



POLICIES and PROCEDURES (US)

Updated: 10-30-17

1.0 INTRODUCTION

1.1 Mutual Commitment Statement

Vasayo, LLC (hereafter as "Vasayo" and the "Company") recognizes that in order to develop a long-term and mutually rewarding relationship with its salesforce ("Brand Partners") and Customers, Vasayo and its Brand Partners must acknowledge and respect the true nature of the relationship and support the Customers.

- A. In the spirit of mutual respect and understanding, Vasayo is committed to:
- I. Provide prompt, professional, and courteous service and communications to all of its Brand Partners and Customers;
 - II. Provide the highest level of quality products, at fair and reasonable prices;
 - III. Exchange or refund the purchase price of any product, service or membership as provided in our *Return Policy*;
 - IV. Deliver orders promptly and accurately;
 - V. Pay commissions accurately and on a timely basis;
 - VI. Expedite orders or checks if an error or unreasonable delay occurs;
 - VII. Roll out new products and programs with Brand Partner input and planning;
 - VIII. Implement changes in the Rewards Plan or Policies and Procedures that affect the Brand Partner with input from the Brand Partners;
 - IX. Support, protect, and defend the integrity of the Vasayo Business Opportunity;
 - X. Offer Brand Partners an opportunity to grow with Vasayo with such growth guided by the principles of Servant Leadership.
- B. In return, Vasayo expects that its Brand Partners will:
- I. Conduct themselves in a professional, honest, and considerate manner;
 - II. Present Vasayo Corporate and product information in an accurate and professional manner;



- III. Present the Rewards Plan and Return Policy in a complete and accurate manner;
- IV. Not make exaggerated income claims;
- V. Make reasonable effort(s) to support and train Brand Partners and Customers in their downline;
- VI. Not engage in cross-line recruiting, unhealthy competition, or unethical business practices;
- VII. Provide positive guidance and training to Brand Partners and Customers in their downline while exercising caution to avoid interference with other downlines. As such, a Brand Partner is discouraged from providing cross-line training to a Brand Partner or Customer in a different organization without first obtaining consent of the Brand Partner's or Customer's upline leader;
- VIII. Support, protect, and defend the integrity of the Vasayo Business Opportunity;
- IX. Accurately complete and submit the Brand Partner Agreement and any requested supporting documentation in a timely manner.

1.2 Vasayo Policies and Rewards Plan Incorporated into the Brand Partner Agreement

- A. Throughout these Policies, when the term "Agreement" is used, it collectively refers to the Vasayo Agreement, these Policies and Procedures, and the Vasayo Rewards Plan.
- B. It is the responsibility of the Sponsoring Brand Partner to provide the most current version of these Policies and Procedures (available on the Vasayo website, www.Vasayo.com) and the Vasayo Rewards Plan to each applicant prior to his, her and/or its execution of a Brand Partner Agreement.

1.3 Purpose of Policies

- A. Vasayo is a direct sales company that markets products and services through a network of sales representatives. To clearly define the relationship that exists between Brand Partners and Vasayo, and to explicitly set a standard for acceptable business conduct, Vasayo has established these Policies and Procedures.
- B. Vasayo Brand Partners are required to comply with: (i) all of the Terms and Conditions set forth in the Brand Partner Agreement, which Vasayo may amend from time to time in its sole discretion without prior notification to any Brand Partner; (ii) all federal, state, and/or local laws governing his, her and/or its Vasayo business; and (iii) these Policies and Procedures.
- C. Vasayo Brand Partners must review the information in these Policies and Procedures carefully and regularly. Should a Brand Partner have any questions regarding a policy or rule, the Brand



Partner is encouraged to seek an answer from their Sponsor or any other upline Brand Partner. If further clarification is needed the Brand Partner may contact Vasayo Customer Service.

1.4 Changes, Amendments, and Modifications

- A. Because federal, state, and local laws, as well as the business environment, periodically change, Vasayo reserves the right to amend the Agreement (Vasayo Agreement, these Policies and Procedures, and the Vasayo Rewards Plan) and the prices in its Vasayo Product Price List in its sole and absolute discretion and without prior notice. Vasayo will post current Policies and Procedures, pricing, and other documents on the website and in the back office so all Brand Partners have access to current Policies, information, and documents. ***This provision does NOT apply to the arbitration clause found in Section 13, which can only be modified via mutual consent.***
- B. Any such amendment, change, or modification shall be effective immediately.

1.5 Delays

Vasayo shall not be responsible for delays or failures in performance of its obligations when such failure is due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, transportation difficulties, riot, war, fire, and/or weather, curtailment of a source of supply, or government decrees or orders.

1.6 Effective Date

These Policies and Procedures shall become effective when posted and, at such time, shall automatically supersede any prior Policies and Procedures (the "old Policies and Procedures"), and, on that date, the old Policies and Procedures shall cease to have any force or effect.

2.0 BASIC PRINCIPLES

2.1 Becoming a Vasayo Brand Partner

- A. To become a Brand Partner, an applicant must comply with the following requirements:
 - I. Be of the age of majority (not a minor) in his or her state of residence;
 - II. Reside or have a valid address in the United States or U.S. territory;
 - III. Have a valid taxpayer identification number (i.e., Social Security Number, Federal Tax ID Number, etc.);
 - IV. Submit a properly completed and signed Brand Partner Agreement to Vasayo;



- V. Not be a Vasayo employee, the Spouse of a Vasayo employee or related to an employee of Vasayo and living in the same household as such Vasayo employee.

2.2 New Brand Partner Registration

- A. A potential new Brand Partner may self-enroll on the Sponsor's website. In such event, instead of a physically signed Brand Partner Agreement, Vasayo will accept the web-enrollment and Brand Partner Agreement by accepting the "electronic signature" stating the new Brand Partner has accepted the Terms and Conditions of such Brand Partner Agreement. Please note that such electronic signature constitutes a legally binding agreement between the Brand Partner and Vasayo.
- B. Vasayo reserves the right to require signed paperwork for any account, regardless of origin.
- C. If requested the signed Brand Partner Agreement must be received by Vasayo within fourteen (14) days of Vasayo's request.
- D. Signed documents, including, but not limited to, Brand Partner personal agreements, are legally binding contracts which must not be altered, tampered with or changed in any manner after they have been signed. False or misleading information, forged signatures or alterations to any document, including business registration forms, made after a document has been signed may lead to sanctions, up to and including involuntary termination of the Brand Partner's Brand Partnership.

2.3 Rights Granted

- A. Vasayo hereby grants to the Brand Partner a non-exclusive right, based upon the Terms and Conditions contained in the Brand Partner Agreement and these Policies and Procedures, to:
 - I. Purchase Vasayo products and services;
 - II. Promote and sell Vasayo products and services; and
 - III. Sponsor new Brand Partners and Customers in the United States and in countries where Vasayo may become established after the effective date of these Policies and Procedures.

2.4 Identification Numbers

- A. Each Brand Partner is required to provide his or her Social Security Number, or Federal Tax Identification Number, if located in the United States or any of its territories, to Vasayo on the Brand Partner Agreement. Vasayo reserves the right to withhold commission payments from any Brand Partner who fails to provide such information or who provides false information.
- B. Upon enrollment, Vasayo will provide a Vasayo Identification Number to the Brand Partner. This number will be used to place orders, structure organizations, and track commissions and bonuses.



