



MANNATECH

Policies and Procedures

For the United Kingdom

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- 2011 Index to updates and changes

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 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, Turmstrasse 28, CH 6300 Zug (hereinafter referred to as the 'Company') within the Policies and Procedures, the Agreement and the Compensation Plan, as well as abide by all applicable laws and regulations in the country where you live and in which you operate your Company business. Please study this document carefully. Each Mannatech Independent Associate ('Associate') is responsible for adhering to the Agreement and Policies and Procedures. The Policies and Procedures apply to all Associates and will be rigidly enforced as such. Violation of the Agreement may the Company's discretion result in the termination of your Agreement and/ or to the Compliance Administration Procedure and any related disciplinary sanction imposed by the Company. The Company's Board of Directors 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 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 the United Kingdom, Germany, Denmark, Austria, Sweden, Norway, the Netherlands, Finland, Republic of Ireland, Estonia, Czech Republic and Ukraine and any other Country of Operation as defined in Section 3 in which Mannatech does business.

1.2.2 You are a self employed, 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. You are not authorised to make representations or incur any liabilities on the Company's behalf and must not purport to do so. As a self-employed person acting as a principal you are responsible for your own business decisions and are responsible for all expenses you incur in running your business. You agree to comply with all applicable laws, the UK Direct Selling Association's Business Code of Conduct and Consumer Code of Practice-and keep all necessary records and pay all applicable taxes on your business including VAT (if applicable), Income Tax and National Insurance payments. Except to the extent it is contrary to the terms of this Agreement or the current Policies and Procedures you are entitled, as a self-employed person, to work in the manner and at the time of your choosing and to carry out such other activities in addition to your activities as an Associate as you consider appropriate.

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1.3 Associate Application and Agreement and Identification Numbers

1.3.1 Any person, corporation, or other entity desiring Independent Associate status must complete and submit a signed Application and Agreement Form. The Company reserves the right to refuse to accept any prospective applicant. Any Associate found to be under the age of 18 will be terminated immediately unless a parent or guardian assumes responsibility for the minor's company business and provides indemnity as specified on the parental letter of consent

As independent self employed person you are entitled to arrange for such assistance in the conduct of your business as you consider appropriate, to be provided to you by such persons as you choose, and to delegate the performance of your obligations to those persons provided that such third parties be approved by the Company in writing and are properly trained and competent for such role. You are responsible for the expense of engaging or employing those persons. No such delegation shall relieve you from any obligations or liabilities under this Agreement and the Associate shall be fully responsible for the acts and omissions of their delegates.

You may not bind the Company or incur any debt or expense in the name of the Company or open any current account on behalf of, for, or in the name of the Company.

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. You must always identify yourself as an 'Independent Associate' in all written and verbal communications. The Company has the right to request information about your business and down-line to ensure compliance with the Agreement.

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.

You must operate your business in accordance with applicable laws and/or regulations of the country in which you operate.

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.

You shall not utilise the services of an Associate whose Associate Agreement has been terminated by the Company, or any shareholder, Preferred Customer, or partner of such terminated Associate, in conjunction with your Mannatech business.

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 or this Agreement.

This Agreement is personal to you and may not be assigned or otherwise transferred to anyone without Company's prior written consent (which may be declined or granted subject to terms at Company's discretion).

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

(available from Customer Services on 01235 441800 or downloadable from the website Mannatech Online Document, MOD# 1804504). This position will be included in the number of positions permitted to be held by one Associate.

1.3.2 The Company will reject any application, at its sole discretion, in the event that the Prospective Applicant fails to provide the required information. Applicants who refuse or choose not to provide the required information may sign up as a Preferred Customer.

1.3.3 The Company must receive a fully completed and signed Agreement from the Applicant. The Agreement does not become effective until it is accepted by the Company at ukcustserv@mannatech.com. The Company will not accept incomplete Agreements.

1.3.4 Upon acceptance by the Company, you are assigned a Company Account Number ('Account Number') to serve as your official identification number when sponsoring new Associates, placing product orders and tracking Bonuses and Commission payments.

1.3.5 You must report changes to your account, DBA, sole proprietorship, Associate name or address to the Company within fourteen days of the change occurring.

1.3.6 If you submit forged signatures or applications to the Company, regardless of whether you have the applicant's express permission, you are violating English law and may be subject to immediate termination of your Agreement and referral of the matter to the Police.

1.3.7 The Agreement may be submitted via facsimile or in a PDF format via email, provided the document is an original application issued by the Company, or an application form downloaded from the website. Prospective applicants must complete and sign the agreement. Applicants should retain the facsimile sent to the Company for their records.

1.3.8 Accounts must have a valid contact name, telephone number and postal address to list on the account.

1.4 Establishing a Corporation, Partnership or Trust

1.4.1 If your application is in the name of a corporation, partnership, or trust position, you must fully identify the shareholders, officers and directors of the corporate or partnership or trust entity by completing a Form C – Disclosure of Corporate Partnerships (MOD# 1806404) or a Form C-1(a), Disclosure of Trust (MOD# 1806304). Any and all officers and directors must provide a Statement of Guarantee and Indemnity, Form C-2 or Form C-2(a), respectively, to the Company at the time the Agreement is submitted.

1.4.2 The Agreement will not be processed without the proper attachments. If the entities add 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. Any changes in individual shareholders, partners or directors must be notified to the Company within fourteen (14) days of the change occurring.

1.4.3 The Company reserves the right to approve or disapprove your change of business name ('DBA Name') in the event that it is offensive or conflicts with trade names, trademarks, services marks or English 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, trade names or

trade marks in your business name or any other names, font or symbols 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/unrelated 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 aides.

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. The Company will not reimburse you for costs or expenses incurred as a result of any such agreement or contract as described above.

1.5.4 You may not enter third-party contracts combining any aspect of the Company business with another offering having to do with the sale of the Company products, opportunity, the Compensation Plan or any other non-Company-component. The Company does not honour these agreements nor will the Company settle disputes resulting from these third-party contracts 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 will result in the 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 of any other benefit from you in return for assisting you to supply the Company's products to others.

1.6 Responsibilities to your downline organisation

1.6.1 You are responsible for training your organisation/downline on effective and lawful methods of building a successful business and you are restricted from advising Associates to restructure his or her downline in a fashion that gives the Sponsor or upline Associates an income advantage, doing potential long-term damage to their Associate position.

1.6.2 You are responsible for answering questions from Associates you have personally sponsored. Associates who have questions about any aspect of the Company should contact their personal Enroler. If the question(s) remains unanswered, the Associate may contact the Company or Mannatech Swiss International GmbH directly.

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. 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 You may cancel the Agreement within fourteen (14) days of entering the Agreement. If you wish to terminate your Agreement you must submit such request to ukcustserv@mannatech.com and (a) you may require the Company to repay you within fourteen (14) days any monies which you have paid to or for the benefit of the Company or any of its other Associates in connection with your participation in this selling scheme; and (b) you may return any products which you have purchased within the selling scheme within twenty-one (21) days of the date of cancellation and which remain unsold, provided that such unsold goods remain in the condition in which they were in at the time of purchase, whether or not their external wrappings have been broken, and may recover any monies paid in respect of such products and (c) you may cancel any services which you have ordered under the trading scheme within such 14 day period and may recover any monies paid in respect of such services, provided that such services have not yet been supplied to you. Such products may be returned to: Mannatech Swiss International GmbH, Atlas Building R27, Rutherford Appleton Laboratory, Harwell Campus, Didcot, OX11 0QX.

