a successful business and you are restricted from advising Associates to restructure their downline in a fashion that gives the Sponsor or upline Associates an income advantage, doing potential long-term damage to his or her Associate position.
- 1.6.2 You are responsible for helping to ensure that Associates in your downline organisation adhere to these Policies and Procedures, including without limitation the policies prohibiting making representations as to actual or potential earnings under the Compensation Plan and making misrepresentations regarding the Company's products. You are responsible for answering questions for Associates whom you have personally sponsored. Associates who have questions about any aspect of the Company should contact their upline sponsors for assistance.
- 1.6.3 You are responsible for discussing and determining with your downline (prior to completing a new Associate Application) or otherwise enrolling a new position, which party will receive the Direct Bonus for any subsequent product sales. The Company will not settle any disputes among Associates regarding these or other types of financial agreements. The Company will pay commissions to the party listed in its computer database as supplied to the Company.
- 1.6.4 You are responsible for fully explaining the Satisfaction Guarantee policy as set forth in Section 5.13.1 of these Policies & Procedures.

## 1.7 VOLUNTARY TERMINATION OF YOUR AGREEMENT

- 1.7.1 An Associate who wishes to terminate an Associate account must submit such

request in writing on a Voluntary Termination form (MOD SG1806016).

- 1.7.2 An Associate who voluntarily terminates may apply for reinstatement after the expiration of six (6) full business periods and/or at the time of termination six business periods of inactivity and the renewal date has lapsed (the "waiting period"). Applications submitted under this section shall not be processed until the first day after the expiration of the waiting period. Spouses, dependent children or other household members of Associates who have terminated may not apply to become an Associate or Member in another line of sponsorship until the terminated Associate is eligible for reinstatement. For additional information, please refer to MOD SG1625216.
- 1.7.3 A terminated Associate cannot sponsor new Associates. If a terminated Associate is listed on the Associate Application as sponsor, the new Associate will be contacted to provide the Company with a valid Sponsor Identification Number which relates to an Associate in good standing.
- 1.7.4 A new Associate may terminate within 14 days of the Company accepting the new Associate's Application and before commissions are paid, and rejoin immediately in any line of sponsorship.
- 1.7.5 Reserved for Future Expansion.

## 2. CONDUCTING YOUR BUSINESS, INTERNET USAGE, PRODUCT SALES AND RECRUITING

### 2.1 ADVERTISING

- 2.1.1 Subject to the provisions of Section 2.15, you may not advertise products by way of the Internet or any other form of media such as radio or television.
- 2.1.2 In order to protect its trademarks, the Company must restrict its Associates 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 utilised to promote the Company and its products. The Company-approved advertisements must be used verbatim.
- 2.1.3 Prohibited materials include, but are not limited to:
- 2.1.3.1 Outdated Company-produced literature no longer in circulation, and
- 2.1.3.2 Those materials an Independent Associate creates and produces which are in violation of 2.7, 2.8 or 2.25 of these Policies and Procedures.

### 2.2 RESERVED FOR FUTURE EXPANSION

### 2.3 TELEPHONE DIRECTORY ADVERTISING

- 2.3.1 You may advertise in the telephone directory. Yellow Pages advertising must conform to all applicable Policies & Procedures. The approved White and Yellow Pages listing is as follows:  
Associate's Name, Mannatech® Independent Associate, Associate Address, Associate Telephone Number.
- 2.3.2 In the event the printer cannot insert the ® sign, there must be a line at the bottom of the ad that states "Mannatech is a registered trademark of Mannatech Swiss International GmbH"
- 2.3.3 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 Mannatech or any of its products.

### 2.4 ANSWERING THE TELEPHONE

You are prohibited from answering the telephone in any manner that gives the caller the impression that they have reached the Company's Corporate office. Specifically, you may not answer the telephone by saying "Mannatech Swiss International GmbH" or any derivation thereof. Telephone recordings must state that the caller has reached an "Independent Associate" of Mannatech.

### 2.5 BUSINESS STATIONERY

To obtain business cards templates contact Customer Service on 800-130-1597 for more information. The title "Independent Associate" must always accompany your name when used in conjunction with the Company.

## 2.6 USE OF COMPANY NAME, LOGO OR TRADEMARKS

- 2.6.1 You may not use the Company name, logo, trademarks and/or names of Company products in Associate-produced advertisements or materials since you are prohibited from producing your own promotional materials.
- 2.6.2 You can use only the "Mannatech Independent Associate" logo. You may not reproduce the "Mannatech Swiss International GmbH" logo.
- 2.6.3 You may not use the name Mannatech or any of its trademarks as a part of your business name, Corporation name, Internet name, URL or domain name, metatags, source and search code, or e-mail address. Associates who use Mannatech trademarks without authorisation from the Company will be required to relinquish their right to such marks without compensation by the Company.
- 2.6.4 You may not use the names or images of Company employees, executives, consultants, athletes, celebrities and/or organisations who endorse the Company, except as specifically written in current Company-approved materials.
- 2.6.5 You are prohibited from using names of any other companies, hospitals or institutions when promoting the Company.

## 2.7 CREATION AND USE OF THIRD PARTY MATERIALS

- 2.7.1 All sales aids, generic materials, or other materials not produced by the Company are considered "third party materials." This definition is intended to include sales aids and materials that are either in printed, audio, video, or electronic formats.
- 2.7.2 Materials are considered "generic" if they can be utilised by any other company in our industry.
- 2.7.3 You are prohibited from creating, selling or distributing third party materials which link the benefits of Mannatech products, the ingredients of Mannatech products and/or glyconutrients in conjunction with any particular disease, disease process or disease claim or which violate 2.8 or 2.25 of these Policies and Procedures. You must only use compliant materials when representing the Company and the Company's business, the Compensation Plan, training other Associates and/or making representations in connection with the products. Materials must be compliant for the country in which they are to be used.
- 2.7.4 In addition to the requirement set forth in 2.7.3, you may use generic materials only if:
- 2.7.4.1 they do not contain mention of the Company, its products, trade names, the specific ingredients of its products, or the Compensation Plan, and
- 2.7.4.2 they have not been created solely for use in connection with the promotion or sale of Mannatech products or the opportunity.

## 2.8 REPRESENTATIONS AS TO PRODUCTS

As an Independent Associate you acknowledge that Mannatech products are not a substitute for a doctor's care or standard of care in the treatment or prevention of a specific disease and you shall not make representations to the contrary.

## 2.9 REPRODUCING APPROVED EDUCATIONAL AND PROMOTIONAL MATERIAL

You may copy Company-produced promotional materials verbatim in whole or in part 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 (including those materials produced for use on corporate web site) produced by the Company. Any recording or duplication is strictly prohibited. Mannatech may require, among other things, that you cease and desist from using or distributing such recordings; and/or destruction, at your cost, of non-authorised recordings.

## 2.10 USE OF MANNATECH'S PATENTS IN THE PROMOTION OF MANNATECH PRODUCTS

- 2.10.1 No patent claims for Mannatech dietary supplement products may be made unless those claims are found on the labels or in the promotional material created by Mannatech for its products.
- 2.10.2 The glyconutrients named in Mannatech's patent are not intended or

professed to cure any of the disorders listed in the patent and, as such, Associates are strictly prohibited from using Mannatech's issued patents and/or any extract thereof in the promotion of Mannatech's products.

## 2.11 RESERVED FOR FUTURE EXPANSION

## 2.12 USE OF TESTIMONIALS

- 2.12.1 **Testimonials.** In conjunction with the sale of Mannatech products, Independent Associates shall not use testimonials which link the benefits of Mannatech products, the ingredients of Mannatech products and/or glyconutrients in conjunction with any particular disease, disease process, disease claim, medicinal claim, or make any claim that Mannatech products have any effects other than those effects stated in Company-produced materials.
- 2.12.2 **Opportunity Meetings.** Subject to 2.12.1, the host at opportunity meetings may allow attendees to make testimonials concerning generally improved health and well-being (statements which do not link the benefits of Mannatech products, ingredients of Mannatech products, and/or glyconutrients in conjunction with any particular disease, disease process, disease claim, medicinal claim, or make any claim that Mannatech products have any effects other than those effects stated on Company-produced materials) they have personally experienced after use of Company products. During the testimonial segment of the opportunity meeting, the proper disclaimers must be displayed (see text below).

Disclaimer: Mannatech nutritional products are designed to maintain health and general well-being. Mannatech makes only those claims for its products that are on product labels or in Mannatech-approved promotional materials. Mannatech nutritional products are not promoted for the prevention, treatment or cure of any disease and are not intended to substitute for a doctor's care or for proven therapy.

- 2.12.3 **Recording.** The recording of permitted testimonials (by audio, video or otherwise) at opportunity meetings is not allowed and is to be enforced by the host and/or meeting leaders.
- 2.12.4 **Educational Meetings.** Educational meetings are for informational purposes only; no promotion of the products or the business of the Company shall take place.
- 2.12.5 Reserved for Future Expansion.
- 2.12.6 Reserved for Future Expansion.
- 2.12.7 **Photographs, Videotapes & Other Media.** Except as allowed under these Policies and Procedures, use of "before-and-after" photographs, videotapes or other forms of recorded media which suggest or imply a link between the benefits of Mannatech products, the ingredients of Mannatech products and/or glyconutrients in conjunction with any particular disease, disease process, disease or medicinal purpose is expressly forbidden.

## 2.13 USE OF ONLINE SALES MEDIA

- 2.13.1 Associates may not sell Mannatech products on online auction websites, virtual sales malls or other online sales media.

## 2.14 RESERVED FOR FUTURE EXPANSION

## 2.15 USE AND REGISTRATION OF INTERNET WEBSITES, ELECTRONIC MEDIA AND COMPANY TRADEMARKS

- 2.15.1 **Use of the Internet.** The Company maintains a website at mannatech.com and offers our Associates Company-produced websites. Associates may also have their own websites, blogs and other electronic medium (such as YouTube, MySpace, Facebook, Twitter etc) hereinafter referred to as "Associate Internet Sites" to promote their Mannatech business provided Associates comply with the provisions below:
- 2.15.2 **Registration Requirement.** You must register each Associate Internet Site used in connection with your Mannatech business within 10 business days of the creation of the Associate Internet Site, by providing your name, account number, URL of the associated Internet Site, and any passwords necessary to



fully access the Associate Internet Site to the Company by:

- 2.15.2.1 E-mailing the requested information to lec-registration@mannatech.com;
- 2.15.2.2 Faxing the requested information to 972.471.5619; or
- 2.15.2.3 Mailing the requested information to Mannatech US, Incorporated, Attn: Legal Department, 600 S. Royal, Suite 200, Coppell, Texas 75019.