2.5 Renewals and Expiration of the Brand Partner Agreement

- A. If the Brand Partner allows his or her Brand Partner Agreement to expire due to nonpayment, the Brand Partner will lose any and all rights to his, her or its downline organization unless the Brand Partner re-activates within sixty (60) days following the expiration of the Agreement.
- B. If the former Brand Partner re-activates within the 60-day time limit, the Brand Partner will resume the rank and position held immediately prior to the expiration of the Brand Partner Agreement. However, such Brand Partner's paid as level will not be restored unless he, she and/or an entity qualifies at that payout level in the new month. The Brand Partner is not eligible to receive commissions for the time period that the Brand Partner's Brand Partnership was expired.
- C. Any Brand Partner who was terminated or whose Agreement has expired and lapsed the 60-day grace period is not eligible to re-apply for a Vasayo business for six (6) months following the expiration of the Brand Partner Agreement.
- D. The downline of the expired Brand Partner will roll up to the immediate, active upline Sponsor.

2.6 Business Entities

- A. A corporation, partnership, LLC, or trust (collectively referred to as a "Business Entity") may apply to be a Vasayo Brand Partner. This Brand Partner business and position will remain *temporary* until the proper documents are submitted. The Business Entity must submit one of the following documents: Certificate of Incorporation, Articles of Organization, Partnership Agreement or appropriate Trust documents. Vasayo must receive these documents within fourteen (14) days from the date the Brand Partner Agreement was signed.
- B. A Vasayo Brand Partner may change their status under the same Sponsor from an individual to a partnership, LLC, corporation, trust or from one type of business entity to another.

2.7 Independent Business Relationship; Indemnification for Actions

- A. The Vasayo Brand Partner is an independent contractor, and not a purchaser of a franchise or business opportunity. Therefore, each Brand Partner's success depends on his or her independent efforts.
- B. The Agreement between Vasayo and its Brand Partners does not create an employer/employee relationship, agency, partnership, or joint venture between Vasayo and the Brand Partner.
- C. A Vasayo Brand Partner shall not be treated as an employee of Vasayo for any purposes, including, without limitation, for federal or state tax purposes. All Brand Partners are responsible for paying local, state, and federal taxes due from all compensation earned as a Brand Partner of Vasayo. Any other compensation received by Brand Partners from Vasayo will be governed by applicable U.S. tax laws (or the tax laws of any other applicable jurisdiction). The Brand Partner has no express or implied authority to bind Vasayo to any obligation or to make any commitments by or on behalf of Vasayo. Each Brand Partner, whether acting as management of



a Business Entity or represented as an individual, shall establish his or her own goals, hours, and methods of operation and sale, so long as he or she complies with the Terms of the Brand Partner Agreement, these Policies and Procedures and applicable State, Federal and Provincial laws.

- D. The Vasayo Brand Partner is fully responsible for all of his or her verbal and written communications made regarding Vasayo products, services, and the Rewards Plan that are not expressly contained within official Vasayo materials. Brand Partners shall indemnify and hold harmless Vasayo, its directors, officers, employees, product suppliers and agents from any and against all liability including judgments, civil penalties, refunds, attorney fees and court costs incurred by Vasayo as a result of the Brand Partner's unauthorized representations or actions. This Provision shall survive the termination of the Vasayo Brand Partner Agreement.

2.8 Insurance

- A. Business Pursuits Coverage. Vasayo encourages Brand Partners to arrange insurance coverage for their business. A homeowner's insurance policy does not cover business related injuries, or the theft of, or damage to, inventory or business equipment. Vasayo Brand Partners need to contact their insurance agent to make certain their business property is protected. In most instances, this may be accomplished with a "Business Pursuit" endorsement to an existing homeowner's policy.

2.9 Errors or Questions

- A. If a Brand Partner has questions about, or believes any errors have been made regarding commissions, bonuses, business reports, orders, or charges, the Brand Partner must notify Vasayo in writing within thirty (30) days of the date of the error or incident in question. Any such errors, omissions or problems not reported within 30 days shall be deemed waived by the Brand Partner.

3.0 VASAYO BRAND PARTNER RESPONSIBILITIES

3.1 Correct Addresses

- A. It is the responsibility of the Brand Partner or Customer to make sure Vasayo has the correct shipping address before any orders are shipped.
- B. A Brand Partner or Customer will need to allow up to thirty (30) days for processing after the notice of address change has been received by Vasayo.
- C. A Brand Partner or Customer may be assessed a \$20 fee for returned shipments due to an incorrect shipping address.



3.2 Training and Leadership

- A. Any Vasayo Brand Partner who Sponsors another Brand Partner into Vasayo must perform an authentic assistance and training function to ensure his or her downline is properly operating his or her Vasayo business. Sponsoring Brand Partners should have ongoing contact and communication with the Brand Partners in their downline organizations. Examples of communication may include, but are not limited to, newsletters, written correspondence, telephone, contact, team calls, voicemail, email, personal meetings, accompaniment of downline Brand Partners to Vasayo meetings, training sessions and any other related functions.
- B. A Sponsoring Vasayo Brand Partner should monitor the Brand Partners in his or her downline organizations to ensure that downline Brand Partners do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, such Brand Partner should be able to provide documented evidence to Vasayo of his or her ongoing fulfillment of the responsibilities of a Sponsor.
- C. Upline Brand Partners are encouraged to motivate and train new Brand Partners about Vasayo's products and services, effective sales techniques, the Vasayo Rewards Plan and compliance with company Policies and Procedures.
- D. Marketing product is a required activity in Vasayo and must be emphasized in all recruiting presentations.
- E. We emphasize and encourage all Brand Partners to sell Vasayo products and services to Customers.
- F. Use of Sales Aids. To promote both the products and the opportunity Vasayo offers, Brand Partners must use the sales aids and support materials produced by Vasayo. If Vasayo Brand Partners develop their own sales aids and promotional materials, which includes Internet advertising, notwithstanding Brand Partners' good intentions, they may unintentionally violate any number of statutes or regulations affecting the Vasayo business. These violations, although they may be relatively few in numbers, could jeopardize the Vasayo opportunity for all Brand Partners. Accordingly, Brand Partners must submit all written sales aids, promotional materials, advertisements, websites and other literature to the Company for Company's approval prior to use. All Brand Partners shall safeguard and promote the good reputation of Vasayo and its products. The marketing and promotion of Vasayo, the Vasayo opportunity, the Rewards Plan, and Vasayo products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices. Any Brand Partner who engages in unethical business building practices is subject to disciplinary action by Vasayo including commission fines and involuntary account termination.

3.3 Constructive Criticism; Ethics

- A. Vasayo desires to provide its independent Brand Partners with the best products and services and Rewards Plan in the industry. Accordingly, Vasayo values constructive criticism and encourages the submission of written comments addressed to Vasayo Compliance department.



- B. Negative and disparaging comments about Vasayo, its products or Rewards Plan, by Brand Partners made to Vasayo, in the Field or at Vasayo meetings or events, or disruptive behavior at Vasayo meetings or events, serve no purpose other than to dampen the enthusiasm of other Vasayo Brand Partners. Vasayo Brand Partners must not belittle Vasayo, other Vasayo Brand Partners, Vasayo products or services, the Rewards Plan, or Vasayo directors, officers, or employees, product suppliers or agents. Such conduct represents a material breach of these Policies and Procedures and may be subject to sanctions as deemed appropriate by Vasayo.
- C. Vasayo endorses the following code of ethics:
 - I. A Vasayo Brand Partner must show fairness, tolerance, and respect to all people associated with Vasayo, regardless of race, gender, social class or religion, thereby fostering a "positive atmosphere" of teamwork, good morale and community spirit.
 - II. A Brand Partner shall strive to resolve business issues, including situations with upline and downline Brand Partners, by emphasizing tact, sensitivity, good will and taking care not to create additional problems.
 - III. Vasayo Brand Partners must be honest, responsible, professional and conduct themselves with integrity.
 - IV. Vasayo Brand Partners shall not make disparaging statements about Vasayo, other Brand Partners, Vasayo employees, product suppliers or agents, products, services, sales and marketing campaigns, or the Rewards Plan, or make statements that unreasonably offend, mislead or coerce others.
- D. Vasayo may take appropriate action against a Brand Partner if it determines, in its sole discretion, that a Brand Partner's conduct is detrimental, disruptive, or injurious to Vasayo or to other Brand Partners.