1.7.2 An Associate who voluntarily terminates their Associate Agreement may apply for reinstatement as an Associate/Preferred Customer after the expiration of six (6) full Qualification Periods (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 their Associate Agreement may not apply to become an Associate or Preferred Customer in another line of sponsorship until the terminated Associate is no longer eligible for reinstatement and the waiting period has elapsed. In order to recover any monies paid in accordance with clause 1.7.1 you must give notice to the Company requesting the repayment of such monies (and if applicable, returning the starter kit and any other promotional or training materials purchased by them) to the Company's address referred to clause 1.7.1 within 21 days of the date of cancellation and the Company shall repay such monies as the Associate may be legally entitled to recover within 21 days of the date of cancellation..

1.7.3 In order to recover monies paid for products, you must deliver the goods to the Company within twenty-one (21) days of the date of cancellation to the Company's address set out herein. You shall bear the cost of such delivery. The monies paid in respect of those products is payable to you on delivery of the products, or forthwith if the products have not yet been delivered to you.

1.7.4 You may terminate the Agreement at any time without penalty by giving fourteen (14) days notice of termination to the Company at its address set out in 1.7.1. If you give notice to terminate the Agreement more than fourteen (14) days after you have entered into the Agreement, you may return to the Company any products, including training and promotional materials, business manuals and Associate Product Packs, which you have purchased under the selling scheme within ninety (90) days prior to such termination and which remain unsold, and the Company will pay you the price (inclusive of

VAT) which you paid for the products, less where the condition of any such goods has deteriorated due to an act or default on your part, an amount equal to the diminution in their value resulting from such deterioration and a reasonable handling charge (which may include the cost of repackaging returned goods for resale).

1.7.5 The Company may terminate the Agreement at any time by giving written notice to you. If the Company terminates the Agreement, you may return to the Company any goods which you have purchased under the selling scheme within ninety (90) days prior to the termination and which remain unsold for a full refund of the price (inclusive of VAT) which you have paid for them together with any costs incurred by you for returning the goods to the Company.

1.7.6 In the event that either party terminates this Agreement, you may return to the Company any goods (including training and promotional materials, business manuals and Associate Product Packs) which you have purchased under the selling scheme more than ninety (90) days but within one (1) year prior to such termination and which remain unsold for 90% of the price (inclusive of VAT) which you have paid for them, less an amount equal to:

- i) Any Bonuses or benefits (in cash or in kind) received by you in respect of those goods.
- ii) Any amount due from you to the Company on any account.
- iii) A reasonable handling charge (which may include the cost of repackaging returned goods for resale) and provided that:
 - a) Such goods have not been purchased or acquired by you in breach of this Agreement;
 - b) you return such goods to the Company in an unused, commercially resellable condition not more than 14 days after the date of termination of the Agreement; and
 - c) the Company did not clearly inform you prior to the purchase that the goods were seasonal, discontinued or special promotion products which were not to be subject to the buy back provisions of this sub clause.
 - d) If you are VAT registered (and have informed the Company), you will issue a VAT invoice to the Company if the Company agrees to buy back the goods in accordance with this Policy.

1.7.7 In the event of the termination of the Agreement under Clause 1.7.5, in order to recover monies paid for goods, you must deliver the goods to the Company within twenty-one (21) days of such termination to the Company's address set out above. The Company will bear the cost of such delivery. The purchase price is payable to you on delivery of the goods, or forthwith if the goods are already held by the Company.

1.7.8 If the Agreement is terminated for any reason, you will have the right to be released from all future contractual liabilities towards the Company in relation to this selling scheme, except (a) liabilities relating to payments made to you under contracts which you have made as agent for the Company (if any); and any liability to pay the price of goods or services already supplied to you by the Company where you have not returned such goods to the Company in accordance with sub-clauses 1.7.1 or 1.7.4 and (c) the provisions of Policy 4.9 and 4.12 which relate to competition with the business of the Company after termination of the Agreement and which shall remain in force after the date of termination.