Along with these Policies and Procedures, Associates must review and comply with the Singapore Associates Internet Checklist MOD SG1624916 .

All content that is used on the Associate Internet Sites must comply with these Policies and Procedures and the Internet Checklist. Associates must submit to the Company all material that is to be initially used on the Associate Internet Site at the time of registering the Associate Internet Sites, and must continue to submit to the Company any material that is to be used on the Associate Internet Sites in the future. The Associate must not include any material/modifications/updates on the Associate Internet Site prior to submission to the Company.

- 2.15.3 **Use of Company Name/Intellectual Property.** When referencing Mannatech, or its product names or ingredients, trademarks, patents, copyrights or discussing the business opportunity, Associates must follow Company produced promotional materials by using the appropriate intellectual property marks and product descriptions on the Associate Internet Site. On the Associate Internet Sites, Associates must prominently represent to the public that they are 'Mannatech Independent Associates.'
- 2.15.4 **Links to Corporate Sites.** Associates may provide a direct link from their Associate Internet Site to [www.mannatech.com](http://www.mannatech.com) and to any other country specific Company-controlled URL.
- 2.15.5 Search engines. Associates may provide a direct link to their Associate Internet Site from internet search engines provided that the search parameters (metatags, search and source codes, etc.) are compliant with these Policies and Procedures and the Internet Checklist. You may not bid on key words, advertise on websites, or utilise search parameters that address specific diseases, disease claims, or disease processes.
- 2.15.6 **Precluded Actions.** Your Associate Internet Site may not:
  - 2.15.6.1 Contain content (text, testimonial, audio, photo, video, or otherwise) which asserts or implies that Mannatech products, Mannatech product ingredients, or glyconutrients cure, treat, mitigate or prevent a particular disease, disease claim, or disease process;
  - 2.15.6.2 Link to another website that contains contents which asserts or implies that Mannatech products, Mannatech product ingredients, or glyconutrients cure, treat, mitigate or prevent a particular disease, disease claim, or disease process;
  - 2.15.6.3 Have the Company name, Company product names, Company trademarks, or disease names/conditions in the URL;
  - 2.15.6.4 Contain content (text, testimonial, audio, photo, video, or otherwise) that misrepresents Mannatech, its products, or the business opportunity to the public;
  - 2.15.6.5 Offer Mannatech products under a different and/or generic product name, either by renaming, relabeling, or repackaging;
  - 2.15.6.6 Utilise an e-commerce feature other than offering a direct link to [www.mannatech.com](http://www.mannatech.com); and
  - 2.15.6.7 Make product claims except those claims contained on product labels and in Company produced promotional material.
- 2.15.7 **Responsibility for Site.** The Company will hold Associates and content providers strictly liable for Associates Internet Sites material.
- 2.15.8 **Reservation of Rights.** The Company reserves the right to seek any and all remedies available by law, including injunctive relief, in addition to disciplinary action by the Company up to and including:
  - 2.15.8.1 termination; and
  - 2.15.8.2 removing non-compliant or offensive material from the Internet including, from Associate Internet Sites, that relates to the Company, its officers, directors, and employees, Associates, trademarks, proprietary property, products or business.

## 2.16 COMPANY INTERNET USAGE GUIDELINES

The Company may provide Associates access to password-protected website information. This information is intended to serve as a communication tool for Associates only. You may not use portions of the password-protected site for

recruitment and/or the sale of products. These portions include, but are not limited to, streaming video portions. You may not give your password to any individual for the purpose of accessing the website information. Any misuse will result in disciplinary action in accordance with the Associate Disciplinary Procedure.

## 2.17 E-MAIL CORRESPONDENCE

You may use e-mail to communicate Company information. You are solely responsible for ensuring that the content complies with the Associate Policies and Procedures and applicable laws related to e-communications prior to forwarding written correspondence to any individual. Associates violating this policy are subject to the Compliance Disciplinary Procedure.

- 2.17.1 Recipients who wish to be removed from a mail list should notify the sender directly. Upon receipt, the Associate must remove the requestor from the mailing list immediately as required by law.
- 2.17.2 Associates should not send or excerpt materials which violate 2.7, 2.8 or 2.25 of these Policies and Procedures to other Associates or prospects.
- 2.17.3 Associates must always comply with local and federal regulations, including but not limited to those regulations relating to "spam" and other unsolicited communications.. Associates are strictly prohibited from sending unsolicited e-mail (i.e. e-mail blasts or "spam") and/or posting electronic messages on Internet bulletin boards to advertise the Company, Compensation Plan and/or the products. If you participate in chat rooms, you do so at your own risk and are solely responsible for any statements made in this medium and must observe Company Policies prohibiting any product misrepresentation and any representation with regard to actual or potential earning under the Compensation Plan in all electronic messaging formats.
- 2.17.4 You are prohibited from buying e-mail address lists and sending unsolicited materials to individuals from whom you have not received permission.
- 2.17.5 The Company may notify you via e-mail (in the event you have provided your e-mail address) of upcoming events or general information. If you do not want to receive this correspondence, contact the Customer Service Department at the e-mail address provided in the document.
- 2.17.6 Associates may include links or references to their Mannapage if the originating source of the link does not violate Associate Policies and Procedures. Prohibited sources include, but are not limited to, non-compliant websites, and/or sources that include disease references, personal testimonials, income claims and the like.
- 2.17.7 Associates may not use Success Tracker™, or other Company business tool or system to e-mail, post, download, access, store, or distribute any material that is (1) obscene, offensive, threatening, knowingly false or defamatory, or which otherwise violates or encourages others to violate any law or (2) injurious to the Company's reputation, embarrassing to the Company or disparages the Company's products, management or Associates. Furthermore, Associates may not use Success Tracker or other Company business tool or system to broadcast personal messages, to send chain letters, or to transmit or download copyrighted material that is not authorized for reproduction. Violations of this policy may result in disciplinary action.

## 2.18 BROADCAST FAX

The Company strictly prohibits the use of unsolicited broadcast faxing to market, promote or otherwise advertise the Company or its products. You may fax materials promoting the Company or products only to individuals from whom you have obtained prior consent. However, you must immediately discontinue faxing should the individual revoke his or her prior consent. Associates who violate this Policy may also be liable for violation of local and/ or federal regulations.

## 2.19 CONTACTS WITH THE MEDIA

- 2.19.1 All media enquiries (radio, television, newspapers, magazines or any other periodicals or media) are to be referred to the Director of Marketing. Associates who contact 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 authorised to represent the Company if contacted by the media.
- 2.19.2 **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.
- 2.19.3 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 from the Company.
- 2.20 TRADE SHOWS AND EXPOSITIONS**
- 2.20.1 You may conduct your Mannatech business at trade shows, exhibitions or other public forums.
- 2.20.2 An Independent Associate is responsible for securing all approvals, admissions, floor space, etc. in conjunction with participation at said events.
- 2.20.3 An Independent Associate must be physically present at his booth at all times during an event.
- 2.20.4 Only materials which do not violate 2.7, 2.8 or 2.25 of these Policies and Procedures may be displayed, and you must identify yourself as a “Mannatech™ Independent Associate.”
- 2.21 RETAIL SALES**
- 2.21.1 The Company uses network marketing as its chosen method to share its business opportunity. The foundation of this is based upon one-on-one contact with others who may want the products and who may want to become involved in the business opportunity. Once this method of marketing is chosen and independent sales Associates put their time, energy, and resources into building a business, the Company and all Associates have a responsibility to consistently support network marketing.
- 2.21.2 You may sell or display Company products in (1) offices or other areas located in a private club that are not accessible to, or in view of, the general public; or (2) private offices of professionals who operate by appointment only, including but not limited to, beauty salons, spas, medical offices and dental offices. Your ability to sell Company products under this paragraph may be subject to local law or other rules or regulations of government agencies or professional organisations. You are solely responsible for complying with any and all laws, rules and regulations related to the sale of the Company Products.
- 2.21.3 You may not sell or display Company products in a permanent retail establishment. Examples include, but are not limited to department stores, beauty supply stores, supermarkets, drug stores, news stands, health food stores, vending machines, mall carts and flea markets.
- 2.21.4 You may, however, offer Company products in a permanent retail establishment provided that (1) the proprietor is an Associate, (2) the store is dedicated to the promotion of wellness and complementary health care, (3) consultation on the use of Company products is available to the customers, (4) only Company approved promotional materials are used, and (5) Company products are kept in a display case, behind a counter, in a separate room or are otherwise not accessible in a self-service environment.
- 2.21.5 Suggested Retail Price. You may sell products for any price you choose. Retail prices set by the Company are recommended prices only.
- 2.21.6 Re-packaging and Re-labeling Company Products. You may not re-label or in any manner alter the label on any Company product. Additionally, you may not repackage or refill products and must sell products in their original, unopened containers. If you participate in this activity, you expose yourself to potential criminal charges and/or civil damage claims.
- 2.21.7 You must supply all retail customers with a properly completed sales receipt. If you make a sale to a retail customer outside of Singapore, you must provide your customer with a sales receipt in a format applicable to that jurisdiction. For more information and available forms, please see the MOD library. Associates must maintain copies of sales receipts for a period of no less than two years and must furnish them to the Company upon request.
- 2.21.8 You may not make a sale to a consumer under the following circumstances:
- during an unsolicited visit to the consumer’s place of residence, the place of residence of another or the consumer’s place of employment
  - during a solicited visit to the consumer’s place of residence, the place of residence of another or the consumer’s place of employment if the reason for the solicitation of the visit was not for the discussion and purchase of company products.
  - The above restrictions do not apply if the total transaction value is under
- 2.21.9 In the event that the Company must reimburse a dissatisfied retail customer on your behalf, refunds will be deducted from commissions and you may be subject to disciplinary review.
- 2.22 PROMOTION OF PRODUCT FOR ANIMAL USE**
- Company products are designed for human consumption/application only. Promotion of these products for animal use is therefore prohibited.
- 2.23 MISREPRESENTING THE COMPANY**
- Presenting the Company, Compensation Plan, employees or products in a deceptive, fraudulent, slanderous or misleading way or the omission of any material fact is strictly prohibited and will result in disciplinary action that may include termination of your Associate Agreement, when such conduct becomes known to the Company.
- 2.23.1 You are prohibited from referencing research or publications that were conducted by or financed by Mannatech without clearly and conspicuously disclosing Mannatech’s participation in the research .
- 2.23.2 You are prohibited from referencing research or publications that were conducted by, financed by, or otherwise controlled by an Associate without clearly and conspicuously disclosing that the research/publication was conducted, financed by, or otherwise controlled by a ‘Mannatech Independent Associate’ who receives compensation from the sale of Mannatech products.
- 2.23.3 You are prohibited from referencing a publication that is directly or indirectly represented to be a scientific publication, published by an Associate without clearly and conspicuously disclosing that the publication is controlled by a ‘Mannatech Independent Associate’ who receives compensation from the sale of Mannatech products.
- 2.23.4 You are prohibited from referencing research or publications of the Fisher Institute without clearly and conspicuously disclosing the Independent Associate status of the Fisher Institute at the time the research was conducted or the publication was published.
- 2.24 COMPENSATION PLAN AND INCOME EARNINGS MISREPRESENTATIONS**
- Opportunities for income under the Compensation Plan are determined by many factors, including the ability and perseverance of the individual. You may not make statements alluding to the actual or potential earnings possible under the Compensation Plan or make statements regarding your personal income. Any income which may be earned is strictly derived from sale of products and making statements that indicate bonuses or commissions can be earned from the recruitment of additional Associates is strictly prohibited. Prohibited representations as to actual or potential earnings or the Compensation Plan include, but are not limited to, the following:
- 2.24.1 Reviewing the Compensation Plan with any person without
- (i) clearly stipulating that no remuneration is received solely for enrolling or sponsoring new Associates and
  - (ii) providing required disclosure(s);
- 2.24.2 Reviewing the Compensation Plan with any person without informing them that there is no ongoing purchase requirement to become or remain an Associate.
- 2.24.3 Reviewing the Agreement with prospective Associates without presenting all upgrade levels, explaining the differences between Member, Preferred Associate, All-Star Associate options before new recruits sign the Application & Agreement.
- 2.24.4 Reviewing the Automatic Order (AO) details, without disclosing that the AO is optional, generates 13 times a year (every 28 days), is automatically charged to the credit card provided or debited from their bank account and that the products selected are shipped directly to the address provided each Business Period until the Company is notified in writing to discontinue the AO. Orders may also be cancelled via phone request or online at [www.mannatech.com](http://www.mannatech.com). The discount may vary if product selections are changed.