3.4 Reporting Policy Violation

- A. A Brand Partner who observes a policy violation by another Brand Partner should submit a written and signed letter (email will not be accepted) of the violation directly to the Vasayo Corporate Compliance department (compliance@vasayo.com). The letter shall set forth the details of the incident as follows:
 - I. The nature of the violation;
 - II. Specific facts to support the allegations;
 - III. Dates;
 - IV. Number of occurrences;
 - V. Persons involved; and



VI. Supporting documentation

- B. Once the matter has been presented to Vasayo, it will be researched thoroughly by the Compliance department and appropriate action will be taken if required. Compliance investigations, findings, and discipline are confidential and the Compliance department is not required to disclose any information regarding investigation or disciplinary actions to anyone except for the Brand Partner(s) who may have corrective action taken against them by Vasayo Compliance.
- C. This section refers to the general reporting of Policy violations as observed by other Brand Partners for the mutual effort to support, protect, and defend the integrity of the Vasayo business and opportunity. If a Brand Partner has a grievance or complaint against another Brand Partner which directly relates to his or her Vasayo business, the Procedures set forth in these Policies must be followed.

3.5 Sponsorship

- A. The Sponsor is the person who introduces a Brand Partner or Customer to Vasayo, helps them complete their enrollment, and supports and trains those in their downline.
- B. Vasayo recognizes the Sponsor as the name(s) shown on the first:
 - I. Physically signed Vasayo Brand Partner Agreement on file; or
 - II. Electronically signed Brand Partner Agreement from a website or a Vasayo Brand Partners website.
- C. A Brand Partner Agreement that contains notations such as "by phone" or the signatures of other individuals (i.e., Sponsors, Spouses, relatives, or friends) is not valid and will not be accepted by Vasayo.
- D. Vasayo recognizes that each new prospect has the right to ultimately choose his or her own Sponsor, but Vasayo will not allow Brand Partners to engage in unethical sponsoring activities.
- E. All active Brand Partners in good standing have the right to Sponsor and enroll others into Vasayo. While engaged in sponsoring activities, it is not uncommon to encounter situations when more than one Brand Partner will approach the same prospect. It is the accepted courtesy that the new prospect will be sponsored by the first Brand Partner who presented a comprehensive introduction to Vasayo products or business opportunity.
- F. A *Protected Prospect* is a guest of any Vasayo Brand Partner or Customer who attended a Vasayo event or conference call. For sixty (60) days following the event, a Protected Prospect cannot be solicited or sponsored by any other Vasayo Brand Partner who attended the same event. A Vasayo event can be defined as the following:
 - I. Any Vasayo training session;



- II. Conference call;
- III. Fly-in meeting; or
- IV. Presentation, including but not limited to a Vasayo at home presentation, whether sponsored by Vasayo, a Brand Partner, a Customer, or an agent or agency designated by Vasayo.

3.6 Cross Sponsoring Prohibition

- A. "Cross sponsoring" is defined as the enrollment into a different line of sponsorship of an individual, or Business Entity, that already has a signed Brand Partner Agreement. Actual or attempted cross sponsoring is not allowed. If cross sponsoring is verified by Vasayo, sanctions up to and including termination of a Brand Partner's Brand Partnership may be imposed.
- B. The use of a Spouse's or relative's name, trade names, assumed names, DBA names, corporation, partnership, trust, Federal ID numbers, or fictitious ID numbers to evade or circumvent this Policy is not permitted.
- C. This Policy does not prohibit the transfer of a Vasayo business in accordance with Vasayo Sale or Transfer Policy set forth in these Policies.

3.7 Adherence to the Vasayo Rewards Plan

- A. A Brand Partner must adhere to the Terms of the Vasayo Rewards Plan as set forth in these Policies and Procedures as well as in official Vasayo literature. Deviation from the Rewards Plan is prohibited. Vasayo reserves the right to, in its sole discretion, determine who goes on company Lifestyle Trips (also known as incentive trips or rewards trips).
- B. A Brand Partner shall not offer the Vasayo opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Vasayo literature.
- C. A Brand Partner shall not require or encourage a current or prospective Customer or Brand Partner to participate in Vasayo in any manner that varies from the Rewards Plan as set forth in official Vasayo literature. Purchase of product is not required to become a Vasayo Brand Partner.
- D. A Brand Partner shall not require or encourage a current or prospective Customer or Brand Partner to make a purchase from or payment to any individual or other entity as a condition to participating in the Vasayo Rewards Plan, other than such purchases or payments required to naturally build their business.

3.8 Adherence to Laws and Ordinances

- A. Many cities and counties have laws regulating certain home-based businesses. In most cases, these ordinances do not apply to Brand Partners because of the nature of the business. However, Brand Partners must check their local laws and obey the laws that do apply to them.



- B. A Vasayo Brand Partner shall comply with all federal, state, and local laws and regulations in their conduct of his or her Vasayo business.

3.9 Compliance with Applicable Income Tax Laws

- A. Vasayo will automatically provide a complete 1099 Miscellaneous Income Tax form (nonemployee compensation) to each US Brand Partner whose earnings for the year is at least \$600 or who has purchased more than \$5,000 of Vasayo products for resale, or who received trips, prizes or awards valued at \$600 or more. If earnings and purchases are less than stated above, IRS forms will be sent only at the request of the Brand Partner, and a minimum charge of \$20 may be assessed by Vasayo.
- B. A Brand Partner accepts sole responsibility for and agrees to pay all federal, state, and local taxes on any income generated as an independent Brand Partner, and further agrees to indemnify Vasayo from any failure to pay such tax amounts when due.
- C. If a Brand Partner's business is tax exempt, the Federal Tax Identification number must be provided to Vasayo in writing.
- D. Vasayo encourages all Brand Partners to consult with a tax advisor for additional information for their business.

3.10 One Vasayo Business Per Brand Partner

A Brand Partner may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one (1) Vasayo business. No individual may have, operate or receive compensation from more than one Vasayo businesses. Individuals of the same family unit may each enter into or have an interest in their own separate Vasayo businesses, only if each subsequent family position is placed frontline to the first family member enrolled. A "family unit" is defined as Spouses and dependent children living at or doing business at the same address.

3.11 Actions of Household Members or Affiliated Parties

If any member of a Brand Partner's immediate household engages in any activity which, if performed by the Brand Partner, would violate any provision of the Agreement, such activity will be deemed a violation by the Brand Partner and Vasayo may take disciplinary action pursuant to these Policies and Procedures against the Brand Partner. Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and Vasayo may take disciplinary action against the Business Entity. Likewise, if a Brand Partner enrolls in Vasayo as a Business Entity, each Affiliated Party of the Business Entity shall be personally and individually bound to, and must comply with, the Terms and Conditions of the Agreement.



3.12 No Violation of Previous Agreement

You agree that you are not currently in material breach of, and will not during the term of this Agreement be in material breach of, any other contract, obligation, or covenant that would affect your ability to perform hereunder, and as a result of entering into this Agreement, will not materially breach any contract, obligation or covenant (such as a covenant not to compete located in a prior agreement).