1.7.9 On termination of the Agreement for whatever reason, you shall be entitled to retain Bonuses paid to you in

<p>accordance with the terms of the Agreement, unless:</p> <p>a) The Bonuses were paid in respect to products returned to the Company (or products returned to another Associate who was paid the Bonuses);</p> <p>b) The Company has refunded any monies due to you in accordance with the provisions herein; and</p> <p>c) repayment of Bonuses is claimed within one hundred and twenty (120) days of the date of having been made, in which case you shall repay such bonuses to the Company forthwith on demand or</p> <p>d) the Company may set off the amount of such Bonuses against any other amounts due from it to you.</p>	<p>1.7.10 Any notice given under these termination provisions, which is given by first-class post to the address of the Parties set out in the Agreement, or to such other address as shall have been notified from time to time in writing by one party to the other, shall result in the period of notice commencing to run from the day when such notice is posted.</p>	<p>1.7.11 You may enrol in a new position under a different Sponsor if you did not renew the original position on its annual renewal date and there was no activity in the original position for the previous six (6) Qualification Periods (which begins on the first day of the following Qualification Period from the date of termination). If the position has been inactive from the registration date and no orders have been placed for the past six (6) Qualification Periods the Associate position is considered inactive and the Associate may terminate the Agreement and submit a new Application under a different Sponsor. Spouses, dependent children or other household members of Associates who have terminated may apply to become an Associate or Preferred Customer under the new position.</p>	<p>2</p>	<p>CONDUCTING YOUR BUSINESS, INTERNET USAGE, PRODUCT SALES AND RECRUITING</p>	<p>2.1 Advertising</p>	<p>2.1.1 Except in the case of advertising provided by the Company for the promotion of your MannaPages or 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.</p>	<p>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 with no amendments.</p>	<p>2.1.3 Prohibited materials include, but are not limited to:</p>	<p>2.1.3.1 outdated Company-produced literature no longer in circulation: and</p>	<p>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.</p>	<p>2.1.4 The advertisements provided by the Company which make reference to business or earnings opportunities will include the following statutory information and warning: "Mannatech Swiss International GmbH, Dammstrasse 19, CH 6301 Zug ('the Company') of First Floor, 10 Temple Back, Bristol, BS1 6FL is the promoter of this trading scheme in the United Kingdom. The goods which are sold under this scheme are nutritional supplements, body care, beauty and related products</p>	<p>produced or supplied by the Company and such other goods or services as the Company may market from time to time.</p>	<p>It is illegal for a promoter or a participant in a trading scheme to persuade anyone to make a payment by promising benefits from getting others to join the scheme. Do not be misled by claims that high earnings are easily achieved." Associates shall not in any way hide, conceal, cover or screen the above statutory statement, nor should the statement's place on the advertisement be altered.</p>	<p>2.2 Classified Advertising</p>	<p>Notwithstanding the Associate Advertising Policy, you may use 'lineage' or classified business advertisements (fewer than thirty words in length) provided by the Company for publication in the opportunity section of local newspapers, magazines and directories. You may not add, append or delete verbiage from these classified advertisements.</p>	<p>2.3 Telephone Directory Advertising</p>	<p>2.3.1 In order to prevent confusion between the Company and your telephone directory listing, you may list in the directory as follows: Mannatech® Independent Associate Associate Name Associate Address Associate Telephone Number</p>	<p>2.3.2 In the event the printer is unable to put the trademark (®) symbol next to Mannatech, the following statement has to be placed on the bottom of the advertisement: 'Mannatech is a registered trademark of Mannatech Swiss International GmbH.' In any event, your listing should not leave the impression that the caller will reach the Corporate office.</p>	<p>2.3.3 You may not use a telephone or freephone number which when numbers are converted to letters spells out all or part of the name Mannatech or any of its products.</p>	<p>2.4 Answering the Telephone</p>	<p>You must not answer the telephone in any manner that gives the caller the impression that he/she has reached the Company's headquarters. Specifically, you may not answer the telephone by saying, "Mannatech Limited (or Mannatech Swiss International GmbH)" or any derivation thereof.</p>	<p>2.5 Business Stationery</p>	<p>The title 'Independent Associate' must always accompany your name when used in conjunction with the Company. Business cards and stationery may not contain the mannatechscience.com web address.</p>	<p>2.6 Use of Company Name, Logo or Trademarks</p>	<p>2.6.1 Except as permitted in Section 2.15, you may not use the Company name, logo, trademarks and/or names of Company Products in independently produced advertisements or materials, as you are prohibited from producing your own promotional materials. You can only use the 'Mannatech Independent Associate' logo. You may not use or reproduce the Mannatech or Mannatech Europe logos except as permitted in Section 2.15.</p>	<p>2.6.2 Except in the case of advertising or instructions provided by the Company for the promotion of your MannaPages, you may not use the name Mannatech or any of its trademarks as part of your business,</p>	<p>corporate, internet name (or source code) or e-mail address, including meta tags and/or source/ search codes. Associates who use Mannatech trade marks without authorisation from the Company will be required to relinquish their right to such marks without compensation by the Company and their Agreement may be terminated.</p>	<p>2.6.4 You may not use the names or images of Company executives, consultants, athletes and celebrities, who endorse the Company, except as specifically written in your Company approved materials or except as permitted in Section 2.15.</p>	<p>2.6.5 You are prohibited from using names of any other companies, doctors, healthcare professional, hospitals or institutions in any materials as doing so would be in violation of applicable English laws including trade mark laws protecting these names.</p>	<p>2.7 Creation and Use of Third Party Materials</p>	<p>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.</p>	<p>2.7.2 Materials are considered 'generic' if they can be utilised by any other company in our direct selling or multi level marketing industry.</p>	<p>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 ailment, disease, disease process, or disease claim, or which violate 2.8 or 2.25 of these Policies and Procedures. You must only use Company approved or Company 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. All materials must be compliant for the country in which they are to be used.</p>	<p>2.7.4 In addition to the requirement set forth in 2.7.3, you may use generic materials only if:</p>	<p>2.7.4.1 they do not contain mention of the Company, its registered office, VAT or Company number or any other detail from which the Company can be identified, its products, trade names, the specific ingredients of its products, or the Compensation Plan, and</p>	<p>2.7.4.2 they have not been created solely for use in connection with the promotion or sale of Mannatech products, the business opportunity or in relation to earnings claims.</p>	<p>2.8 Representations as to Products</p>	<p>As an Independent Associate you acknowledge that Mannatech products are not a substitute for a good and nutritionally balanced diet, a doctor's care or a medical standard of care in the treatment or prevention of a specific disease, and you shall not make representations to the contrary.</p>	<p>2.9 Reproducing Approved Educational and Promotional Material</p>	<p>You may copy Company-produced promotional materials in their entirety for use in conducting your business. Because of English Regulatory laws related to Company products, educational materials may ONLY be used verbatim and IN THEIR ENTIRETY. They must also be used according to the rules applicable to the Category of Educational material to</p>	<p>which they belong. You may not duplicate or record audio or video materials produced by the Company. Any recording or duplication is strictly prohibited as the Company strictly reserves all copyrights.</p>	<p>2.10 Use of Mannatech's Patents in the Promotion of Mannatech Products</p>	<p>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.</p>	<p>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.</p>	<p>2.11 Reserved for future expansion</p>	<p>2.12 Use of Testimonials</p>	<p>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, or disease claim. Also, Associates must provide Mannatech with all testimonials which are used and the testimonial must be signed, dated and include the full address of the person who has given the testimonial.</p>	<p>2.12.2 Opportunity Meetings. Subject to 2.12.1, 2.25 and 2.8, the host at opportunity meetings may allow attendees to make testimonials concerning generally improved health and well-being (such statements must not link the benefits of Mannatech products, ingredients of Mannatech products, and/or glyconutrients in conjunction with any particular ailment, disease, disease process, or disease claim) they have personally experienced following the 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's nutritional products are not promoted for the prevention, treatment, or cure of any disease or physiological condition and are not intended to substitute for a doctor's care or for proven medical therapy.</p>	<p>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.</p>	<p>2.12.4 Reserved for future expansion.</p>	<p>2.12.5 Reserved for future expansion.</p>	<p>2.12.6 Mannatech's Uth™ and TruHealth™ System Products. Associates are able to make testimonials and use before-and-after photos relating to Mannatech's Uth and TruHealth System products provided that:</p>	<p>2.12.6.1 All statements are truthful;</p>	<p>2.12.6.2 All statements are accurate;</p>	<p>2.12.6.3 All statements are verifiable and can be substantiated; and notices are provided that individual results may vary.</p>	<p>2.12.6.4 All before and after photos follow the guidelines stated on photos.mannatech.com (regardless of your</p>
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- intent to submit or non-submission of your photos to Mannatech).
- 2.12.7 Photographs, Videotapes and 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, or disease is expressly forbidden.
- 2.13 Use of Online Sales Media**
- 2.13.1 If the Associates seeks to sell or transfer Mannatech products to a third party in an attempt to circumvent this Policy, the Associate(s) shall share joint and several liability and full responsibility with the third party in the event that the third party breaches this Policy. The Associate(s) and at the Companies discretion the relevant third party shall be subject to any and all disciplinary actions the Company deems necessary. To avoid such actions, the Associate(s) and the third party should assume all obligations applicable to the Company in accordance with Section 2.13, 2.21.6, and/or 5.13.2.
- 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 www.mannatech.com, and offers our Associates Company produced websites ("MannaPages"). 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 by complying with the provisions below.
- 2.15.2 Registration Requirement. You must register each website, blog, or other electronic medium used in connection with your Mannatech business within ten (10) business days of the creation of the site, providing your name, account number, URL of the site, and any passwords necessary to fully access the site. You may provide this information 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, Incorporated, Attn: Legal Department, 600 S. Royal, Suite 200, Coppell, Texas 75019.
- 2.15.3 Associates must comply with country specific corporate literature in using the Corporate Name, trademarks, copyrights, product names, ingredients, or in discussing the products or the business opportunity. Associates must prominently represent to the public they are Mannatech Independent Associates.
- 2.15.4 Links to Corporate Sites. Associates may provide a direct link from their Associate Internet Site to their MannaPages website, to www.mannatech.com, and to any other Company control – URL specific designed for use in Europe-. An associate may also provide a direct link from their MannaPages website to their Associate Internet Site.
- 2.15.5 Search engines. Associates may provide a direct link to their MannaPages website and any Associate Internet Site from internet search engines provide the search parameters (metatags, search and source codes, etc.) are compliant.
- 2.15.5.1 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 web site 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; and
- 2.15.6.5 Offer Mannatech products under a different and/or generic product name, either by renaming, relabeling, or repackaging; and
- 2.15.6.6 Utilise an e-commerce feature other than offering a direct link to the Associate's MannaPages website or www.mannatech.com.
- 2.15.7 Responsibility for Site. The Company will hold Associates and any content providers strictly liable for the material contained on the Associate Internet Site.
- 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 a disciplinary compliance action by the Company to remove non-compliant or offensive material from the internet that relates to the Company, its officers, directors, employees, Associates, trademarks, proprietary property, products or business. Sanctions for a disciplinary compliance action are set forth in Section 6.12.13, and range from a warning to termination of the Associate.
- 2.16 Company Internet Usage Guidelines**
- The Company may provide access to you (but is under no obligation to do so) to password protected Intranet website information. This information is intended to serve as a communication tool for Associates only. In order to comply with applicable laws, you must not use portions of the password protected site for recruitment and/or the sale of products. These portions include, but are not limited to the Testimonial, Message Board and streaming video portions (collectively referred to as the 'Videos' section in Library). You may not give your password to any individual for the purpose of accessing the website information. Any misuse of the Intranet will result in Associate disciplinary action in accordance with the Compliance Disciplinary Procedure.
- 2.17 E-mail Correspondence**
- You may use e-mail to communicate Company information to your downline. You are solely responsible for ensuring that the content complies with the Associate Policies and Procedures and applicable laws, including the online Data Protection Act, related to e-correspondence prior to forwarding written correspondence on to downline and/or crossline organisations. Associates violating this Policy will be subject to the Compliance Disciplinary Procedure.
- 2.17.1 Recipients who wish to be removed from the mailing
- list should notify the sender directly. Upon receipt, you must remove the Requester 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 You are strictly prohibited from sending unsolicited e-mail 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 responsible for the content of your statements, and you must observe Company Policies prohibiting medical, product and income representations in all electronic messaging formats.
- 2.17.4 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 Associate Relations Department at the e-mail address provided in the document. The Company maintains its e-mail database for internal use only and does not sell or trade it's Associate information under any circumstances.
- 2.17.5 Associates may not use Success Tracker™, their MannaPages e-mail address, 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, their MannaPages e-mail address, 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 authorised for reproduction. Violations of this policy may result in disciplinary action.
- 2.18 Broadcast Fax**
- You must comply with the Telecommunications (Data Protection and Privacy) (Direct Marketing) Regulations of 1998 and must not contact individuals or businesses by unsolicited telephone calls or faxes where those individuals or businesses have previously notified you that such communications should not be made, or that their number has been included in the 'opt-out' record maintained by the Telephone Preference Service. It is your responsibility to ensure that consent has been obtained from the recipient before communicating for the purposes of direct marketing by telephone or fax. When communicating by telephone or fax with businesses or individuals, you must notify the recipient of your name, and either your address or a freephone telephone number on which you can be reached.
- 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 Mannatech European Head office. Associates who contact the media or are contacted by the media, either directly or indirectly, may not participate in any fashion. You are not authorised and may not represent the Company if contacted by the media.
- 2.19.2 Personal Appearances – You are prohibited from representing the Company on television, cable television or radio without prior written permission
- 2.19.3 Public Relations – You are prohibited from employing broadcast media as a form of public relations, including but not limited to news releases, articles, and talk show appearances.
- 2.19.4 Meeting Notices – Notification for public opportunity meetings for insertion into newspapers or periodicals must comply with all Policies and Procedures as provided herein. Specifically, they may not allude to any income representations or medical/disease claims or references to disease names.
- 2.20 Trade Shows and Expositions**
- 2.20.1 You may conduct your Mannatech business at trade shows, expositions, 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 at such trade shows and expositions, and you must identify yourself as '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 and spas. Your ability to sell Company products under this paragraph may be subject to state 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, grocery stores, pharmacies, newsstands, health food stores, vending machines, 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 locked display case, behind a counter, in a separate room, or are otherwise not accessible in a self-service environment.
- 2.21.5 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.
- 2.21.6 Product Retail Sales. Your primary obligation is to