- 2.24.5 Representing, either directly or by implication that all participants who enter into the business will succeed.
- 2.24.6 Reserved for Future Expansion.
- 2.24.7 Misrepresenting the cost amount that an average Associate might expect to incur in carrying on the business.
- 2.24.8 Misrepresenting the amount of time an average Associate would have to devote to the business in order to achieve Leadership levels. You may not represent or imply that it is relatively easy to succeed in the business but may only represent that participant's success occurs through hard work and diligence.
- 2.24.9 Representing through statements or implication that you will build a downline for a person;
- 2.24.10 Using any misleading, deceptive or unfair recruiting methods.
- 2.24.11 Discussing or making warranties, representations or statements concerning Company products in a manner that is inconsistent with the Company-produced literature.
- 2.24.12 Promoting the Company, its products and/or business plan in conjunction with the sale of stocks or securities related to the Company.
- 2.24.13 Manipulation or reconstruction of downline organisations through violation of the cross sponsoring, inducement and/or multiple positions policies.

### 2.25 PRODUCT CLAIMS AND MISREPRESENTATIONS

You are prohibited from making direct, indirect, or implied medical or other claims regarding the prevention, treatment, cure or mitigation of any disease from the use of Company products. You may not make any false or misleading statement regarding the Company products or make any omissions of material fact regarding the products.

Additionally, you may not:

- 2.25.1 Make any representation (oral, written or otherwise) about Company products which violate 2.7, 2.8 or the provisions of this section of these Policies and Procedures.
- 2.25.2 Discuss or make warranties, representations or statements concerning Company products in a manner that violates 2.7, 2.8 or the provisions of this section of these Policies and Procedures.
- 2.25.3 Use or distribute, for the purpose of marketing products or in promotion of the Compensation Plan, materials which violate 2.7, 2.8 or the provisions of this section of these Policies and Procedures.
- 2.25.4 Re-label or in any manner alter the label of any Company product. Additionally, you must not repack or refill Company products and must sell Company products in their original, unopened containers.
- 2.25.5 Use third party individuals, business entities and/or organisations (such as Mannatech Members, MannaRelief, Fisher Institute, etc.) in any deceptive or misleading manner in connection with the promotion of Mannatech products.

### 2.26 COMPANY EVENTS

- 2.26.1 The Company will offer events during the course of the calendar year to provide training opportunities for Associates, offering information on new and existing products, new marketing and training tools, business building techniques, and education regarding compliance with these Policies and Procedures. Associates are strongly encouraged to attend all events sponsored by the Company.
- 2.26.2 While a Company event is in session, you are prohibited from recording (by audio, video, photo, electronic or otherwise) the speeches or the visual aids used in conjunction with said speeches. The Company may provide written materials and/or post materials on its website for use by Associates.
- 2.27 Reserved for Future Expansion
- 2.28 **Conduct Detrimental to Mannatech.** If an Associate engages in conduct which Mannatech, in its' sole discretion, determines to be detrimental to the Company, Mannatech shall sanction said Associate. The severity of the sanction imposed shall be established by Mannatech, in its' sole discretion, and shall range from placing the Associate on probation up to and including the termination of the Associate's Agreement with the Company.

## 3. INTERNATIONAL POLICIES

### 3.1 HOW TO CONDUCT BUSINESS INTERNATIONALLY

- 3.1.1 Countries of Operation. Mannatech is authorized to conduct business in the countries set forth in MOD SG1817601 ("Countries of Operation"). Except as specifically allowed herein, Mannatech Independent Associates may not conduct business (promoting the Company and/or selling products) in countries other than the approved Countries of Operation.
- 3.1.2 Products Offered for Sale. Product offerings may differ from country to country. Mannatech Independent Associates shall only offer products specifically approved and labelled for use in the specific Country of Operation. Please refer to country specific product lists for available products.
- 3.1.3 Pre-Launch Activities. When Mannatech determines it will open a new country for business it will issue a press release and will formally set the date the new country will open. The Company will also post an MOD establishing the pre-launch guidelines Mannatech Independent Associates must follow in connection with opening the new country, including (but not limited to) when pre-launch activities may begin, the approved product lists, pricing, marketing, and compensation plan materials, as well as meeting and advertising guidelines. The Pre-Launch MOD will also specify actions which Mannatech Independent Associates are precluded from undertaking during the pre-launch.
- 3.1.4 Observance of Country Laws. You are required to follow all laws, tax laws, immigration laws, rules and regulations of any Country of Operation. You may use only promotional materials approved by the Company for use in that Country of Operation and sell only products approved for sale in that country. You accept the sole responsibility to conduct your independent business lawfully within the Country of Operation.
- 3.1.5 Travelling in Other Countries. When travelling in a country other than a Country of Operation, Mannatech Independent Associates must not:
  - Advertise the Company, Career & Compensation Plan or products;
  - Offer Company products for sale or distribution;
  - Reproduce or self-produce literature for distribution;
  - Accept payment for enrollment or recruitment from citizens of countries where Mannatech does not conduct business;
  - Conduct opportunity meetings; and/or
  - Promote International Expansion via the Internet or in promotional literature.
- 3.1.6 If you are found to be in violation of an International Policy, you will be subject to the Associate disciplinary procedure under Section 6 of these Associate Policies & Procedures.
- 3.2 GIFTS OF PRODUCTS
 

Gift of products to a person in an unauthorised Country of Operation are allowed only if the unauthorised country allows such gifts under the laws and regulations that govern the Company products. It is your responsibility to confirm with the Customs Bureau where you intend to gift the product to determine if the products are allowed in the country.
- 3.3 INTERNATIONAL SPONSORING
  - 3.3.1 Only Associates in good standing may act as an International Sponsor. The Company, at its sole discretion, reserves the right to reject at any time your international distribution and sponsoring rights upon written notice at your last known address.
  - 3.3.2 Your right to act as an International Sponsor or to receive commissions in any Country of Operation may be revoked at any time if the Company determines that you have not conducted yourself in accordance with the terms and conditions contained herein or the governing laws of the Country of Operation.
  - 3.3.3 You have no authority to take any steps in any country toward the introduction or furtherance of the Company. This includes, but is not limited