3.13 Solicitation for Other Companies or Products

- A. A Vasayo Brand Partner may participate in other direct sales, multilevel, network marketing or relationship marketing business ventures or marketing opportunities. However, during the Term of this Agreement and for one (1) year thereafter, a Vasayo Brand Partner may not recruit any Vasayo Brand Partner or Customer for any other direct sales or network marketing business, unless that Brand Partner or Customer was personally sponsored by such Brand Partner.
- B. 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 Brand Partner or Customer to enroll or participate in any direct sales or network marketing opportunity. This conduct represents recruiting even if the Brand Partner's actions are in response to an inquiry made by another Brand Partner or Customer.
- C. During the term of this Agreement and for a period of six (6) months thereafter, any Vasayo Brand Partner must not sell, or entice others to sell, any competing products or services, including training materials, to Vasayo Customers or Brand Partners. Any product or service in the same category as a Vasayo product or service is deemed to be competing (i.e., any competing product or service regardless of differences in cost or quality. This provision does not apply where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor's offices, clinics, health clubs, spas, and beauty salons).
- D. However, a Brand Partner may sell non-competing products or services to Vasayo Customers and Brand Partners that they personally sponsored.
- E. A Brand Partner may not display or bundle Vasayo products or services, in sales literature, on a website or in sales meetings, with any other products or services to avoid confusing or misleading a prospective Customer or Brand Partner into believing there is a relationship between the Vasayo and non-Vasayo products and services.
- F. A Vasayo Brand Partner may not offer any non-Vasayo opportunity, products or services at any Vasayo related meeting, seminar or convention, or immediately following a Vasayo event.
- G. A violation of any of the provisions in this section shall constitute unreasonable and unwarranted contractual interference between Vasayo and its Brand Partners and would inflict irreparable harm on Vasayo. In such event, Vasayo may, at its sole discretion, impose any sanction it deems necessary and appropriate against such Brand Partner or such Brand Partner's Brand Partnerships including termination, or seek immediate injunctive relief without the necessity of posting a bond.



3.14 Presentation of the Vasayo Opportunity

- A. In presenting the Vasayo opportunity to potential Customers and Brand Partners, a Brand Partner is required to comply with the following provisions:
- I. A Brand Partner shall not misquote or omit any significant material fact about the Rewards Plan.
 - II. A Brand Partner shall make it clear that the Rewards Plan is based upon sales of Vasayo products and services and upon the sponsoring of other Brand Partners.
 - III. A Brand Partner shall make it clear that success can be achieved only through substantial independent efforts.
 - IV. A Vasayo Brand Partner shall not make unauthorized income projections, claims, or guarantees while presenting or discussing the Vasayo opportunity or Rewards Plan to prospective Brand Partners or Customers.
 - V. A Brand Partner may not make any claims regarding products or services of any products offered by Vasayo, except those contained in official Vasayo literature.
 - VI. A Brand Partner may not use official Vasayo material to promote the Vasayo business opportunity in any country where Vasayo has not established a "presence."
 - VII. In an effort to conduct best business practices, Vasayo has developed the Income Disclosure Statement ("IDS"). The Vasayo IDS is designed to convey truthful, timely, and comprehensive information regarding the income that Vasayo Brand Partners earn. In order to accomplish this objective, a copy of the IDS must be presented to all prospective Brand Partners.

A copy of the IDS must be presented to a prospective Brand Partner anytime the Rewards Plan is presented or discussed, or any type of income claim or earnings representation is made.

The terms "income claim" and/or "earnings representation" (collectively "income claim") include; (1) statements of average earnings, (2) statements of non-average earnings, (3) statements of earnings ranges, (4) income testimonials, (5) lifestyle claims, and (6) hypothetical claims. Examples of "statements of non-average earnings" include, "Our number one Brand Partner earned over a million dollars last year" or "Our average ranking Brand Partner makes five thousand per month." An example of a "statement of earnings ranges" is "The monthly income for our higher-ranking Brand Partners is ten thousand dollars on the low end to thirty thousand dollars a month on the high end."

3.15 Sales Requirements Are Governed by the Rewards Plan

- A. Vasayo Brand Partners may purchase Vasayo products and then re-sell them at any price they choose unless otherwise specified by Vasayo or by any/its product suppliers on a per product



basis. Vasayo will provide suggested selling prices. There are no exclusive territories granted to anyone. No franchise fees are applicable to a Vasayo business.

- B. The Vasayo program is built on sales to the ultimate consumer. Vasayo encourages its Brand Partners to only purchase inventory that they and their family will personally consume, will be used as a sales tool, or will be resold to others for their ultimate consumption. Brand Partners must never attempt to influence any other Brand Partner to buy more products than they can reasonably use or sell to retail Customers in a month.
- C. Each Vasayo Brand Partner commits to personally use, sell, or use in business building at least 70% of every order placed with the Company prior to placing another order, and must be able to certify to such if demanded by the Company or by any regulatory agency. **Purchasing product solely for the purpose of collecting bonuses or achieving rank is prohibited.** Vasayo retains the right to limit the amount of purchases you may make if, in our sole judgment, we believe those purchases are being made solely for qualification purposes instead of for consumption or resale.

4.0 ORDERING

4.1 TERMS OF SALE FOR AUTOMATIC ORDERS AND SHIPMENTS

A. Terms of Sale: By enrolling in our LCP program, Brand Partners agree to set up an automatic shipment with a scheduled fee that you agree to at the time of enrollment. Brand Partners agree their participation in the LCP program allows Vasayo to store their credit card for use with future transactions, including LCP orders. Brand Partners may modify or cancel the order at any time prior to the order being shipped in your back office, by emailing support@vasayo.com, or by calling Support at 801-415-9888. If the order has already been shipped, please refer to the return procedure found in our Return Policy.

4.2 CANCELATION POLICY

A. Brand Partners who wish to cancel an order before it has shipped must contact Vasayo Brand Partner Support at 801-415-9888. Vasayo can only cancel orders before the order ships. If an order has already shipped, please refer to the return policy.

4.3 General Order Policies

A. "Bonus Buying" is strictly and absolutely prohibited. Bonus Buying includes; (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Agreement by such individuals or Business Entities; (b) the fraudulent enrollment of an individual or entity as a Brand Partner or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or Business Entities as Brand Partners or Customers ("phantoms"); (d) purchasing Vasayo products or services on behalf of another Brand Partner or Customer, or under another Brand Partner's or Customer's ID number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of products or services that cannot reasonably be used or resold in a month;



and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions, or bonuses that is not driven by bona fide product or service purchases by end user consumers.

A Brand Partner shall not use another Brand Partner's or Customer's credit card or debit checking account to enroll in Vasayo or purchase products or services without the account holder's *written permission*. Such documentation must be kept by the Brand Partner indefinitely in case Vasayo needs to reference this.

- B. Regarding an order with an invalid or incorrect payment, Vasayo will attempt to contact the Brand Partner by phone, mail or email in order to obtain another form of payment. If these attempts are unsuccessful after ten (10) business days, the order will be canceled.
- C. If a Brand Partner wants to move an order to another Brand Partner's position, he or she must have prior authorization, of all parties involved. Vasayo will charge the Brand Partner a \$20 fee for processing.
- D. Prices are subject to change without notice.
- E. A Brand Partner or Customer who is a recipient of a damaged or incorrect order must notify Vasayo within thirty (30) calendar days from receipt of the order and follow the Procedures as set forth in these Policies.

4.4 Insufficient Funds

- A. All checks returned for insufficient funds will be re-submitted for payment. A \$35 fee will be charged to the account of the Brand Partner or Customer for all returned checks and insufficient funds.
- B. Any outstanding balance owed to Vasayo by a Brand Partner or Customer of the Brand Partner from NSF (non-sufficient funds) checks, returned check fees or insufficient fund fees (ACH) will be withheld by Vasayo from a Brand Partner's future bonus and commission checks.
- C. All transactions involving returned checks or insufficient funds through ACH or credit card, which are not resolved in a timely manner by the Brand Partner, constitute grounds for disciplinary sanctions.
- D. If a credit card order or automatic debit is declined the first time, the Customer or Brand Partner will be contacted for an alternate form of payment. If payment is declined a second time, the Customer or Brand Partner may be deemed ineligible to purchase Vasayo products or services or participate in the monthly auto ship.