- obtain orders from retail customers for the Company's products in accordance with the Associate Agreement. Title in the Company products will pass directly to you, who shall then pass title directly to any subsequent purchaser. You may sell Company products at retail prices and earn a profit from those sales.
- 2.21.6.2 You must provide retail purchasers with a properly completed sales receipt in the form approved by the Company.
- 2.21.6.3 A VAT-registered Associate is not required to provide a VAT invoice unless a customer requests it. When a retail customer requests an invoice, provided the consideration does not exceed £100, the VAT invoice need only contain particulars of: the name, address and registration number of the Associate; the time of supply; a description sufficient to identify the goods supplied; the total amount payable, including VAT; and, for each rate of VAT chargeable, the gross amount payable including VAT and the VAT rate applicable. To calculate the amount of VAT in a VAT-inclusive price, the VAT fraction (currently 7/47) is applied to the total invoice amount.
- 2.21.6.4 You should not collect any money from a Retail Customer until the products have been delivered to them.
- 2.21.6.5 Your Retail customers can also place an order direct on Order Processing freephone number 0800 028 6073. Ask them to quote your account number preceded by an 'R', and the company will ship product directly to them.
- 2.21.7 Suggested Retail Price. Retail prices set by the Company are recommended prices only. You may sell the products for any price you choose.
- 2.21.8 You must inform the buyer of their cancellation rights at the time of the sale. You must allow retail customers the ability to cancel their order within fourteen days of receipt of the products and provide a full refund within 14 days of receipt of the returned products. In the event that the Company must reimburse a dissatisfied retail customer on your behalf, refunds will be deducted from your future commissions and you may be subject to disciplinary review.
- 2.22 Promotion of Product for Animal Use**
Mannatech products are designed for human use. Promotion of these products for animal use is prohibited.
- 2.23 Misrepresenting the Company**
Presenting the Company, Compensation Plan, employees or products in a deceptive, fraudulent, slanderous or misleading way, will be considered a breach of your Agreement that may result in termination of your 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 a Mannatech Independent 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 a Mannatech Independent Associate, without clearly and conspicuously

- 2.23.4 disclosing that the publication is controlled by a Mannatech Independent Associate who receives compensation from the sale of Mannatech products. 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 income potential of any prospective Associate except as stated in Corporate literature or make statements regarding their personal income without stating that the income is not necessarily representative of the income an average or typical Associate can earn. Associates must utilise the Income Statistics provided by the Company to properly represent potential or average income figures. All income is strictly derived from sale of products.

Misrepresentation of income earnings or Compensation Plan includes, but is 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 compensation disclosure(s);
- 2.24.2 Reviewing the Compensation Plan with any person without informing them that, other than the initial application fee (enabling them to become an Associate), there is no ongoing purchase requirement to become or remain an Associate.
- 2.24.3 Reviewing the Agreement with prospective Associates without presenting all entry and upgrade levels, explaining the differences between Preferred Customer and Associate options before new recruits sign the Application and Agreement.
- 2.24.4 Reviewing the Automatic Monthly Order (AMO) details, without disclosing that the AMO is optional, generates 12 times a year, is automatically charged to the debit/credit card provided or debited from their bank, and that the products selected are shipped directly to the address provided each Qualification Period until the Company is notified in writing to discontinue the AMO. The discount will 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 Misrepresenting the amount an average Associate might expect to earn in carrying on the business (for example, you may not show copies of Company-issued commission statements to represent potential earnings).
- 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 income or Leadership levels. You may not represent or imply that it is relatively easy to succeed in the business but may only represent that 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

- 2.24.11 methods.
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 position 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 or ailments from the use of Company 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 repackage 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 Preferred Customer, 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 Independent Associates, offering information on new and existing products, new marketing and training tools, business building techniques, and education regarding compliance with the Associate Policies & Procedures. Independent 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 web site for use by Independent 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 authorised to conduct business in the countries set forth in MOD 1817601 ("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 the product list for each country of operation.
- 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.
- 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 and Procedures.