<p>to, any attempt to register or reserve Company names, trademarks or trade names, to secure approval for products or business practices or to establish business or governmental contacts. You agree to indemnify the Company for all costs incurred by the Company for any remedial action needed to exonerate the Company in the event you improperly act purportedly on behalf of the Company.</p>	<p>4.3.2 Associates have seven (7) business days to make Sponsor/Enroller changes so long as there are seven business days left in the current business period. When less than seven business days are left in the current business period, Associates have until the end of that current business period to request Sponsor/Enroller changes. Email your request to <a href="mailto:sponsorchange@mannatech.com.au">sponsorchange@mannatech.com.au</a>.</p>
<p>3.3.4 The Company reserves the right to establish additional Policies and Procedures that are applicable to a specific country. Associates who conduct business internationally agree to abide by all special policies established by the Company for the specific Country of Operation.</p>	<p>4.4 <b>CHANGING LINES OF SPONSORSHIP</b></p>
<p>3.4 <b>COUNTRY RELOCATION</b> Associates relocating to other Countries of Operation should contact the country Customer Service Department to receive the country specific information regarding relocation procedures.</p>	<p>4.4.1 The Company will not permit any change in the line of sponsorship except in the following circumstances:</p> <ul style="list-style-type: none"> <li>• Where an Associate has been fraudulently induced into joining the Company or</li> <li>• Where, due to Company error, the sponsor has been entered incorrectly into the Company database.</li> </ul>
<p>4. <b>SPONSORSHIP BUSINESS RULES</b></p>	<p>4.4.2 If the request is made after seven (7) days but no more than 28 days from the enrollment date, the Associate must submit the written consent of his or her current Sponsor and the additional signatures as required on the Sponsor Change Request form on MOD SG1807216.</p>
<p>4.1 <b>RIGHTS TO CHOOSE SPONSOR</b></p>	<p>If, at the time of the request, the requesting Associate has a downline organisation in place, the change will not be granted by the Company.</p>
<p>4.1.1 Prospective applicants have the right to choose his or her immediate line of sponsorship. Implied loyalty to an individual who made the initial Company introduction does not obligate one to accept that individual's sponsorship. (For example, prospective applicants are not obligated to be sponsored/enrolled by someone who merely provides a Company video or other promotional material.) The Company does not have an obligation to settle or be a part of any disputes concerning sponsorship (or agreements in connection with sponsorship bonuses). The Sponsor/Enroller of a new Associate will be the Associate indicated in the Associate Application and Agreement signed by the prospective applicant and/or entered as the sponsor/enroller in the Company's computer system.</p>	<p>4.4.3 The Associate must supply written consent of all Associates in the organisation whose income is arguably affected. However, the Company maintains right of refusal if circumstances violate other Policies, Procedures and/or the Business Rules of the Company.</p>
<p>4.1.2 Once an Associate Application and Agreement has been accepted by the Company and/or the account number assigned, sponsor/enroller changes are only permitted in the event of Company error or if the Company is notified in writing by the new Associate and/or the Associate's current Enroller before any commissions are paid and in accordance with all requirements set forth on the sponsor Change request form.</p>	<p>4.4.4 If you terminate your position in writing, you may rejoin under a new line of Sponsorship, of choice, after six (6) full Business Periods. Termination of the position will result in forfeiture of all rights, bonuses and commissions under the previous line of sponsorship (see Policy 1.7). After the voluntary termination notice has been received by the Company, you may not hold meetings, attempt to enroll new Associates or sell product. If you are found to be actively pursuing the business during the termination period, the Company reserves the right to reject your Application and refuse to allow you to join under a new line of Sponsorship. Associates who voluntarily terminate their Associate positions may join in a new position under a new line or the same line of sponsorship provided all requirements are met. Position transfers are subject to the Company's approval which may be withheld at any time. For additional information, please refer to MOD SG1625216</p>
<p>4.2 <b>INDUCEMENTS TO SELECT A DIFFERENT SPONSOR</b></p>	<p>4.4.5 You may sign up in a new position under a different Sponsor if you did not renew the original position after your effective renewal date, and there has been no activity in the original position for the previous six (6) full Business Periods. As an inactive Associate, you shall not refer to yourself as a Mannatech Independent Associate or hold or participate in educational or promotional meetings. You should discontinue using any materials bearing the Company logo, trademark or services mark(s), you shall not continue to communicate with the Company, nor attempt to sponsor or enroll new Associates or otherwise sell Company product(s). If you are found to be actively pursuing the business during the inactivity period, the Company reserves the right to refuse your application under a new line of Sponsorship. You must complete and submit a Voluntary Termination Notice MOD SG1806016 and submit a new Application and Agreement. Associates who wish to rejoin under these circumstances are eligible to join in a new position. Position transfers are subject to the Company's approval which may be withheld at any time.</p>
<p>4.2.1 Notwithstanding the Rights to Sponsorship Policy, it is against Company policy to induce or allow an individual, family member or business partner of an existing Associate to sign up under your line of sponsorship for the purpose of circumventing the original upline from future income.</p>	<p>4.4.6 You are not permitted to persuade or attempt to persuade any other Associate to terminate their enrollment with the Company in order to join your downline or use any unfair tactic or undue action to obtain any consent (see 4.2.1).</p>
<p>4.2.2 Company meetings are open to all interested parties. You must not imply that interested parties are not welcome to attend the meetings or imply that assistance will not be given to them if they are not in your downline. Associates must feel secure when sending prospects to these meetings and all prospects attending the meeting should be referred back to the person that sent them. It is against Company policy to sponsor a prospect at the meeting who was sent by another Associate.</p>	<p>4.4.7 The Company reserves the right to assume any inactive or terminated position and transfer the position to another party at face value.</p>
<p>4.2.3 You may not offer monetary rewards, free products or any other material inducement to entice a prospect to enroll under your line of sponsorship when it is made known that he or she has been working with another Associate.</p>	<p>4.5 <b>SALE OR TRANSFER OF ASSOCIATE POSITION</b></p>
<p>4.3 <b>SPONSOR AND ENROLLER INFORMATION</b></p>	<p>4.5.1 You ("Transferor") cannot sell, assign or otherwise transfer the rights of your Associate position to any other person, firm or body corporate ("Transferee") without the express consent of the Company, which may be delayed or denied in the sole discretion of the Company and without a statement of</p>
<p>4.3.1 You must provide the Company with valid Sponsor and Enroller details at the time your application is submitted. Applications received without Sponsor and Enroller information will be returned to the applicant unprocessed. Sponsors/ Enrollers must be in the same leg of an organisation. Applications received with either a Sponsor or Enroller will be processed making the Sponsor and/ or Enroller the same person. The Company is not responsible for contacting the applicant or the upline to verify the information provided. Associates who fail to provide correct Sponsor and Enroller information may complete a sponsor change request form MOD SG1807216. This form must be submitted before commissions pay with the appropriate signatures and comply with the provisions set forth on the request form, or the sponsor change will be denied.</p>	

- reason(s). The Company reserves the right to prohibit or impose various terms and conditions, at its sole discretion respecting any proposed sale, assignment or transfer of an Associate position. The Company cannot authorise the sale or transfer of a position from one Country of Operation to another. The position will always remain in the Country of Operation in which it originated.
- 4.5.2 In order to receive such permission, the Transferor must be an Associate in good standing as determined by the Company, satisfy any outstanding debt obligations with the Company and not be under any Compliance inquiry or sanction.
- 4.5.3 The Transferor must sign a Position Transfer Request authorising the sale or transfer of their position. Additional information regarding the possible sale or transfer of an Associate position is available on MOD SG1805616.
- 4.5.4 The new owner is subject to all Associate Policies and Procedures and terms and conditions. The position is available for a transfer at any level shown on the face of the Associate Application and Agreement. All sale or transfers require that a Position Transfer and Associate Application and Agreement be signed by the Transferee and accepted by the Company. All signatures are subject to verification for authenticity.
- 4.5.5 Terminated positions are eligible for sale or transfer if the position has remained terminated (and/or inactive) for six (6) full Business Periods. Positions terminated for disciplinary reasons are only eligible for sale or transfer once the six (6) full Business Periods have expired, and there is no litigation or possible litigation pending concerning the disciplinary actions taken by the Company. For additional information, please refer to MOD SG1625216
- 4.5.6 Position Transfers for Associates who have voluntarily terminated and/or inactive positions as stated in 4.5.5 are strictly monitored for compliance with other policies as stated herein. The Company will deny position transfers at its sole discretion should it determine that the transaction will violate the Associate Policies and Procedures and/or the spirit of the policy for which they are intended. Associates using Position Transfers to violate policy may be subject to the Associate Disciplinary Procedure.
- 4.5.7 Account balances from previous owners will not be carried forward on Position Transfers.
- 4.6 Inheritance of Associate Positions**
- 4.6.1 Upon the death of an Associate, all rights to the Associate's position, including rights to commissions, bonuses and Associate responsibilities, shall pass to successors as stated in the Associate's Will or as otherwise ordered by a court of competent jurisdiction. In the event the Associate had no Will, the rights to commissions, bonuses and Associate responsibilities will be transferred according to the intestacy laws of the jurisdiction of the deceased's Estate as provided by a valid court order. In order to receive transfer, the inheriting party(ies) must provide a Certified copy of the Associate's Death Certificate or any other documentation required by the Company to evidence the true successor (including but not limited to a Court Order, copy of the Will, Letters Testamentary in the event there is a Will and/or Letters of Administration in the event there is no Will).
- 4.6.2 The heir(s) must fulfill all responsibilities of the Associate position and must sign the then-current version of the Associate Application and Agreement. The heir may inherit and retain another Associate position even though the heir(s) already operates an existing position.
- 4.7 Multiple Positions**
- 4.7.1 You and your spouse may have an independent position and a third position as a sole proprietorship, corporation, partnership or trust. All of these positions must be in the same downline organisation of the first position owned.
- 4.7.2 If a married couple divorces, the Company will abide by a final order of a court of competent jurisdiction concerning the division and award of property interests and rights to each party. The concerned party must supply any documentation required by the Company to support such a division.
- 4.7.3 The Company will not process any changes to an account during a pending divorce proceeding unless it receives written consent from both the husband and wife.
- 4.7.4 The Company reserves the right to intervene in any divorce proceeding and deposit commission cheques with the applicable court of competent jurisdiction in the event of a dispute between the spouses as to earnings.
- 4.7.5 A single individual may hold two positions. One position may be an independent position and a second position may be a sole proprietorship, corporation, private limited company, partnership or trust. All of these positions must be in the same downline organisation of the first position owned.
- 4.8 Cross-Sponsoring of Spouses/Household Members**
- 4.8.1 You may not circumvent your original line of sponsorship by joining another downline organisation or a different leg of your sponsor by sponsoring yourself, your spouse, dependent children, a household member ("related party") or any business or company operating under a business name (TRADING AS) in which you and/or a related party have a direct or indirect ownership interest. Husband, wife, business entities, household members, partners and/or dependent children must all be in the same downline underneath the first position owned. It is permissible to be in separate legs provided they are under the first position owned. For additional information, please refer to MOD SG1625216
- 4.8.2 Violations of this Policy will result in the termination of the cross-sponsored account, and you will be instructed to work exclusively in the original position. Neither the cross-sponsored position nor the downline organisation will be moved. If the Sponsor or Enroller is found to have knowingly or willingly encouraged the cross-sponsoring, the Sponsor/Enroller will be subject to further disciplinary action in accordance with the Compliance Disciplinary Procedure.
- 4.8.3 You may not participate as a partner, consultant or employee of another Associate position until after six (6) full business periods in the event this policy is violated.
- 4.9 Unauthorised Recruiting of Associates and Sale of Competing Products**
- If you elect to participate in any other business engaged in direct selling or network marketing or multilevel marketing (collectively and for purposes of these policies and procedures "Direct Selling") selling Competing Product (as defined in 4.9.3 below) ("Competing Business"), you are prohibited from engaging in the unauthorised recruiting activities listed below in Australia or in any other country in which you or any Associate in your downline resides or carries on business as an Associate.
- In these Policies and Procedures the term "participate" means recruiting or engaging in any other business building activity for the purpose of earning commissions and bonuses or other form of financial gain under another Competing Business's business or compensation plan. Simply purchasing products as a mere consumer for your own personal use (or your family's use) from another Direct Selling company or purchasing products solely for the purpose of qualifying for commissions under another Direct Selling business' compensation plan, does not constitute participation in another Direct Selling company's business or compensation plan.
- 4.9.1 You shall not sponsor or recruit Associates into any other Direct Selling business which supplies Competing Product (as defined in 4.9.3 below). The term "recruit" means actual or attempted solicitation, enrolment, encouragement, or effort to influence in any other way, either directly or through a third party, another Company Associate or Member to enrol or participate in another Competing Business.
- 4.9.2 You shall not use any Company-produced or Company Associate-produced written presentations, videos, audio recordings, or other promotional materials (regardless of medium) to recruit prospects or customers for any Competing Business. You shall not produce written presentations, videos, audio recordings, or other promotional materials (regardless of medium) that include references to the Company, its products, compensation plan, or training systems to recruit prospects or customers for any Competing Business. In these Policies and Procedures "Company Associate-produced" means (a) produced by an Associate under an agreement or arrangement between the Associate and the Company or (b) produced by the Associate and containing excerpts from Company-produced materials or using any of the Company's trademarks.
- 4.9.3 You shall not sell or offer to sell or promote competing products to Company Associates or Members. For purposes of these Associate Policies and Procedures, a "Competing Product" means a product in the same general category as a Company product. By way of example, any dietary supplement