4.5 Sales Tax Obligation

- A. The Brand Partner shall comply with all state and local taxes and regulations governing the sale of Vasayo products and services.



- B. Vasayo will collect and remit sales tax on Brand Partner orders unless a Brand Partner furnishes Vasayo with the appropriate Resale Tax Certificate form. When orders are placed with Vasayo, sales tax is prepaid based upon the suggested retail price. Vasayo will remit the sales tax to the appropriate state, Provincial and local jurisdictions. The Brand Partner may recover the sales tax when he or she makes a sale. Vasayo Brand Partners are responsible for any additional sales taxes due on products marked up and sold at a higher price.

- B. Vasayo encourages each Brand Partner to consult with a tax advisor for additional information for his or her business.

4.6 Shipping Policy

- A. Vasayo will ensure all orders will be shipped by the end of the next business day the order was placed. The shipping speed is determined by the shipping method you choose on your checkout page. If you have additional questions regarding shipping, please contact Vasayo Support.
 - a. **Standard Shipping:** your order will be shipped using USPS, FedEx, or UPS, and the time until delivery will be an average of 3–9 business days.
 - b. **2 Day:** your order will be shipped using USPS, FedEx, or UPS, and will deliver within 2 business days beginning the day after the order is shipped.
 - c. **1 Day:** your order will be shipped using USPS, FedEx, or UPS, and delivery should occur 1 day after the shipment is sent.
 - d. **International Shipping:** International orders may be delayed due to additional cardholder verification that may be required. Shipments to addresses other than credit cardholder's billing address may incur additional delays.
 - e. All other shipping options will arrive within 7–14 business days.

5.0 PAYMENT OF COMMISSIONS & BONUSES

5.1 Bonus and Commission Qualifications

- A. A Brand Partner must be active and in compliance with Vasayo Policies and Procedures to qualify for bonuses and commissions. So long as a Brand Partner complies with the current Terms of the Agreement, Vasayo shall pay commissions to such Brand Partner in accordance with the current Rewards Plan.

- B. Vasayo will not issue a payment to a Brand Partner without the receipt of a completed and signed Vasayo Brand Partner Agreement or Electronic Authorization.

- C. Vasayo reserves the right to postpone bonus and commission payments until such time the cumulative amount exceeds \$10.



5.2 Computation of Commissions and Discrepancies

- A. In order to qualify to receive commissions and bonuses, a Brand Partner must be in good standing and comply with the Terms of the Agreement and these Policies and Procedures. Commissions, bonuses, overrides, and achievement levels are calculated each month.
- B. A Vasayo Brand Partner must review his or her monthly statement and bonus/commission reports promptly and report any discrepancies within thirty (30) days of receipt. After the 30-day "grace period" no additional requests will be considered for commission recalculations.
- C. For additional information on payment of commissions, please review the Rewards Plan.

5.3 Adjustments to Bonuses and Commissions for Returned Products or Brand Partner Memberships.

- A. A Brand Partner receives bonuses and commissions based on the actual sales of products and services to end consumers and to Brand Partners through product and service purchases. When a product or service is returned to Vasayo for a refund from the end consumer or by a Brand Partner, the bonuses and commissions attributable to the returned product or service will be deducted from the Brand Partner who received bonuses or commissions on such sales.
- B. In the event that a Brand Partner terminates his or her Brand Partnership, and the amounts of the bonuses or commissions attributable to the returned products or services have not yet been fully recovered by Vasayo, the remainder of the outstanding balance may be offset against any other amounts that may be owed by Vasayo to the terminated Brand Partner.

6.0 Return Policy* and Process

Product Satisfaction Guarantee*

0–30 Days: Product may be returned within 30 days after the original date of purchase (order date) for a full refund of the purchase price, excluding shipping.

31–60 Days: Unopened product may be returned within 31–60 days for a 90% refund of the purchase price, excluding shipping.

* Shipping costs associated with returning product are the responsibility of the customer/Brand Partner returning the product. Any commissions and bonuses earned on the returned products will be deducted from the refund amount on all return transactions. Returned product may impact bonuses and commissions paid to the upline/sponsor. Brand Partner must be in good standing.

- A. All returns, whether by a Customer, or Brand Partner, must be made as follows:
 - I. Obtain Return Merchandise Authorization ("RMA") from Vasayo;
 - II. Ship items to the address provided by Vasayo Customer service when you are given your RMA;



- III. Provide a copy of the invoice with the returned products or service. Such invoice must reference the RMA and include the reason for the return.
- B. All returns must be shipped to Vasayo pre-paid, as Vasayo does not accept shipping collect packages. Vasayo recommends shipping returned product by UPS or FedEx with tracking and insurance as risk of loss or damage in shipping of the returned product shall be borne solely by the Customer, or Brand Partner. If returned product is not received at Vasayo Distribution Center, it is the responsibility of the Customer, or Brand Partner to trace the shipment and no credit will be applied.
- C. The return of \$500 or more of products accompanied by a request for a refund within a calendar year, by a Brand Partner, may constitute grounds for involuntary termination.

7.0 PRIVACY POLICY

7.1 Introduction

This Privacy Policy is to ensure that all Customers and Brand Partners understand and adhere to the basic principles of confidentiality.

7.2 Expectation of Privacy

- A. Vasayo recognizes and respects the importance its Customers and Brand Partners place on the privacy of their financial and personal information. Vasayo will make reasonable efforts to safeguard the privacy of, and maintain the confidentiality of its Customers' and Brand Partners' financial and account information and nonpublic personal information.
- B. By entering into the Brand Partner Agreement, a Brand Partner authorizes Vasayo to disclose his or her name and contact information to upline Brand Partners solely for activities related to the furtherance of the Vasayo business. A Brand Partner hereby agrees to maintain the confidentiality and security of such information and to use it solely for the purpose of supporting and servicing his or her downline organization and conducting the Vasayo business.

7.3 Employee Access to Information

Vasayo limits the number of employees who have access to Customer's and Brand Partners' nonpublic personal information.

7.4 Restrictions on the Disclosure of Account Information

- A. Vasayo will not share non-public personal information or financial information about current or former Customers or Brand Partners with third parties, except as permitted or required by laws and regulations, court orders, or to serve the Customers' or Brand Partners' interests or to enforce its rights or obligations under these Policies and Procedures, or Brand Partner's Agreement or with written permission from the accountholder on file.



8.0 PROPRIETARY INFORMATION AND TRADE SECRETS

8.1 Business Reports, Lists, and Proprietary Information

- A. By completing and signing the Vasayo Brand Partner Agreement, the Brand Partner acknowledges that Business Reports, lists of Customer and Brand Partner names and contact information and any other information, which contain financial, scientific or other information both written or otherwise circulated by Vasayo pertaining to the business of Vasayo (collectively, "Reports"), are confidential and proprietary information and trade secrets belonging to Vasayo.

8.2 Obligation of Confidentiality

- A. During the Term of the Vasayo Brand Partner Agreement and for a period of five (5) years after the termination or expiration of the Brand Partner Agreement between the Brand Partner and Vasayo, the Brand Partner shall not:
 - I. Use the information in the Reports to compete with Vasayo or for any purpose other than promoting his or her Vasayo business;
 - II. Use or disclose to any person or entity any confidential information contained in the Reports, including the replication of the genealogy in another network marketing company.

8.3 Breach and Remedies

- A. The Brand Partner acknowledges that such proprietary information is of such character as to render it unique and that disclosure or use thereof in violation of this provision will result in irreparable damage to Vasayo and to independent Vasayo businesses. Vasayo and its Brand Partners will be entitled to injunctive relief or to recover damages against any Brand Partner who violates this provision in any action to enforce its rights under this section. The prevailing party shall be entitled to an award of attorney's fees, court costs, and expenses.