3.2 Gifts of Products

Gifts 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 Authority where you intend to gift the products whether they 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 to your last known address. If your Agreement is terminated, for any reason, you agree to release the Company and its' officers, directors, agents, advisors, and employees from any and all liability or damages incurred.
- 3.3.2 Your right to act as an International Sponsor or to receive Commissions in a Country of Operation may be revoked at any time if the Company has evidence that you have not conducted yourself in accordance

3.3.3	with the terms and conditions contained herein or the governing laws of the Country of Operation. 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 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.	4.2.4	working with another Associate. You may not offer an illegal incentive or offer anything of value in a legally objectionable way to further your Company business.	4.4.5	approval which may be withheld at any time. 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 Qualification Periods. As an inactive Associate, you shall not refer to yourself as a Mannatech Independent Associate, or hold/participate in educational or promotional meetings. You should discontinue using any materials bearing the Company logo, trademark or service mark(s). You shall not attempt to sponsor or enrol new Associates or otherwise sell Company products(s) during the Inactivity Period. (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 a termination notice and submit a new Application and Agreement. Position transfers are subject to the Company's approval which may be withheld at any time.	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.
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.	4.3.1	4.3 Sponsor and Enroler Information You must provide the Company with valid Sponsor and Enroler details at the time your application is submitted. Sponsors and Enrolers must be in the same line of sponsorship. Applications received with no Sponsor and Enroler information will be returned to the Applicant unprocessed. Applications received with only a Sponsor or Enroler will be processed making the Sponsor and/or Enroler the same person. The Company is not responsible for contacting the Applicant or the upline to verify the information provided. Applicants and/or Associates who fail to provide correct Sponsor and Enroler information may complete a Sponsor Change Request Form (MOD# 1807204). This form must be submitted before commissions are paid with appropriate signatures, or the Sponsor Change will be denied.	4.4.6	You are not permitted to persuade or attempt to persuade any other Associate to terminate his or her Agreement in order to join your downline or use any unfair tactic or undue action to obtain consent (see 4.2.1).	4.5.7	Account balances from previous owners will not be carried forward on Position Transfers.
3.4 Country Relocation	Associates relocating to other countries of operations should contact the in-country Customer Service department to receive the country specific information regarding relocation procedures.	4.3.2	Associates have seven business days to make Sponsor/Enroler changes so long as there are seven business days left in the current Qualification Period. Where less than seven business days are left in the current Qualification Period, Associates have until the end of that current Qualification Period to request Sponsor/Enroler changes.	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.	4.6 Inheritance of Associate Positions	
4 SPONSORSHIP BUSINESS RULES						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 that Associate's will or as otherwise ordered by an English 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 decedent'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 and a Court Order declaring him/her the successor(s) or any other documentation required by the Company to evidence the true successor.
4.1 Rights to Choose Sponsorship		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 DVD.) The Company does not have an obligation to settle or be a part of any disputes concerning sponsorship (or agreements in connection with Sponsor Bonuses). The Sponsor/Enroler of a Prospective Applicant will be the Associate indicated in the Associate Application and Agreement signed by the Prospective Applicant and/or entered as the Sponsor/Enroler in the Company's computer system.	4.4.4	4.4 Changing Lines of Sponsorship The Company will not permit any change in the line of sponsorship except in the following circumstances:	4.6.2	The heir(s) must fulfil all responsibilities of the Associate Agreement and must sign the then-current version of the Association Application and Agreement. The heir may inherit and retain another Associate position even though the heir(s) already operates an existing position.
4.1.2	Once an Associate Application and Agreement has been accepted by the Company, Sponsor/Enroler changes are only permitted in the event of Company error or if the Company is notified in writing by the new Associate and/or Associate's rightful Sponsor or Enroler before any Commissions are paid.	4.4.2	If the request is made after seven (7) days but no more than twenty-eight (28) days from the time of enrolment, 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# 1807204. 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.	4.5.1	4.5 Sale or Transfer of Associate Position 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 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.	4.7	4.7 Multiple Positions
4.1.2	Once an Associate Application and Agreement has been accepted by the Company, Sponsor/Enroler changes are only permitted in the event of Company error or if the Company is notified in writing by the new Associate and/or Associate's rightful Sponsor or Enroler before any Commissions are paid.	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 and Procedures and/or the Business Rules of the Company.	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 enquiry or sanction.	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.
4.2 Inducements to Select a Different Sponsor		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.	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# 1805604.	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 aware of property interests and rights to each party. The concerned party must supply any documentation required by the Company to support such a division.
4.2.2	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. You must feel secure when sending prospects to these meetings, and all prospects should be referred back to the person who sent them. It is against Company Policy to sponsor a prospect at the meeting who was sent by another Associate.	4.4.4	If you terminate your Agreement in writing, you may rejoin under a line of Sponsorship of choice after six (6) full Qualification Periods (the 'Waiting Period'). Termination of your Agreement will result in forfeiture of all rights, Bonuses, and Commissions under the previous line of sponsorship. After the Company has received the voluntary termination notice, you may not hold meetings, attempt to enrol new Associates, or sell product during the Inactivity Period. If you are found to be actively pursuing the business during the six (6) full Qualification Periods, 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 Agreement, are not eligible for Position Transfer, but may join in a new position under a new line or the same line of sponsorship, provided all the requirements are met. Position transfers are subject to the Company's prior	4.5.4	The new owner is subject to all Associate Policies and Procedures and the 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.	4.7.3	The Company will not process any changes to an account during a pending of any divorce proceeding unless it receives written consent from both the husband and wife.
4.2.3	You may not offer monetary rewards, free products or any other material inducement to entice a Prospective Applicant to enrol under your line of sponsorship when it is made known that he or she has been			4.5.5	Terminated positions are eligible for sale or transfer if the position has remained terminated (and/or inactive) for six (6) full Qualification Periods. Positions terminated for disciplinary reasons are only eligible for sale or transfer once the six (6) full Qualification Periods have expired, and there is no litigation or possible litigation pending concerning the disciplinary actions taken by the Company.	4.7.4	The Company reserves the right to intervene in any divorce proceeding and deposit Commission payments with the applicable court of competent jurisdiction in the event of a dispute between the spouses as to earnings.
						4.7.5	A single person may hold two positions. One position may be an independent position and a second position may be a sole proprietorship, corporation, or partnership. All of those 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 (for the purpose of this clause, 4.8, referred to as an 'Initial Associate') may not circumvent your original line of sponsorship by joining another downline organisation by sponsoring your spouse, dependent children, household members or any business or

company operating under a business name, Doing Business As (DBA) in which you have a direct or indirect ownership interest into a different downline or into a different leg of their sponsor. Husband, wife, company (business name), household members, business 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. 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 is found to have knowingly or willingly encouraged the cross-sponsoring, the sponsor will be subject to further intervention from the Compliance Disciplinary Procedure.

4.8.2 If the Initial Associate referred to in 4.8.1 is a business entity or trust, clause 4.8.1 shall also apply to each director, partner, unit holder or beneficiary of a trust as if such person were the Initial Associate.

4.9 Unauthorised Recruiting of Associates and Sale of Competing Products

If you elect to participate in another direct selling or network marketing or multilevel marketing (collectively and for purposes of these policies and procedures “Direct Selling”) business, you are prohibited from engaging in the unauthorised recruiting activities listed below. 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 Direct Selling company’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 to qualify 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 Company Associates into any other Direct Selling business. The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly or through a third party, another Company Associate or Preferred Customer to enroll or to participate in another Direct Selling 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 another Direct Selling opportunity. 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 another Direct Selling opportunity.

4.9.3 You shall not sell or offer to sell or promote competing products to Company Associates or Preferred Customers. 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 Direct Selling company’s products, compensation plan, business opportunity, or incentive.

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.

4.9.6 For a period of twelve (12) months following termination of the Agreement, you shall not recruit any Company Associates into another Direct Selling business.