	is in the same general category as any of Company's dietary supplement products and is therefore a competing product regardless of any difference (perceived or otherwise) in price, quality, ingredient, efficacy, or nutrient content.		
4.9.4	You shall not offer Company products or promote the Mannatech Career and Compensation Plan, business opportunity, or any Company incentive in conjunction with any other Competing Business's products, business opportunity, compensation plan, or incentive.	4.9.8.4	You shall not attempt to subvert or otherwise avoid the spirit and intent of these rules through the use of "ghost" accounts, under the name of trust accounts, spouses, life partners, relatives, or members of the same household.
4.9.5	You shall not offer for sale any non-Company products or promote any non-Company business opportunity at any Company meetings, seminars, conventions, trips, or other Company events or functions (collectively, "Company Events") regardless of whether or not the Company Events are sponsored in whole or in part by the Company or Company Associates.		<i>For the purposes of this provision, the term "ghost account" means an account using an alias or fictitious name designed to hide or obscure the identity of the individual entitled to the benefit of the account.</i>
4.9.6	For a period of one (1) year following termination of the Agreement, you shall not recruit any Company Associates into another Direct Selling Business opportunity.	4.9.8.5	<b>Your failure to comply with the terms of this Section 4.9.8 (and all subsections) precludes your participation in the Ambassador Program. Furthermore, any violation of this Ambassador Program provision will result in you being deemed ineligible to participate in the Ambassador Program and your right to receive all benefits and privileges of the Ambassador Program will cease. Further, you may be in breach of the Agreement and the Compliance Committee may render one or more sanctions against you, up to and including termination, as stated in Section 6.12.13.</b>
4.9.7	The downline organisation ("Confidential Information") as described in 4.12 is Mannatech Swiss's own property. Associate shall use the "Confidential Information" only in relation to Mannatech business activities.		
4.9.8	Presidential Director Ambassador Program ("Ambassador Program")	4.10	<b>RENEWALS</b>
	Your acknowledgement of the Presidential Director Ambassador Program is binding as long as your Presidential Director status is maintained. If your leadership status falls below Presidential Director for more than three (3) business periods, you must sign another acknowledgement upon achieving Presidential Director status.	4.10.1	You will retain your status for a period of one (1) year coinciding with your anniversary date. Associates will have no renewal requirements. Associates will participate in the Company Retention Program which helps to off-set yearly administrative costs and incidental services to Associates and which automatically deducts 50% of APO from their Product order(s) placed on or after the completion of one (1) year from their enrolment date. Non-renewal of All-Star Associate status will result in the status being downgraded to the Preferred level when placing an order(s) on or after the renewal date.
	Once an Associate reaches the Presidential Director leadership level, the Associate may be eligible to join the Presidential Ambassador Program as a "Presidential Ambassador." Participation in the Ambassador Program is not mandatory. If you join the Presidential Ambassador Program you must sign an acknowledgment form affirming that you are in compliance with this Section 4.9.8 (inclusive of all subsections). Once your signed acknowledgment form is received by the Company, then you are entitled to receive certain bonuses (as defined in Mannatech's Career and Compensation Plan), recognition, and other benefits and access to proprietary information not available to other Company Associates. A new acknowledgement form must be signed during your annual renewal period for Presidential Director leadership level.	4.10.2	If the position is not renewed, and no products have been ordered under the position for six (6) full Business Periods, the Enroller may transfer the position to another individual in accordance with the transfer policy.
	If you elect to participate in another Competing Business (as defined in the first paragraph of Section 4.9 and continue to participate in that Competing Business while at the Company's Presidential Director leadership level, then you will be ineligible to participate in the Company's Presidential Ambassador Program and receive its benefits, which is subject to the Presidential Associate's adherence to the terms and conditions set forth below.	4.10.3	Associates are prohibited from renewing positions without the effective consent of the person or entity owning the position.
	In consideration of the Company agreeing to you joining the Presidential Ambassador Program as a "Presidential Ambassador" and to you becoming entitled to the benefits of that the Presidential Ambassador Program, you agree to the following conditions:	4.10.4	There are no renewal requirements for Member positions.
4.9.8.1	You shall not become an owner, officer, director, employee, consultant, contractor, or subcontractor, directly or indirectly, of any Competing Business. Questions regarding your compliance with this Section 4.9.8.1 may be submitted to the Company on the Presidential Ambassador Disclosure Form available on Mannatech.com under Resources. A determination as to whether or not an Associate's status with another Competing Business is compliant under this Section 4.9.8.1 will be made by the Company on a case-by-case basis.	4.11	<b>DOWNLINE REPORTS</b> You may review and access downline reports via Success Tracker. You may only access downline reports for your own downline organisation. Downline reports are the 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 Associates and is subject to Policy 4.12.
4.9.8.2	You shall not, directly or indirectly, build a downline or otherwise recruit Company Associates or Members in or for another Competing Business for yourself or any other party. This provision includes opportunities to participate in new Competing Businesses and in any Competing Businesses you participate in at the time you became, or become, a Presidential Director of the Company. (Please see Section 4.9.1 for the definition of "recruit" and the second paragraph of Section 4.9 for the definition of "participate.")	4.12	<b>CONFIDENTIAL PROPRIETARY COMPANY INFORMATION/REPORTS PROVIDED TO ASSOCIATES.</b> The Company's genealogies (being the information held by the Company related to its Associates, including without limitation its relationship with each of its Associates, the sponsoring of each Associate, the Associate's upline and downline, charts, data reports and other material, and historical purchasing information for each Associate) (collectively, "Confidential Information") are owned by the Company, are highly sensitive and valuable to the Company's business and are transmitted to you in 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:
4.9.8.3	As a Presidential Ambassador, you shall not promote or host informational or training meetings, publicly receive recognition or rewards from stage, or appear in promotional materials or announcements for any Competing Company.	4.12.1	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.
		4.12.2	You shall not release, sell, reproduce for sale or in any way distribute confidential information to any other Associate (including, but not limited to, crossline Associates), individual or any other party unrelated to the Company.

- 4.12.3 You shall not during the term of the Agreement or for a period of one (1) year thereafter take or encourage any action which would circumvent, breach, interfere with or diminish the value of benefit of the Company's genealogies.
- 4.12.4 You shall only use the Confidential Information for your Mannatech business.
- 4.12.5 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.
- 4.12.6 The Company will suspend your access to its Confidential Information during any Associate Disciplinary proceeding, and thereafter.

**4.13 BUSINESS PERIODS**

- 4.13.1 Business Periods end every 28 days on Friday. (Business Period Calendar MOD SG1992016)
- 4.13.2 Commissions of less than SNG \$10.00 will be carried forward to the next pay period. All commissions are paid in Singapore dollars.
- 4.13.3 Commissions paid on Member purchases will be paid on the Product cheque issued two (2) weeks after the end of the Business Period.
- 4.13.4 Commissions earned amounting to less than SNG \$10.00 in a calendar year will be forfeited after one year.
- 4.13.5 No commissions, bonuses, and/or incentives will be paid until the Company receives the signed application, or, when registering electronically, the e-signature of the Associate accepting the Terms and Conditions.
- 4.13.6 The preferred method of payment of commissions is via direct deposit which can be applied for online.

**4.14 TAXES**

You are an independent contractor. The Company does not deduct personal taxes from your Commission cheques.