8.4 Return of Materials

- A. Upon demand by Vasayo, any current or former Brand Partner will return the original and all copies of all "Reports" to Vasayo together with any Vasayo confidential information in such person's possession.

9.0 ADVERTISING, PROMOTIONAL MATERIAL, USE OF COMPANY NAMES AND TRADEMARKS

9.1 Labeling, Packaging, and Displaying Products

- A. A Vasayo Brand Partner may not re-label, re-package, refill, or alter labels of any Vasayo product, or service, information, materials or program(s) in any way. Vasayo products and



services must only be sold in their original containers from Vasayo. Such re-labeling or re-packaging violates federal and state laws, which may result in criminal or civil penalties or liability.

- B. A Vasayo Brand Partner shall not cause any Vasayo product or service or any Vasayo trade name to be sold or displayed in retail establishments except:
 - I. Where professional services are the primary source of revenue and the product sales are secondary (e.g., doctor's offices, clinics, health clubs, spas and beauty salons);
 - II. Where the retail establishment is owned or managed by the Brand Partner and the store does not exceed \$1 million in annual gross revenue, and there are five (5) or fewer stores under common ownership of management.
- C. Vasayo will permit Brand Partners to solicit and make Commercial Sales upon *prior written approval* from Vasayo. For the purpose of these Policies and Procedures, the term "Commercial Sale" means the sale of:
 - I. Vasayo products that equal or exceed \$5,000 in a single order;
 - II. Products sold to a third party who intends to resell the products to an end consumer.
- D. A Brand Partner may sell Vasayo products and services and display the Vasayo trade name at any appropriate display booth (such as trade shows) upon *prior written approval* from Vasayo.
- E. Vasayo reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its products and services, or the Vasayo opportunity.

9.2 Use of Company Names and Protected Materials

- A. A Vasayo Brand Partner must safeguard and promote the good reputation of Vasayo and the products and services it markets. The marketing and promotion of Vasayo, the Vasayo opportunity, the Rewards Plan, and Vasayo products and services will be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct and practices.
- B. All promotional materials supplied or created by Vasayo must be used in their original form and cannot be changed, amended or altered except with prior written approval from the Vasayo Compliance department.
- C. The name of Vasayo, each of its product and service names and other names that have been adopted by Vasayo in connection with its business are proprietary trade names, trademarks and service marks of Vasayo. As such, these marks are of great value to Vasayo and are supplied to Brand Partners for their use only in an expressly authorized manner.



- D. A Vasayo Brand Partner's use of the name "Vasayo" is restricted to protect Vasayo proprietary rights, ensuring that the Vasayo protected names will not be lost or compromised by unauthorized use. Use of the Vasayo name on any item not produced by Vasayo is prohibited except as follows:
- I. [Brand Partner's name] Independent Vasayo Brand Partner
 - II. [Brand Partner's name] Independent Brand Partner of Vasayo products and services.
- E. Further procedures relating to the use of the Vasayo name are as follows:
- I. All stationary (i.e., letterhead, envelopes, and business cards) bearing the Vasayo name or logo intended for use by the Brand Partner must be approved in writing by the Vasayo Compliance department.
 - II. Vasayo Brand Partners may list "Independent Vasayo Brand Partner or Brand Partner" in the white pages of the telephone directory under his or her own name.
 - III. Vasayo Brand Partners may not use the name Vasayo or Vasayo in answering his or her telephone, creating a voice message or using an answering service, such as to give the impression to the caller that they have reached the corporate office. They may state, "Independent Vasayo Brand Partner."
- F. Certain photos and graphic images used by Vasayo in its advertising, packaging, and websites are the result of paid contracts with outside vendors that do not extend to Brand Partners. If a Brand Partner wants to use these photos or graphic images, they must negotiate individual contracts with the vendors for a fee.
- G. A Vasayo Brand Partner shall not appear on or make use of television or radio, or make use of any other media to promote or discuss Vasayo or its programs, products or services without prior written permission from the Vasayo Compliance department.
- H. A Brand Partner may not produce for sale or distribution any Company event or speech, nor may a Brand Partner reproduce Vasayo audio or video clips for sale or for personal use without prior written permission from the Vasayo Compliance department.
- I. Vasayo reserves the right to rescind its prior approval of any sales aid or promotional material to comply with changing laws and regulations and may request the removal from the marketplace of such materials without financial obligation to the affected Brand Partner.
- J. A Brand Partner shall not promote non-Vasayo products or services in conjunction with Vasayo products or services on the same websites or same advertisement without prior approval from Vasayo Compliance.
- K. Claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by Vasayo may not be made except those contained in official Vasayo literature. In particular, no Brand Partner may make any claim that Vasayo products are useful in



the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only do such claims violate Vasayo policies, but also, they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

9.3 Email - Limitations

- A. Except as provided in this section, a Brand Partner may not use or transmit unsolicited email, mass email distribution, or "spamming" that advertises or promotes the operation of his or her Vasayo business. The exceptions are:
 - I. Emailing any person who has given prior permission or invitation;
 - II. Emailing any person with whom the Brand Partner has established a prior business or personal relationship.
- B. In all states or territories where prohibited by law, a Brand Partner may not transmit, or cause to be transmitted through a third party, (by telephone, facsimile, computer or other device), an unsolicited advertisement to any equipment, which has the capacity to transcribe text or images from an electronic signal received over a regular telephone line, cable line, ISDN, T1 or any other signal carrying device, except as set forth in this section.
- C. All email or computer broadcasted documents subject to this provision shall include each of the following:
 - I. A clear and obvious identification that the email message is an advertisement or solicitation. The words "advertisement" or "solicitation" should appear in the subject line of the message;
 - II. A clear return path or routing information;
 - III. The use of legal and proper domain name;
 - IV. A clear and obvious notice of the opportunity to decline to receive further commercial email messages from the sender;
 - V. Unsubscribe or opt-out instructions should be the very first text in the body of the message box in the same size text as the majority of the message;
 - VI. The true and correct name of the sender, valid senders email address, and a valid sender physical address;
 - VII. The date and time of the transmission;
 - VIII. Upon notification by recipient of his or her request not to receive further emailed documents, a Vasayo Brand Partner shall not transmit any further documents to that recipient.



- D. All email or computer broadcasted documents subject to this provision shall not include any of the following:
 - I. Use of any third-party domain name without permission;
 - II. Sexually explicit materials.

9.4 Internet and Third-Party Website Restrictions

- A. A Brand Partner may not use or attempt to register any of Vasayo trade names, trademarks, service names, service marks, product names, URLs, advertising phrases, the Company's name or any derivative thereof, for any purpose including, but not limited to, Internet domain names (URL), third party websites, email addresses, web pages, or blogs.
- B. A Vasayo Brand Partner may not sell Vasayo products, services or offer the Business Opportunity using "online auctions," such as eBay®.
- C. Vasayo products may not be displayed with other products or services.
- D. Social media sites may not be used to sell or offer to sell Vasayo products or services. PROFILES A BRAND PARTNER GENERATES IN ANY SOCIAL COMMUNITY WHERE VASAYO IS DISCUSSED OR MENTIONED MUST CLEARLY IDENTIFY THE BRAND PARTNER AS A VASAYO BRAND PARTNER, and when a Brand Partner participates in those communities, Brand Partners must avoid inappropriate conversations, comments, images, video, audio, applications, or any other adult, profane, discriminatory, or vulgar content. The determination of what is inappropriate is at the sole discretion of Vasayo, and offending Brand Partners will be subject to disciplinary action. Banner ads and images used on these sites must be current and must come from the Vasayo approved library and be produced only by Vasayo-approved vendors. If a link is provided, it must link to the posting Brand Partner's replicated website.
- E. Anonymous postings or use of an alias on any Social Media site is prohibited, and offending Brand Partners will be subject to disciplinary action.
- F. Brand Partners may not use blog spam, spamdexing, or any other mass-replicated methods to leave blog comments. Comments Brand Partners create or leave must be useful, unique, relevant, and specific to the blog's article.
- G. Brand Partners must disclose their full name on all Social Media postings, and conspicuously identify themselves as an independent Brand Partner for Vasayo. Anonymous postings or use of an alias is prohibited.
- H. Postings that are false, misleading, or deceptive are prohibited. This includes, but is not limited to, false or deceptive postings relating to the Vasayo income opportunity, Vasayo's products and services, and/or your biographical information and credentials.