4.9.7 The downline organisation (“Confidential Information”) as described in 4.12 is Mannatech’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”)

Once an Associate reaches the Presidential Director leadership level the Associate may be eligible to join the Presidential Director Ambassador Program as a “Presidential Ambassador.” Participation in the Ambassador Program is not mandatory. Upon being eligible to join the Presidential Ambassador Program as a “Presidential Ambassador” you are required to declare to the Company if you participate in any other direct selling company or organization. If you join the Presidential Ambassador Program you must sign an acknowledgment form affirming that have relinquished all participation in any other direct selling company or organization and that you are in compliance with this Section 4.9.8 (inclusive of all subsections). Once your signed acknowledgment form is countersigned 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. You must sign a new acknowledgement form when you renew at the Presidential Director leadership level. If you elect to participate in another Direct Selling business under the terms of Section 4.9 and continue to participate in that Direct Selling business while at the Company’s Presidential Director leadership level, then you are ineligible to participate in the Company’s Presidential Ambassador Program, which is subject to the Presidential Associate’s adherence to the terms and conditions set forth below:

4.9.8.1 You shall not become an owner, officer, director, employee, consultant, contractor, or subcontractor of any other Direct Selling company. (Please see Section 4.9 for the definition of “Direct Selling”.) 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 Direct Selling business is compliant under this Section 4.9.8.1 will be made by the Company in its sole discretion on a case-by case basis.

4.9.8.2 You shall not build a downline or otherwise recruit Company Associates or Preferred Customers in or for another Direct Selling business for yourself or any other party. This provision includes but is not limited to opportunities to participate in new Direct Selling

businesses and in any Direct Selling businesses you participate in at the time you become a Presidential Director of the Company. (Please see Section 4.9.1 for the definition of “recruit” and Section 4.9 for the definition of “participate.”)

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 other Direct Selling company.

4.9.8.4 You shall not attempt to subvert or otherwise avoid the spirit and intent of these rules though the use of “ghost” accounts, trust accounts, spouses, life partners, relatives, or members of the same household. 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 true name of the individual holding the account.

4.9.8.5 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.

4.10 Renewals

4.10.1 You will retain your status for a period of one year coinciding with your anniversary date. Associates must renew their accounts within 90 days following the expiration of their anniversary date. Associates’ anniversary date is the original application enrollment date. Non-renewed Associates are not eligible to earn commissions or participate in Mannatech’s incentive programs. For more information, review the Compensation Plan located in the Mannatech Resource Library.

4.10.2 If the account is not renewed, and no products have been ordered under the account for six (6) months, the Enroller may transfer the position to another individual in accordance with the sale or position transfer policy.

4.10.3 Associates are prohibited from renewing accounts without the effective consent of the person or entity owning the position.

4.11 Downline Reports

Requests for downline reports must be submitted on the appropriate form obtained from the Company. You may request downline reports only for your own downline organisation. Downline reports are the confidential, proprietary property and trade secrets of the Company. 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. You must comport with all restrictions as indicated in Policy 4.12 as outlined herein. Failure to observe confidentiality regarding the contents of a downline report will be considered breach and potential termination of your Agreement and/or legal recourse including injunctive relief, all parties agreeing that the Company would suffer irreparable harm if you disseminate confidential downline information. The Company specifically

reserves the right to seek injunctive relief or any other legal remedy available at law to protect its confidential information.

4.12 Confidential Proprietary Company Information/Reports Provided to Associates

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’) is owned by the Company, is highly sensitive and valuable to the Company’s business and is 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:

4.12.1 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) without the written authorisation of the Company and 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 this information to any other Associate, 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 the purpose or effect of which would be to circumvent, breach, interfere with or diminish the value or benefit of the Company’s genealogies and, without prejudice to the generality of the foregoing.

4.12.4 You shall only use the Confidential Information for your Mannatech business and shall return copies of any such information to the Company forthwith upon termination of the Agreement for whatever reason.

4.12.5 The Company shall suffer irreparable harm in the event it’s confidential and proprietary information is disseminated in a manner in contravention of it’s interests. 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 Qualification Periods

4.13.1 Qualification Periods end on the last calendar day of each month.

4.13.2 Commissions of less than £5 will be carried to the next pay period, or until £5 has been earned. All Commissions are paid in pounds sterling.

4.13.3 Commissions paid on Preferred Customer purchases will be paid on the Product Commission payment issued two (2) weeks after the close of the Qualification Period.

4.13.4 Commissions are paid directly into designated bank accounts upon completion and submission of MOD# 1800704.

4.13.5 Payment summaries will be available on Associate web accounts. There is an additional option to receive

4.13.6 the information by email. A valid email address must be supplied to the Customer Services Team in writing. Commissions earned amounting to less than £5 in a calendar year will be forfeited after one year.

4.14 Taxes and National Insurance Contributions

4.14.1 As an independent contractor, you are responsible for registering as a self-employed person with your Tax Office and HM Revenue and Customs ('HMRC'). Further, it is your responsibility to complete your own annual tax return for any income tax owed on income earned as an Independent Associate.

4.14.2 It is your responsibility to notify HMRC of any liability to register for VAT.

4.15 Commission Research Requests

4.15.1 All Commission research enquiries must be submitted in writing to the Company within forty five (45) days of receipt of the payment.

4.15.2 Claims for errors in Commission payments and requests for recalculation of Commissions must be submitted in writing. If you submit the request ('Requesting Associate'), you must obtain, in advance, (i) a written approval from the upline Associate who received the income in error (ii) an approval 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 payment should the recalculation prove an error was made in the original Commission payment. The Company is not responsible for recalculating commissions for Independent Associates who do not follow all of the steps as outlined above.

4.15.3 Only Company errors will be recalculated without written authorisation.

4.15.4 The Company reserves the right to withhold any money owed by you to the Company and to Mannatech Swiss International GmbH from future Commission payments, including but not limited to, any erroneous or other overpayment of commissions, any Commissions from product or pack returns or refunds or money owed to the Company or to other Associates.

5 OPERATIONS, ORDERING, PRODUCT RETURNS, REFUNDS AND SHIPPING

5.1 Product order and Promotional Materials

5.1.1 Telephone orders will be accepted with debit/credit card payment. Call the Company at freephone 0800 028 6071 to order. Do not post the hard copy of the order to the Company when ordering by telephone.

5.1.2 To order by fax, fax the completed Order Form including credit/debit card information on a completed Order Form. Do not post the hard copy of order to the Company.

5.1.3 To order by post, submit a completed Order Form with credit/debit card information, cheque, or money order.

5.2 Orders sent by post

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

5.3 Automatic Orders

5.3.1 Independent Associates
You may participate in the optional Automatic Order Program. You may participate in the program after enrollment as an Associate. Simply complete the Automatic Order Form (MOD 1801604) or place the order by phone at 0800 028 6071 and identify the products to be automatically sent to you each month. 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 (AO). You must provide an updated expiration date for your debit or credit card to continue to receive AOs.

5.3.2 Once initiated, the AO will remain in effect until terminated by you in writing or by calling 0800 028 6071 or by using the cancellation form on the Automatic Order Form. You can cancel the AO at any time.

5.3.3 You may make changes to the AO order via the website.

5.3.4 To avoid delays all Automatic Orders must be created or modified five (5) days prior to the close of the Qualification Period and/or holiday weeks

5.3.5 The Company must receive any changes or terminations for the AO in writing, by phone or online, five (5) days prior to the AO generation date, or the changes/termination may not take effect until the following Qualification Period. Alternatively you can return any products in accordance with these Policies and Procedures ordered prior to the termination or changes being made.

5.3.6 Participation in the program does not relieve you from compliance with the 70/30 rule as provided herein. See 5.11 & 5.13.

5.4 Reserved for future expansion

5.5 Payment Options

All payment for products and materials must be in pounds sterling. Acceptable methods of payment include cash (for storefront orders only), personal cheque (drawn on UK banks only), Company-accepted credit and debit cards and the following, which must be payable in UK funds: bank cheques and money orders. Do not post cash. The Company does not accept cash on delivery (COD) orders.

5.6 Returned Cheques

All cheques refused for payment for any reason by the payor bank will incur a £5.00 charge and the Company reserves the right to refuse to accept personal cheques in the future. All monies owed to the Company will be withheld from subsequent Commission payments.