**4.15 COMMISSION RESEARCH REQUESTS**

- 4.15.1 All commission research enquiries must be submitted in writing to the Company within 45 days of the cheque in question.
- 4.15.2 Claims for errors in commission payments and requests for recalculation of commissions due to an Associate error must be submitted in writing and must include (i) written approval from the upline Associate who received the income in error (ii) an approval from the upline for the Company to recalculate the commissions and (iii) the upline Associate's authorisation for the Company to deduct the full amount from the respective upline's next commission. The Company is not responsible for recalculating commissions for Independent Associates who do not follow all the steps outlined above.
- 4.15.3 Only Company errors will be recalculated without written authorisation from the upline.
- 4.15.4 The Company reserves the right to withhold any money owed by you to the Company from future commission payments, including but not limited to, any erroneous or other overpayment of commissions, including commissions paid on returned or refunded products or packs or money owed to the Company and/or to other Associates.

**5. OPERATIONS, ORDERING, PRODUCT RETURNS, REFUNDS AND SHIPPING**

**5.1 ORDERING OPTIONS**

- 5.1.1 Telephone orders (excluding Sign up orders) will be accepted with credit card payment. Contact the Company on 800-130-1597 to order. Do not mail the hard copy of the order to the Company when ordering by telephone.
- 5.1.2 To order by web, enter the order via the Mannatech Website at [www.mannatech.com](http://www.mannatech.com). Payment option is credit card only.
- 5.1.3 To order by fax, send the completed Product Order form, including credit card details, to 800-130-1598 Do not mail the hard copy of the order to the Company.
- 5.1.4 To order products by mail, send a completed Product Order form (MOD SG1990816) with credit card details to: Mannatech Singapore Pte. Ltd, c/o

Mannatech Australia Pty. Ltd., Level 3, 69 Christie Street, St. Leonards NSW 2065 Australia.

**5.2 MAIL ORDERS**

All product orders received by mail that are not properly completed and signed will be returned to the Associate. Orders with no payment or incomplete payment information 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. If more than one completed order form is included in a mailing, one credit card for multiple orders is possible.

**5.3 AUTOMATIC ORDERS**

- 5.3.1 You may participate in the optional Automatic order program. Actual Pay Out (APO) is discounted 11% on all automatic orders. You may participate in the program upon enrolment as an Associate. Simply complete the Automatic Order form (MOD SG1805716) or place the order on the Internet ([www.mannatech.com](http://www.mannatech.com)) or by phone on 800-130-1597 and identify the products to be automatically sent to you each four-week period. The Company will automatically debit your credit card or other payment option for the amount of the product order, applicable taxes and shipping/handling charge until you notify the Company with instructions to discontinue the Automatic order. You must provide an updated expiry date for your credit card to continue to receive automatic orders.
- 5.3.2 Once initiated, the Automatic order will remain in effect until terminated by you in writing, via phone or through the internet.
- 5.3.3 You may also make changes to the Automatic order via the Internet.
- 5.3.4 Automatic orders are processed earlier than the scheduled date during the last week of the Business Period and during holiday weeks. Early processing ensures timely qualifications and deliveries. To avoid delays, all automatic orders should be created or modified prior to Wednesday during Business Period close. You should also ensure that notification of changes be made early when nearing NSW/Australian wide public holidays.
- 5.3.5 The Company must receive any changes or terminations in writing or via telephone five (5) days prior to the Automatic order generation date or the changes/termination may not take effect until the following Business Period.
- 5.3.6 Participation in the program is optional and may be cancelled at any time.

**5.4 RESERVED FOR FUTURE EXPANSION**

**5.5 PAYMENT OPTIONS**

- 5.5.1 All payment for products and materials must be in Singapore dollars. Methods of payment is by Company-accepted credit cards and direct debit (Giro). Do not mail cash. The Company does not accept COD (cash on delivery) orders. Associates may complete an Application Form for Interbank Giro to schedule a financial institution to debit or credit funds automatically. The Application Form for Interbank Giro is available on the resource library (MOD 1802416). Any changes or termination of automatic debit must be done in writing and sent to the Company

**5.6 RESERVED FOR FUTURE EXPANSION.**

**5.7 CREDIT CARDS**

Products and promotional materials can be purchased with Company-accepted credit cards. The credit card holder must sign all credit card orders/ payments received via mail or fax (including Automatic orders and changes). Associates may only use credit cards belonging to them, or for which they are authorised users. Associates 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 Associate causing an unwarranted charge back to the Company due to an unauthorised transaction will be subject to immediate termination. Credit card disputes must be presented to the Company in writing within one (1) year from the date of transaction.



5.8	<b>RESERVED FOR FUTURE EXPANSION</b>		<ul style="list-style-type: none"> <li>If you do not obtain a RMA number and send the goods back unauthorised, the product will be destroyed and you will not be compensated.</li> </ul>
5.9	<b>PURCHASE FOR OWN USE (INVENTORY REQUIREMENTS)</b> You have no inventory requirements.		<ul style="list-style-type: none"> <li>To return used products for a refund you must: Obtain a RMA number, complete the Return Authorisation Request Form, and Comply with instructions found on the Product Return Form (See MODs).</li> </ul>
5.10	<b>STOCKPILING PRODUCT</b>		
5.10.1	Mannatech's Compensation Plan is based on retail product sales. You are not required to carry an inventory of product for retail sale. Stockpiling is the excessive 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 Associate's gain and another's loss.	5.13.1.3	"Products purchased" includes unopened product, partially used products and empty containers. Only items physically received from and purchased by the Associate are eligible for refund.
5.10.2	Reserved for Future Expansion.	5.13.1.4	If, pursuant to this clause 5.13, an Associate returns products to the value of more than SGD500 on any given position, for a refund, or once the cumulative values of refunds reach the aforementioned values, that Associate will be considered to be voluntarily terminated. <ul style="list-style-type: none"> <li>This excludes Pack refunds processed after the 14 day cooling off period. Under these circumstances, the position will be terminated and the cost of the Pack refunded in full upon receipt of a completed and signed Voluntary Termination form.</li> <li>Partial pack refunds are not available however you may return some or all of the goods for a product exchange. The exchange will be calculated at the Associate price and the Associate is responsible for any costs incurred for the shipment of goods either to or from Mannatech's premises. Exchange is processed upon receipt of goods. Alternatively you may contact your upline who may arrange for purchase of products from you.</li> </ul>
5.11	<b>PRODUCT ORDERS</b>		
5.11.1	Product Sales: The Company Marketing and Compensation Plan is based upon the sale of Mannatech products and services to end-consumers. You must fulfill personal and downline organisation 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.	5.13.1.5	You are responsible for all costs associated with shipping the goods back to Mannatech.
5.11.2	The following sales requirements must be satisfied for you to be eligible for commissions: <ul style="list-style-type: none"> <li>You must satisfy the Personal Sales Volume (PSV) requirements to maintain your status as specified in the Mannatech Compensation Plan.</li> <li>Any personal orders must be used by you or sold to your personal retail Customers prior to ordering additional products.</li> <li>You must develop or service customers as stated in the Company Compensation Plan every Business Period. These customers can be Personal Retail Customers, Automatic Product Order Customers, Preferred Customers or any combination of the three.</li> </ul>	5.13.1.6	The Associate must show proof that the products being returned were purchased by them by providing correlating order numbers from their original orders. Any products returned that do not correlate are not eligible for refund.
		5.13.1.7	Excessive returns (as defined in clause 5.13.1.4) in violation of this policy subjects the Associate to disciplinary action and/or termination of the Associate Agreement
		<b>5.13.2</b>	<b>Retail Customer Return Procedures</b>
		5.13.2.1	If purchased directly from the Company, Mannatech will process the return directly on behalf of the Associate. To return used products for a refund, you must follow the procedures found in 5.13.1.2;
5.12	<b>PRODUCT REPLACEMENT OF DEFECTIVE PRODUCT/QUALITY CONTROL</b> The Company will replace any defective product with the same or similar goods within 30 days of purchase. However, no product(s) should be returned to the Company without following the Company's administrative procedures for return found in 5.13.1.	5.13.2.2	If purchased from an Associate, the Associate is obligated to honour Mannatech's Satisfaction Guarantee (see Section 2.21). Upon receipt of the products from the Customer, the Associate may return used Product and proof of refund to the Customer to Mannatech for refund or exchange following the procedures found in 5.13.1.
5.13	<b>SATISFACTION GUARANTEE/REFUNDS/RETURNS/EXCHANGES</b> Participation in the Career and Compensation plan is optional. 1. Various incentives/programs/awards/trips (hereafter "incentives") may have specific return/refund/exchange criteria. Ensure that you read the guidelines/rules for all such incentives. 2. Stockpiling to qualify for incentive is prohibited; this is inclusive of those products you purchase under downline accounts. Associates earning commissions/bonuses/incentives may be subject to the Stockpiling (Section 5.10) or the 70% Rule (Section 5.11). The company will have the final decision whether any products purchased in order to qualify for commissions /incentives are eligible for returns/refunds. Any product return/refund for orders placed by one's downline during incentive periods (regardless of payee) are also subjected to Company approval. Based on the company's decision, this may lead to decreased return/refund/exchange amounts and/or loss of commissions/bonuses/incentive/qualifications, etc.	<b>5.13.3</b>	<b>Product Returns/Exchanges</b>
		5.13.3.1	The Company will exchange for equal value any product that is returned in marketable condition purchased within twelve (12) months of the purchase date.
		5.13.3.2	Contact Customer Service to obtain a Return Merchandise Authorisation following the procedures found in 5.13.1
		5.13.3.3	All exchanges will be done on a one-for-one, equal value basis. Opened or dirty bottles will not be exchanged or returned to you. The Company will only exchange unused promotional materials within thirty (30) days of purchase.
		5.13.3.4	The Company will pay for the return postage for the product going back to the customer.
		5.13.3.5	There is no additional Actual Pay Out (APO) or Personal Sales Volume (PSV) on exchanged orders.
		5.13.3.6	Returned product has no cash value and will not be credited to your Mannatech account.
5.13.1	<b>Satisfaction Guarantee for Independent Associates</b>	<b>5.13.4</b>	<b>Refunds to Independent Associates &amp; Voluntary Termination</b>
5.13.1.1	Associates have 90 days from the date of purchase to return products purchased for a 100% refund excluding shipping. Corporate literature / Mannatech Promotional Materials are not considered products for the purposes of the Satisfaction Guarantee. Please refer to Mannatech's Product Exchanges policy 5.13.3.		Associates may request a refund on all unused products at the time the Voluntary Termination Form is submitted in writing to the Company. The Company will repurchase any unopened, restockable product, and any up-to-date Corporate literature that is in good, usable condition (collectively, "marketable inventory"). For the purpose of this Policy, Marketable Inventory shall be limited to that inventory returned no later than twelve (12) months after the original purchase date.
5.13.1.2	All Returns must have a Return Merchandise Authorisation ("RMA") number assigned to them. This can be provided by contacting Customer Service 800-130-1597 during normal business hours.		