- I. Brand Partners are personally responsible for their postings and all other online activity that relates to Vasayo. Therefore, even if a Brand Partner does not own or operate a blog or Social Media site, if a Brand Partner posts to any such site that relates to Vasayo or which can be traced to Vasayo, the Brand Partner is responsible for the posting. Brand Partners are also responsible for postings which occur on any blog or Social Media site that the Brand Partner owns, operates, or controls.
- J. As a Vasayo Brand Partner, it is important to not converse with any person who places a negative post against you, other Brand Partners, or Vasayo. Report negative posts to Vasayo at compliance@vasayo.com. Responding to such negative posts often simply fuels a discussion with someone carrying a grudge that does not hold themselves to the same high standards as Vasayo, and therefore damages the reputation and goodwill of Vasayo.
- K. The distinction between a Social Media site and a website may not be clear-cut, because some Social Media sites are particularly robust, Vasayo therefore reserves the sole and exclusive right to classify certain Social Media sites as third-party websites and require that Brand Partners using, or who wish to use, such sites adhere to the Vasayo policies relating to third-party websites.
- L. If your Vasayo business is canceled for any reason, you must discontinue using the Vasayo name, and all Vasayo trademarks, trade names, service marks, and other intellectual property, and all derivatives of such marks and intellectual property, in any postings and all Social Media sites that you utilize. If you post on any Social Media site on which you have previously identified yourself as an independent Vasayo Brand Partner, you must conspicuously disclose that you are no longer an independent Vasayo Brand Partner.
- M. Failure to comply with these Policies for conducting business online may result in the Brand Partner losing their right to advertise and market Vasayo products, services and Vasayo's business opportunity online in addition to any other disciplinary action available under the Policies and Procedures.

9.5 Advertising and Promotional Materials

- A. You may not advertise any Vasayo products or services at a price LESS than the highest company published, established retail price of ONE offering of the Vasayo product or service plus shipping, handling and applicable taxes. No special enticement advertising is allowed. This includes, but is not limited to, offers of free membership, free shipping, or other such offers that grant advantages beyond those available through the Company.
- B. Advertising and all forms of communications must adhere to principles of honesty and propriety.
- C. All advertising, including, but not limited to, print, Internet, computer bulletin boards, television, radio, etc., are subject to prior written approval by the Vasayo Compliance department.
- D. All requests for approvals with respect to advertising must be directed in writing to the Vasayo Compliance department.



- E. Blind ads are not permitted.

9.6 Testimonial Permission

- A. By signing the Vasayo Brand Partner Agreement, a Brand Partner gives Vasayo permission to use his or her testimonial or image and likeness in corporate sales materials, including but not limited to print media, electronic media, audio and video. In consideration of being allowed to participate in the Vasayo Business Opportunity, a Brand Partner waives any right to be compensated for the use of his or her testimonial or image and likeness even though Vasayo may be paid for items or sales materials containing such image and likeness. In some cases, a Brand Partner's testimonial may appear in another Brand Partner's advertising materials.

9.7 Telemarketing – Limitations

- A. A Vasayo Brand Partner must not engage in telemarketing in relation to the operation of the Brand Partner's Vasayo business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of Vasayo products or services, or to recruit them for the Vasayo opportunity.
- B. The Federal Trade Commission ("FTC") and the Federal Communications Commission ("FCC") each have laws that restrict telemarketing practices. Both Federal agencies, as well as a number of States have "do not call" regulations as part of their telemarketing laws.
- C. While a Brand Partner may not consider himself or herself a "telemarketer" in the traditional sense, these regulations broadly define the term "telemarketer" and "telemarketing" so that the unintentional action of calling someone whose telephone number is listed on the Federal "Do Not Call" registry could cause the Brand Partner to violate the law. These regulations must not be taken lightly, as they carry significant penalties (up to \$11,000 per violation).
- D. "Cold calls" or "state-to-state calls" made to prospective Customers, or Brand Partners that promote either Vasayo products, services or the Vasayo opportunity is considered telemarketing and is prohibited.
- E. Exceptions to Telemarketing Regulations

A Vasayo Brand Partner may place telephone calls to prospective Customers, or Brand Partners under the following limited situations:

- I. If the Brand Partner has an established business relationship with the prospect;
- II. In response to the prospect's personal inquiry or application regarding a product or service offered by the Vasayo Brand Partner, within three (3) months immediately before the date of such a call;



- III. If the Brand Partner receives written and signed permission from the prospect authorizing the Brand Partner to call;
 - IV. If the call is to family members, personal friends, and acquaintances. However, if a Brand Partner makes a habit of collecting business cards from everyone he/she meets and subsequently calls them, the FTC may consider this a form of telemarketing that is not subject to this exemption;
 - V. Vasayo Brand Partners engaged in calling "acquaintances," must make such calls on an occasional basis only and not as a routine practice.
- F. A Brand Partner shall not use automatic telephone dialing systems in the operation of his or her Vasayo businesses.
 - G. Failure to abide by Vasayo policies or regulations as set forth by the FTC and FCC regarding telemarketing may lead to sanctions against the Brand Partner's Brand Partnership, up to and including termination of the Brand Partnership.
 - H. By signing the Brand Partner Agreement, or by accepting commission checks, other payments or awards from Vasayo, a Brand Partner gives permission to Vasayo and other Brand Partners to contact them as permitted under the Federal Do Not Call regulations.
 - I. In the event a Brand Partner violates this section, Vasayo reserves the right to institute legal proceedings to obtain monetary or equitable relief.

10.0 INTERNATIONAL MARKETING

10.1 International Marketing Policy

- A. A Vasayo Brand Partner is authorized to sell Vasayo products and services, to Customers and Brand Partners only in the countries in which Vasayo is authorized to conduct business, according to the Policies and Procedures of each country. Vasayo Brand Partners may not sell products or services in any country where Vasayo products and services have not received applicable government authorization or approval.
- B. A Brand Partner may not, in any unauthorized country, conduct sales, enrollment or training meetings, enroll or attempt to enroll potential Customers, or Brand Partners, nor conduct any other activity for the purpose of selling Vasayo products and services, establishing a sales organization, or promoting the Vasayo business opportunity.



11.0 CHANGES TO A BRAND PARTNER BUSINESS

11.1 Modification of the Brand Partner Agreement

- A. A Vasayo Brand Partner may modify his or her existing Brand Partner Agreement (i.e., change a social security number to a Federal ID number, add a Spouse or partner to the account, or change the form of ownership from an individual to a Business Entity owned by the Brand Partner) by submitting a written request, accompanied by a new Brand Partner Agreement and the Business Registration Form, if applicable, completed with fresh signatures (not a "crossed out" or "white-out" version of the first Agreement), and any appropriate supporting documentation.