5.7 Credit/Debit Cards

Products and training materials can be purchased with Company-accepted credit/debit cards. The credit/debit card holder must sign all credit/debit card orders/payments received via post or fax (including Automatic Orders and changes). You may only use credit/debit cards that belong to you or for which you are a valid user. Any Associate found to process orders without the consent of the cardholder is in violation of the law and will be subject to immediate termination of their Agreement. Any Associate causing an unwarranted charge back to the company due to an unauthorised transaction will be subject to immediate termination of their Agreement. Credit/debit card disputes must be presented to the Company within

one (1) year from the date of the transaction.

5.8 VAT

5.8.1 Products and shipping charges are subject to applicable VAT levied by the law. The 'Amount Due' on an Associate Product Order Form is inclusive of VAT where applicable.

5.8.2 If the Associate is VAT registered and wishes to receive VAT on their commission earnings, they must complete and send to Mannatech Swiss International GmbH, c/o Mannatech Limited, a self-billing form and a copy of their VAT registration document. VAT will be paid from the registration date shown on the official document. Mannatech Swiss International GmbH will pay the VAT at the same time as the commissions earned and will issue a self billing invoice for the associate to use for their tax records. The Associate is responsible for ensuring any VAT paid to them is remitted to their relevant tax authority – this is not the responsibility of Mannatech Swiss International GmbH.

5.9 Purchase for Own Use (Inventory Requirements)

Although your primary obligation is to obtain orders for the Company's products on behalf of the Company, you may buy at the Associate Discounted Retail Price the Company's product for your own use or for promotional purposes.

5.10 Stockpiling Product

5.10.1 Mannatech's Career and Compensation Plan is based on retail product sales. You are not required to carry an inventory of product for new Associates. Stockpiling (the excessive ordering of products solely for the purpose of qualifying for Commissions, Bonuses or advancement in the Compensation Plan) is not permitted. You should only order enough products for a four-week period to reasonably satisfy personal needs or fill customer orders. . Stockpiling is a manipulation of the Compensation Plan and a breach of these Policies and Procedures and unfairly leads to one Associate's gain and another's loss.

5.10.2 Any Associate requesting a refund on a stockpiled product will be refunded per the 70/30 Rule (See Policy 5.13) and subject to disciplinary action and/or termination of the Associate Agreement if you are found to be violating the 70/30 Rule unless their Agreement is being terminated.

5.11 The 70/30% Rule

Product Sales: The Company Compensation Plan is based upon the sale of Company products to end-consumers. You must fulfil personal and downline organisation retail sales requirements (as well as meet other responsibilities as set forth in the Agreement) to be eligible for Bonuses, Commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for you to be eligible for Commissions:

a) You must satisfy the Personal Point Volume (PPV) requirements to maintain your status as specified in the Compensation Plan. Personal Point Volume shall include purchases made by you only.

b) You must sell at least seventy percent (70%) of previous wholesale orders to retail customers prior to re-ordering (the 70/30 Rule), unless the previous order was an amount which could be personally consumed and you will keep records of all sales transactions and, on request from the Company, must produce retail receipts for any retail sales and comply with any other reason

able verification procedures required by the Company from time to time. Your obligation to the Company to comply with the 70/30 Rule is one of the utmost good faith, essential to the proper operation of the selling scheme.

c) You must maintain records of all retail sales for a period of seven years and furnish them to the Company at the Company's request in order to comply with English law. The Company will maintain records documenting the purchases of your Preferred Customers.

5.12 Product Replacement of Defective Product/Quality Control

The Company will replace any defective product with same or similar goods for reasons of quality control or any other reason, however, no product(s) should be returned to the Company without prior approval. To assure that replacement of products or refund will be issued, you must comply with the following procedures:

- Proof of payment and a copy of the Company Product Order packing slip must accompany requests. The Company cannot process returns without authorisation. Unauthorised returns will be destroyed and no replacement or refund will be given
- The Company will instruct you where to ship the products for inventory and verification and will provide authorised product return shipping labels when necessary. Upon receipt and verification of the product, the Company will ship replacement product.
- If a customer or Associate requires a product replacement for defective products, they must provide details to the Company.

5.13 Satisfaction Guarantee/Refunds>Returns/Exchanges

Participation in the Career and Compensation plan is optional.

- Various incentives/programs/awards/trips/special promotions/ campaigns, etc (here after "incentives") may have specific return/refund/exchange criteria. Ensure that you read the guidelines/rules for all such incentives.
- Stockpiling to qualify for incentives is prohibited; this is inclusive of those products you purchase under downline accounts. Associates earning commissions/ bonuses/incentives, etc, may be subject to the Stockpiling (Section 5.10) or the 70% Rule (Section 5.11) when product orders used as qualification of incentives are returned. The Company will have the final decision whether any products purchased in order to qualify for commissions/bonuses/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 subject to Company approval. Based on the company's decision, this may lead to decreased return/refund/exchange amount and/or loss of commissions/incentive/qualifications, etc.

5.13.1 90 Days Satisfaction Guarantee for Independent Associates, and Retail Customers.

5.13.1.1 Corporate literature/Mannatech Promotional Materials are not considered products for purposes of the Satisfaction Guarantee. However Mannatech does allow for the exchange of up-to-date Corporate Literature/Mannatech Promotional Materials. Please refer to Mannatech's Exchange policy 5.13.3.