- 5.13.5 Commissions on Refunded Products**  
Any returned products for refund that entitles upline Associates to qualify for incentives and/or commissions may result, at Company discretion, in loss of incentive qualification and any commissions earned. If applicable, the Company will deduct commissions paid for refunded products or packs from either the refund amount owed or from future commission cheques.
- 5.14 SHIPPING**
- 5.14.1 Mannatech makes every effort to ship your order within 24 hours of receipt, excluding weekends and holidays. Heavier volumes such as incentives or other events may increase this period to 72 hours.
- 5.14.2 Please review the products contained within the package for accuracy. Please also review the packing slip against your order and any items that may be backordered.  
Backordered items will be mailed separately, at no additional cost, as soon as they arrive at the warehouse. Please report all incomplete or inaccurate shipments within seven (7) days.
- 5.14.3 In the event your order does not arrive within ten (10) business days, contact Customer Services. Please provide information related to your Account, Order and Shipment.
- 5.14.4 Please inspect the package upon arrival for any damage and report the damage to Mannatech within seven (7) days.
- 6. LAWS, REGULATIONS AND DISCIPLINARY PROCEDURE**
- 6.1 AMENDMENTS TO POLICIES AND PROCEDURES**  
The Company specifically reserves the right to make any changes it deems necessary to any Policy, Compensation Plan, pricing and/or business feature upon sixty (60) days prior written or printed notice to Associates on Mannatech Online Documents and/or in other printed materials. Any revisions to the Policies & Procedures and Compensation Plan shall become binding on all Associates upon sixty (60) days after the publication of such revisions on Mannatech Online Documents or as officially announced in any Company communication.
- 6.2 REMOVAL OF POLICIES AND PROCEDURES**  
If any provision of the Associate Agreement and Policies and Procedures are found to be invalid, illegal or unenforceable, the Company may amend or delete that provision. The amendment or deletion of any clause or provision will not affect the remaining clauses and provisions, which will continue in full effect.
- 6.3 ASSIGNMENT**  
The Company reserves the right to assign its rights and obligations to its Associates to any affiliated Mannatech company or any person, firm or corporation.
- 6.4 GOVERNMENTAL LAWS**
- 6.4.1 You may not represent that the Company or any of its products have been approved or endorsed by any governmental agency.
- 6.4.2 If you are found to have violated federal, state or provincial law or the regulatory provision of any jurisdiction in the course of conducting your Mannatech business, offering the Company business plan, and/or engaging in the sale of any Company products, you will be subject to disciplinary action, up to and including the immediate termination of your Agreement.
- 6.4.3 Offering of Mannatech Products in Public or Private Schools.  
There may be various state prohibitions and/or local provisions against the use of public or private schools, teachers, instructors and/or administrators in any capacity related to product promotional endeavors. Associates are required to familiarize themselves with such prohibitions/provisions and comply with same in the course of promoting and conducting their Mannatech business. Associates shall not:
- 6.4.3.1 Offer for sale, sell, market, or distribute Company products or promotional materials to teachers, students, administrative officials, or other employees of any public or private schools on school property during school hours or while those individuals are acting in their capacity as school employees; or
- 6.4.3.2 Recruit for enrolment as an Associate any teachers, students, administrative officials, or other employees of any public or private schools on school property during school hours or while those individuals are acting in their capacity as school employees.
- 6.4.3.3 Nothing in this policy precludes teachers, employees or administrative officials acting in their private capacity as permitted by applicable law from being Mannatech Associates.
- 6.4.4 Associate Committing a Crime Connected to Mannatech Business.
- 6.4.4.1 Any Associate who is convicted of or pleads guilty to a criminal act that is in any way related to or occurred in the course of their Mannatech business is subject to disciplinary action, up to and including immediate termination.
- 6.4.4.2 An Independent Associate charged with criminal activity relating to their Mannatech business may, depending on the nature and severity of the charges, at Mannatech's discretion, be suspended with or without payment of commissions, pending resolution or adjudication of the crime.
- 6.4.4.3 At Mannatech's discretion, Independent Associates on suspension may not: hold meetings, enroll new Associates, sell product, participate in Mannatech events or incentives, or act in any other capacity on behalf of Mannatech during the suspension.
- 6.4.5 For the purposes of these Policies and Procedures, whether an Independent Associate was engaged in conducting Mannatech business, offering the Company business plan, or engaged in the sale of any Company products shall be determined by the Company in its sole discretion.
- 6.5 CONTACTS WITH GOVERNMENT REGULATORS**  
You may not contact any government regulators, agencies or other bodies on behalf of the Company. You may not represent the Company if contacted by government regulators. If you are contacted by a government regulator, you should contact the Legal or Regulatory Affairs Department of the Company.
- 6.6 RESERVED FOR FUTURE EXPANSION.**
- 6.7 RESERVED FOR FUTURE EXPANSION.**
- 6.8 REQUIREMENT FOR REGULATORY TRAINING**  
The Company from time to time may offer seminars in connection with regulatory training at Corporate sponsored events. Associates are encouraged to participate in such training prior to and during the course of their Company business.
- 6.9 MONITORING OF MEETINGS**  
The Company may conduct anonymous and random monitoring of Associate meetings and/or conference calls and may record the meetings notwithstanding any admonitions to the contrary.  
You must follow regulatory guidelines and adhere to the Associate Policies & Procedures when conducting or hosting educational or opportunity meetings.
- 6.10 REPORTING OF VIOLATIONS**  
Our products are regulated by the government, and the way we promote our products is governed by federal law. The Company is committed to complying with all legal requirements. It is essential for all Associates to comply as well. We all depend on one another. The non-compliance of one may result in problems for everyone else. Accordingly, to enable the Company to ensure that its operations at every level comply with legal requirements, you are requested to report any violations of Company Policies & Procedures that come to your attention. Contact the Compliance department via Customer Services on 800-120-4201.
- 6.11 RESOLUTION OF DISPUTES**  
You should attempt to resolve any grievance or complaint against another Associate by first seeking resolution with advice from your upline.
- 6.12 DISCIPLINARY PROCEDURE**
- 6.12.1 Allegations of a violation of a Policy or "Issue" may be brought against an Associate of the Company by any of the following as an "Initiator" of the

procedure: an employee of the Company, an Associate of the Company, and/or any third person who has been affected by the conduct of an Associate. The Initiator will begin the process by completing the Compliance Complaint Form 1 ("F1"). The F1 may be reported via phone by calling 800-120-4201 or via web at [www.mannatech.ethicspoint.com](http://www.mannatech.ethicspoint.com). Notice that a F1 complaint has been filed will be communicated to the Respondent's first upline Presidential and to the Respondent's upline Platinum Presidential.

- 6.12.2 An "Issue" must be instituted within six (6) months of its occurrence, unless good cause is shown for the delay.
- 6.12.3 All references in these Policies and Procedures to the "Director of Compliance" shall refer to the officer or employee holding that title or their designee.
- 6.12.4 The Director of Compliance may determine from the face of the F1, or other evidence pertaining to the allegation, that it does not constitute a violation of any Policy of the Company. The Initiator will be sent a reply to this effect, and no other process shall ensue.
- 6.12.5 The Director of Compliance may determine that the allegations can be substantiated and do not warrant an investigation, in which case a Warning notice will be sent to the violating Associate directing them to cease the current activity. The Warning will include an agreement that the Associate must sign and return within the allotted time, and no other process shall ensue.
- 6.12.6 If the allegations warrant an investigation, a Response Form 2 ("F2"), will be forwarded to the Associate "Respondent" who has allegedly violated the Policy set forth in the Complaint. The F2 is designed to allow the Respondent to provide details of the "Issue," and to clarify the facts for the Compliance Department. Upon receipt, the Director of Compliance will make a determination as to whether a policy violation has occurred and if so, will be scheduled for Compliance Committee review. If the allegations cannot be substantiated due to insufficient evidence, or it is determined that there is no policy violation, all parties will receive a "No Violation" letter to this effect.
- 6.12.7 A Respondent must complete and return the Form 2 (Respondent's Response to Complaint) within ten (10) business days of receipt of a request to do so by the Director of Compliance (or designee). It is presumed that you received the request to fill out a Form 2 no later than three (3) business days after it was sent by the Company (seven [7] business days if it was sent internationally).
- 6.12.8 The Compliance Committee (the "Committee") shall be comprised of no less than three department heads selected in the sole discretion of the Director of Compliance. The following individuals may not serve on the Committee: a current member of the Board of Directors or the head of Legal & Compliance. Additionally, an individual may not serve on the Committee if to do so would be a conflict of interest.
- 6.12.9 The Initiator shall bear the greater burden of proof. The Complainant and Respondent are responsible for ensuring the Company receives witness statements on his or her behalf.
- 6.12.10 The Initiator must notify the Company in writing in the event he or she wishes to withdraw a complaint.
- 6.12.11 The Initiator and Respondent will each be afforded a reasonable amount of time at the meeting by teleconference to present their respective positions to the Committee. The Initiator and Respondent must supply the Director of Compliance with the correct telephone number at which they may be reached at the scheduled time, or a written acceptance or waiver of his or her desire to orally present a position.
- 6.12.12 The Committee shall only consider written statements and oral position presentations as to the alleged infraction. The decision of the Committee as to the validation and/or disciplinary action imposed (if any) shall be determined by a confidential majority vote.
- 6.12.13 Except as set forth in 6.12.14 below, the Committee may impose any one or a combination of the following sanctions:
  - 6.12.13.1 A Written Warning clarifying the meaning and application of a specific Policy or Procedure and advising that a continued breach will result in further sanctions.
  - 6.12.13.2 Probation, which may include requiring an Associate to take remedial action and could include follow-up monitoring by the Company to ensure compliance with the Agreement.
  - 6.12.13.3 Suspension of certain Associate privileges, including but not limited to placing product orders, participating in Company programs, progressing in the Compensation Plan, or participating as a sponsor (including participating as an International Sponsor) for a period of time or until the Associate satisfies

certain specified conditions.

- 6.12.13.4 Withdrawal or denial of an award or recognition, or restricting participation in Company sponsored events, either for a specified period of time or until you satisfy certain specified conditions.
- 6.12.13.5 Withholding commissions or bonuses for a specified period of time, or until you have satisfied certain specified conditions.
- 6.12.13.6 Imposing fines or other penalties permitted by law.
- 6.12.13.7 Termination of your Associate Agreement.
- 6.12.14 In cases where it is determined by the Compliance Committee that the Independent Associate has made a claim that Company products cure, treat, mitigate or prevent a specific disease (a "Disease Claim Violation"), the Compliance Committee shall make a specific finding whether the Disease Claim Violation was isolated and trivial.
  - 6.12.14.1 If the Disease Claim Violation is found to be isolated and trivial, the Compliance Committee shall impose sanctions set forth in 6.12.13 sufficient to make the Independent Associate aware of the severity of the infraction and to insure future compliance with the policies concerning disease claims.
  - 6.12.14.2 Unless the Disease Claim Violation is found to be isolated and trivial, the Compliance Committee shall impose the sanction of termination, mandate a minimum 2-year waiting period before the Independent Associate can apply for reinstatement, and enter an order that the terminated Associate permanently lose his/her downline and the right to any compensation from that downline.
- 6.12.15 The Committee shall render its decision in a Disposition Notice. The Director of Compliance shall send the Initiator and Respondent the Disposition Notice within three (3) business days of its rendition.

## 6.13 DISCIPLINARY APPEAL PROCEDURE

- 6.13.1 If you have been the subject of disciplinary action (either the Initiator or Respondent), you may appeal the determination of the Compliance Committee contained in the Disposition Notice by submitting to the General Counsel of the Company an appeal in writing outlining your reasoning as to why the disciplinary action is inappropriate and/or any new evidence not available for Committee review. The Appeal must be received by the 30th calendar day after you have received the Disposition Notice informing you of the disciplinary action (the "Appeal Period"). It is presumed that you received the Disposition Notice no later than three (3) business days after it was sent by the Company (seven (7) business days if it was sent internationally).
  - 6.13.2 All Committee sanctions and recommendations are effective immediately upon receipt of the Disposition Notice.
  - 6.13.3 The appeal will be considered by a three (3) member subcommittee consisting of Vice-Presidential level or above, none of whom were involved in the original Compliance Review Committee review process (the "Appeal Panel"). The Appeal Panel may not consist of any of the following individuals: a current member of the Board of Directors or the head of Legal & Compliance. Additionally, an individual may not serve on the Appeal Panel if to do so would be a conflict of interest. On the confidential vote of the majority, the Appeal Panel may uphold the Compliance Committee decision, refer the Issue back to the Compliance Committee, reverse the decision at its sole discretion, or substitute a new finding based upon the evidence.
  - 6.13.4 The decision of the Appeal Panel shall be reduced to writing, and shall be sent to the Initiator and Respondent by the Director of Compliance within three (3) business days of its rendition. It is presumed that you received the Decision of the Appeal Panel no later than three (3) business days after it was sent by the Company (seven (7) business days if it was sent internationally).
  - 6.13.5 Should the decision of the Appeal Panel deviate from the Compliance Committee's Disposition Notice, the Company shall undertake such action as is required to conform to the decision of the Appeal Panel.
  - 6.13.6 The decision of the Appeal Panel is final, and is not subject to further review.

## 6.14 TERMINATION OF THE AGREEMENT BY THE COMPANY

- 6.14.1 In the event the Company terminates your agreement, the Company will notify you by email and/or recorded delivery mail at your address on file with the Company.
- 6.14.2 The termination of an Independent Associate is effective immediately upon receipt of the Disposition Notice via recorded delivery to your last known address or when you receive the actual notice, whichever comes first. It is

- presumed that you received the Disposition Notice no later than three (3) business days after it was sent by the Company (seven (7) business days if it was sent internationally).
- 6.14.3 In the event of termination, you must immediately cease representing yourself as an Independent Associate.
- 6.14.4 In the event of termination arising from a Compliance Committee Disposition Notice, decision of the Appeal Panel, or other action initiated by the Company, the Company reserves the right to initiate disciplinary action, up to and including the termination of any other household position, assumed name or D/B/A, corporation, partnership, trust, or any other affiliated positions in which the Independent Associate has a vested interest.
- 6.14.5 Subject to Company review of all potential claims, once a position is terminated all commissions and/or bonuses otherwise entitled to the terminated position will roll up to the next qualified position.
- 6.14.6 The Company reserves the right to terminate an inactive position. An "inactive position" is defined as one that is past its renewal date and having no activity for six (6) full consecutive business periods.
- 6.15 EFFECT OF TERMINATION**
- 6.15.1 Upon termination, whether voluntary or Company initiated, you shall have no right, title or claim to compensation derived from the sales of products in your down-line organisation or any future bonuses and/or commissions from sales generated by the organisation. You:
- 6.15.1.1 Shall not refer to yourself as a Mannatech Independent Associate.
- 6.15.1.2 Shall not have the right to sell the Company products.
- 6.15.1.3 Must discontinue using any materials bearing any Company logo, trademark or service mark.
- 6.15.1.4 Shall not continue to communicate with the Company except as required to perfect and pursue an appeal of the termination or to request reinstatement pursuant to 6.18 of these Policies and Procedures.
- 6.15.1.5 Shall not work for, work with, or otherwise assist or be utilised in any capacity by Mannatech Independent Associates in the operation of their business. This includes, but is not limited to, performing any functions in sales, support, promotion, or in conducting meetings of any nature related to Mannatech business.
- 6.15.2 If you are terminated for a Disease Claim Violation pursuant to 6.12.14.2, you permanently lose your downline, the right to any compensation from that downline, and must wait a minimum of two years before you may apply for reinstatement.
- 6.16 SANCTIONS**
- The Policies & Procedures is incorporated into the Associate Application and Agreement and constitutes an integral part of the parties' agreement regarding their business relationship.
- Associates who conduct business in violation of these Policies & Procedures jeopardise the integrity and credibility of the Company. Where the actions of an Associate are deemed egregious by the Company, the Company reserves the right to assess disciplinary sanctions, up to and including termination of Associate status. A termination under these circumstances is effective immediately upon notification by the Company. It is presumed that you received the notice of termination no later than three (3) business days after it was sent by the Company (seven [7] business days if it was sent internationally).
- 6.17 REINSTATEMENT AFTER TERMINATION BY THE COMPANY**
- 6.17.1 Except for Associates terminated for Disease Claim Violations, an Independent Associate (individual, entity, or otherwise) terminated by the Company (the "Terminated Associate") may not seek reinstatement as a Mannatech Independent Associate until the expiration of 365 days after the effective date of termination.
- 6.17.1.1 Independent Associates terminated for Disease Claim Violations pursuant to 6.12.14.2 may not seek reinstatement until the expiration of two full years (730 days) after the effective date of termination.
- 6.17.2 The Terminated Associate shall submit a written request for reinstatement to the General Counsel of the Company. The request should outline the reasons for reinstatement, and shall be accompanied by a fully-executed Associate Application & Agreement (as set forth in 1.31 of these Policies and Procedures).
- 6.17.3 The request shall be considered by the Appeal Panel (as established by 6.13.3 of these Policies and Procedures). On the confidential vote of the majority, the Appeal Panel shall either approve or reject the request for reinstatement.
- 6.17.4 The decision of the Appeal Panel shall be reduced to writing, and shall be sent to the Terminated Associate by the Director of Compliance within three (3) business days of its rendition. It is presumed that you received the decision of the Appeal Panel no later than three (3) business days after it was sent by the Company (seven [7] business days if it was sent internationally).
- 6.17.5 If the request for reinstatement is rejected, the Terminated Associate must wait an additional 365 days before making another request for reinstatement.
- 6.17.6 If the request for reinstatement is approved, the Terminated Associate becomes a new Independent Associate. The Terminated Associate does not return to the position held prior to termination.
- 6.17.6.1 If a Disease Claim Violation was involved, the reinstated Terminated Associate is precluded from reentering his previous downline.
- 6.18 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. Holding a Company account does not imply authority to act on behalf of or bind the Company contractually.
- 6.19 GOVERNING LAWS**
- The Associate Application & Agreement is governed by the laws of the Republic of Singapore.
- WAIVER: THE COMPANY NEVER RELINQUISHES ITS RIGHT TO INSIST ON COMPLIANCE WITH THESE RULES OR WITH THE APPLICABLE LAWS GOVERNING THE CONDUCT OF A BUSINESS. THIS IS TRUE IN ALL CASES, BOTH SPECIFICALLY EXPRESSED AND IMPLIED. IN ADDITION, IF THE COMPANY GIVES PERMISSION FOR A BREACH OF THE RULES, FOR ANY REASON, AT ANY TIME, THAT PERMISSION DOES NOT EXTEND TO FUTURE BREACHES. THIS PROVISION DEALS WITH THE CONCEPT OF "WAIVER" AND THE PARTIES AGREE THAT THE COMPANY DOES NOT WAIVE ANY OF ITS RIGHTS UNDER ANY CIRCUMSTANCES SHORT OF THE WRITTEN CONFIRMATION ALLUDED TO ABOVE.
- 2013 Index to Updates and Changes to MOD SG1290116 Singapore Policies & Procedures**
- As of 30 Aug 2013**
- There are changes to the following:**
- 2.27 Reserved for Future Expansion
- 2.28 Conduct Detrimental to Mannatech
- 4.9 Unauthorised Recruiting of Associates and Sale of Competing Products
- 5.3.1 Automatic Order
- 5.13 Satisfaction Guarantee



#### 6.14.1 Termination of the Agreement by the Company

Note: For information on Member accounts,  
refer to MOD1290216 Singapore Member Policies & Procedures



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