5.13.1.2 All Returns must have a Return Merchandise

<p>Authorisation (RMA) number assigned to them and this can be provided by contacting Customer Services before returning any items. To return used products for a refund you must: Obtain a RMA, complete the Return Authorisation Request Form, and Comply with instructions found on the Return Authorisation Request Form. (See Mannatech Online Documents for the request form).</p> <p>5.13.1.3 You are responsible for all costs associated with shipping the goods back to Mannatech unless Mannatech is at fault in which case Mannatech will pay these costs.</p> <p>5.13.1.4 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.</p> <p>5.13.1.5 Any returned items for refund that entitled upline Associates to qualify for Incentives and/or Commissions will result in loss of Incentive qualification and/or Commissions. The Company will deduct Commissions paid for returned or refunded products from future Commissions payments.</p> <p>5.13.1.6 You will have an opportunity to examine and reject products you order from us after they have been delivered to you. Mannatech offers a 90 day money back guarantee on all its products. If for any reason you are not satisfied with the products, you may cancel this Agreement by giving us notice within 90 days of receiving the products, then we will provide a refund to you. If you cancel within 14 days after receipt of the products, your refund will include the delivery costs of sending the products to you (except for any supplementary delivery costs if you choose a delivery method which is more expensive than our standard delivery cost). If you cancel the Contract more than 14 days after receipt of the products but before 30 days have elapsed from you receiving the products, you will have to pay the delivery costs incurred by Mannatech in sending the products to you in the first place. Whether you cancel within 14 days after receipt of the products or more than 14 days after receipt of the products you will be responsible for your costs in returning the products back to us; we will not refund you any costs of delivery or shipping. You have the legal obligation to take reasonable care of the products while they are in your possession. If you reject the products for any reason other than damage to or a defect in the products, you must pay the cost of returning the products to us and you will be responsible for their safety during transportation. If you reject the products because they are damaged or faulty, we will cover the cost of the return of the products to us. If the products are returned by you for any reason other than damage to or a defect in the products and they have suffered any reduction in value as a result of handling beyond what is necessary to establish the nature, characteristics and functioning of the products then you will be charged for that diminution in value and that charge will be deducted from your refund. We will refund you without undue delay and not later than 14 days from the day you return the products to us. Refunds will be applied to your original method of payment, no refunds will be made in cash. We may withhold your refund until we have received the products back or you have supplied evidence of having sent back the products, whichever is the earliest.</p> <p>5.13.1.7 Associates who return sign up packs or whose product returns exceed £500 will be deemed by Mannatech</p>	<p>5.13.1.8 If deemed appropriate, you will refund to the company any Commissions earned in relation to those products and authorise the company to deduct from your future Commissions the full amount refunded to the downline Associate.</p> <p>5.13.1.9 If any of your downline Associates returns any product to the company and requests a refund due to the misrepresentation and/or any other alleged violations of policy, you will be subject to the Compliance Disciplinary procedure.</p> <p>5.13.1.10 Only products personally purchased and received by the Associate or Preferred Customer are eligible for refund. Products must be returned to the Company whether unopened product, partially used products, or empty product containers.</p> <p>5.13.2 Retail Customer Return Procedures To return used products for a refund you must:</p> <p>5.13.2.1 If purchased directly from the Company, Mannatech will process the return directly on behalf of the Associate. Follow the procedures found in 5.13.1.</p> <p>5.13.2.2 If purchased from an Associate, the Associate is obligated to honour Mannatech's Satisfaction Guarantee. (see 2.21.8)</p> <p>5.13.3 Product Exchanges</p> <p>5.13.3.1 Regarding orders purchased, Mannatech will exchange for equal value any unopened, restockable product (i.e. not expired or within 90 days expiry) for a period of 90 days. From the same date, Mannatech will also exchange up-to-date Corporate literature/ Mannatech Promotional Materials (MPMs) purchased as a stand-alone order (i.e. excluding Pack orders) that are in good usable condition, and are returned within 90 days of the purchase date.</p> <p>5.13.3.2 You are required to provide the original order number verifying the product and/or MPM purchase before a Return Authorisation will be issued. All Exchanges will be done on a one-for-one equal value basis.</p> <p>5.13.3.3 You are responsible for all costs associated with shipping the goods back to Mannatech and for the cost of reshipping exchanged goods back to you unless Mannatech is at fault in which case Mannatech will pay these costs.</p> <p>5.13.4 Refunds to Independent Associate upon Voluntary Termination – see Section 1.7</p> <p>5.13.5 Commissions on Refunded Products Any returned products or packs for refund that entitles any Associate 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 payments.</p> <p>5.14 Shipping</p> <p>5.14.1 Delivery Options</p> <p>5.14.1.1 Your orders will be shipped prepaid via standard delivery. You will be charged for the total cost of the products plus delivery as set out in the Company Order Form. From the date of shipment, an order shipped by this method will typically arrive in two to five business days but we guarantee all deliveries within 30 days of your order. The order is shipped to the address that you have provided to the Company. Orders cannot be sent to PO Boxes. Costs for this prepaid standard delivery service are outlined on each Company Order Form.</p> <p>5.14.1.2 The Company shall keep a record of products supplied by the Company to you with respect of which payments are due from you, which record may take the form of an itemised order form, invoice or</p>	<p>receipt. It is at the Company's discretion to determine that some orders can only be supplied via the Next Day delivery option.</p> <p>5.14.2 Troubleshooting Recommendations</p> <p>5.14.2.1 Someone should be available at the 'Ship To' address to accept and inspect the delivery. If no one can be available, it is suggested that the 'Ship To' address be that of a friend or relative.</p> <p>5.14.2.2 Multiple packages shipped on the same date may not all arrive together. If this occurs, allow an additional two days for the balance of the order.</p> <p>5.14.3 Freight Claims</p> <p>5.14.3.1 Company products are in perfect condition when the carrier takes possession of shipment at the Company Distribution Centre.</p> <p>5.14.3.2 Lost shipments (complete or partial) must be reported to the Company within ten days after estimated time of arrival.</p> <p>5.14.3.3 Hidden damage, discovered after the carrier has left the recipients' premises, must be reported to the Company within fourteen days. Keep the shipment in the original package.</p> <p>5.14.3.4 When you contact the Company about freight claims, the Company will initiate the proper procedures and follow the investigation through to completion.</p> <p>6 LAWS, REGULATIONS AND DISCIPLINARY PROCEDURE</p> <p>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 written or printed notice to Associates on Mannatech Online Document (MOD) and/or any other printed materials. Any revisions to the Policies and Procedures and/or Compensation Plan shall become binding on all Associates upon the publication of such revisions on Mannatech Online Document or as officially announced in any Company communication.</p> <p>6.2 Removal of Policies and Procedures If any provision of the Agreement is 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.</p> <p>6.3 Assignment Nothing herein shall prevent the Company from assigning its rights and obligations to its Associates to any person, firm or corporation.</p> <p>6.4 Governmental Laws</p> <p>6.4.1 You may not represent that the Company or any of its products have been approved or endorsed by any Governmental agency.</p> <p>6.4.2 If you are found to have violated the law of England and Wales 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 Associate Agreement.</p> <p>6.4.3 Offering of Mannatech Products in Public or Private Schools. There may be various legal prohibitions and/or local provisions against the use of public or private schools, teachers, instructors and/or administrators</p>	<p>in any capacity related to product promotional endeavours. Associates are required to familiarise themselves with such prohibitions/provisions and comply with same in the course of promoting and conducting their Mannatech business. Associates shall not:</p> <p>6.4.3.1 Offer for sale, sell, market or distribute Company products or promotional materials to teachers, 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</p> <p>6.4.3.2 Recruit for enrollment as an Associate any teachers, 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.</p> <p>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.</p> <p>6.4.4 Associates Committing a Crime Connected to Mannatech Business.</p> <p>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 of their Agreement.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>6.4.6 You are solely responsible for registering and/or obtaining any licenses as required to sell the products.</p> <p>6.4.7 You must comply with all laws of England and Wales governing the sale or tax applied on the sale of Company products.</p> <p>6.5 Contacts With Government Regulators You may not contact any Government regulators on behalf of the Company. You may not represent the Company if contacted by the Department of Business Innovation and Skills or Trading Standards. If you are contacted by the Department of Business Innovation and Skills or Trading Standards, you must contact the Legal or Regulatory Affairs Department of the Company at 00-1-972-471-7400. immediately.</p> <p>6.6 Data Protection Notice The information that you provide will be processed independently by Mannatech Swiss International GmbH c/o Mannatech Limited and its affiliated companies (collectively the "Company") and your upline Associate (collectively "we" or "us") to facilitate your orders and for general administrative, marketing, statistical, and management purposes. To do this, we may pass your information on to group companies, agents, and third parties who perform</p>
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inactive position. An 'inactive position' is defined as one that is past its renewal date and having no activity for six (6) full consecutive Qualification 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 downline 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 and Procedures are 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 and Procedures jeopardise the integrity and credibility of the Company. Where the actions of an Associate are deemed outstandingly bad 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 Company

6.17.1 Except for Independent 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 and 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 clause 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 re-entering his previous downline.

6.18 Indemnification

This section is intentionally left blank.

6.19 Arbitration and Governing Laws

6.19.1 All disputes, differences or questions arising out of this agreement or as to the rights or obligations of the Associate or Company hereto under this Agreement or in connection with its construction shall be referred to arbitration by a single arbitrator to be agreed upon between the parties hereto. If the parties hereto are unable to agree upon the arbitrator within fourteen (14) days of one party proposing arbitration to the other, the arbitrator shall be appointed at the request of either party by the President for the time being of the Law Society of England and Wales, having due regard to any representations made to him as to the appropriate qualifications of such arbitrator. The arbitration shall take place in London and shall be conducted in accordance with the Arbitration Act 1996 or any re-enactment or statutory modification thereof for the time being in force.

6.19.2 This Agreement is governed by and shall be construed in accordance with English law.

6.19.3 The courts of England have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this agreement and, for these purposes, each party hereby irrevocably submits to the jurisdiction of the courts of England.

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.



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