11.2 Change Sponsor or Placement for Active Brand Partners

- A. Maintaining the integrity of the organizational structure is mandatory for the success of Vasayo and our independent Brand Partners. As such, under exceptional circumstances at the discretion of the Company, a request to change placement may only be made within the first three (3) days of initial enrollment as a Brand Partner. Furthermore, such changes may only occur within the same organization.
- B. Sponsors may make "Placement changes" from one Brand Partner to another for personally Sponsored (frontline) Brand Partners during the first three (3) days of enrollment.
- C. New Brand Partners or their original Sponsor may request a change of Sponsor or Placement within the first three (3) days of enrollment for the purpose of structuring an organization. The new Brand Partner Agreement must be received within the calendar month for commission calculations to be effective with the requested change.
- D. To change or correct the Sponsor, a Brand Partner must comply with following procedures:
 - I. Submit a Sponsor Placement Transfer Form;
 - II. Submit a Vasayo Brand Partner Agreement showing the correct Sponsor and Placement, and any appropriate supporting documentation;
 - III. The Brand Partner Agreement must be a new, completed document bearing "fresh" signatures, not a "crossed-out" or "white-out" version of the first Agreement.
- E. Upon approval, the Brand Partner's downline, if any, will transfer with the Brand Partner.
- F. If one transfer has already been made a \$20 fee will be assessed for the second and for each transfer thereafter.
- G. After the first three (3) days from initial enrollment, Vasayo will honor the Sponsor/Placement as shown:
 - I. On the most recently signed Brand Partner Agreement on file; or



- II. Self-enrolled on the website (i.e., electronically signed Web Agreement).
- H. Vasayo retains the right to approve or deny any requests to change Sponsor or Placement and to correct any errors related thereto at any time and in whatever manner it deems necessary.

11.3 Change Sponsor or Placement for Inactive Brand Partners

- A. At the discretion of Vasayo, Brand Partners who did not participate in an auto ship or have not ordered products or services for at least six (6) months, and who have not tendered a letter of resignation, are eligible to re-enroll in Vasayo under the Sponsor/Placement of their choice.
- B. Upon written notice to Vasayo that a former Brand Partner wishes to re-enroll, Vasayo will "compress" (close) the original account. A new Vasayo ID number will then be issued to the former Brand Partner.
- C. Such Brand Partner does not retain former rank, downline, or rights to commission checks from his or her former organizations.
- D. Vasayo reserves the right to correct Sponsor or Placement errors at any time and in whatever manner it deems necessary.

11.4 Change Organizations

- A. If a Vasayo Brand Partner wishes to transfer organizations, he or she must submit a letter of resignation to the Vasayo Customer Service department and remain inactive (place no orders, or be on an auto ship) with or in Vasayo for six (6) months from the receipt of the letter before being eligible to re-enroll under a different Sponsor/Placement.
- B. Vasayo retains the right to approve or deny any request to re-enroll after a Brand Partner's resignation.
- C. If re-enrollment is approved, the former Brand Partner will be issued a new Vasayo ID number and will be required to submit a new Brand Partner Agreement. The Brand Partner will not be entitled to keep any former rank, downline, or rights to commission checks from any prior organization.
- D. Transfers may not be done outside of the original organization.

11.5 Unethical Sponsoring

- A. Unethical sponsoring activities include, but are not limited to, enticing, bidding or engaging in unhealthy competition in trying to acquire a prospect or new Brand Partner from another Brand Partner or influencing another Brand Partner to transfer to a different sponsor.
- B. Allegations of unethical sponsoring must be reported in writing to the Vasayo Compliance department within the first 90 days of enrollment. If the reports are substantiated, Vasayo may transfer the Brand Partner or the Brand Partner's downline to another sponsor, Placement or



organization without approval from the current up-line Sponsor or Placement Brand Partners. Vasayo remains the final authority in such cases.

- C. Vasayo prohibits the act of "Stacking." Stacking is the unauthorized manipulation of the Vasayo compensation system and/or the marketing plan in order to trigger commissions or cause a promotion off a downline Brand Partner in an unearned manner. One example of stacking occurs when a Sponsor places participants under an inactive downline without his or her knowledge in order to trigger unearned qualification for commissioning. Stacking is unethical and unacceptable behavior, and as such, it is a punishable offense with measures up to and including the termination of the independent consultant positions of all individuals and/or entities found to be directly involved.
- D. Should Brand Partners engage in solicitation and/or enticement of members of another direct sales company to sell or distribute Vasayo products and services to, they bear the risk of being sued by the other direct sales company. If any lawsuit, arbitration, or mediation is brought against a Brand Partner alleging that they engaged in inappropriate recruiting activity of another company's sales force or Customers, Vasayo will not pay any of Brand Partner's defence costs or legal fees, nor will Vasayo indemnify the Brand Partner for any judgment, award, or settlement.

11.6 Sell, Assign, or Delegate Ownership

- A. In order to preserve the integrity of the hierarchical structure, it is necessary for Vasayo to place restrictions on the transfer, assignment, or sale of a Brand Partnership.
- B. A Vasayo Brand Partner may not sell or assign his or her rights or delegate his or her position as a Brand Partner without achieving the rank of Ruby or higher. A Vasayo Brand Partner who has reached the rank of Ruby or higher must obtain *prior written approval* by Vasayo, which approval will not be unreasonably withheld. Any attempted sale, assignment, or delegation without such approval may be voided at the discretion of Vasayo.
- C. Should the sale be approved by Vasayo, the Buyer assumes the position of the Seller at the current qualified title, but at the current "paid as" rank, at the time of the sale and acquires the Seller's Downline.
- D. To request corporate authorization for a sale or transfer of a Vasayo Brand Partnership, the following items must be submitted to the Vasayo Compliance department;
 - I. A Sale/Transfer of Brand Partnership Form properly completed, with the requisite signatures.
 - II. A copy of the Sales Agreement signed and dated by both Buyer and Seller.
 - III. A Vasayo Brand Partner Agreement completed and signed by the Buyer;
 - IV. Payment of the \$100 administration fee;



- V. Any additional supporting documentation requested by Vasayo.
- E. Any debt obligations that either Seller or Buyer may have with Vasayo must be satisfied prior to the approval of the sale or transfer by Vasayo.
- F. A Vasayo Brand Partner who sells his or her Brand Partnership is not eligible to re-enroll as a Vasayo Brand Partner in any organization for six (6) full calendar months following the date of the sale except as otherwise expressly set forth in these Policies and Procedures.

11.7 Separating a Vasayo Business

- A. Pending a divorce or dissolution of a partnership or other business entity, the parties must adopt one of the following methods of operation:
 - I. One of the parties may, with the written consent of the other(s), operate the Vasayo business whereby the relinquishing Spouse, shareholders, partners, members or trustees authorize Vasayo to deal directly and solely with the other Spouse, non-relinquishing shareholder, partner, member or trustee;
 - II. The parties may continue to operate the Vasayo business jointly on a "business as usual" basis, whereupon all compensation paid by Vasayo will be paid in the name designated as the Brand Partners or in the name of the entity to be divided, as the parties may independently agree between them. If no name is stipulated, Vasayo will pay compensation to the name on record and in such event, the Brand Partner named on the account shall indemnify Vasayo from any claims from the other business owner(s) or the other Spouse with respect to such payment.
- B. Vasayo recognizes only one Downline organization and will issue only one commission check per Vasayo business per commission cycle. Under no circumstances will the Downline of an organization be divided, nor will Vasayo split commission and/or bonus checks.
- C. If a relinquishing Spouse, partner or owner of the business has completely relinquished ("Relinquishing Party"), in writing, all rights to the original Vasayo business, he or she may immediately thereafter re-enroll under the Sponsor and Placement of his or her choice. In such cases, however, the Relinquishing Party shall have no rights to, and shall not solicit, any Brand Partner or active Customer in the former organization, and must develop a new business in the same manner as any other new Vasayo Brand Partner. A Brand Partner in the Relinquishing Party's former Downline who wishes to transfer to the Relinquishing Party's new organization or to any other organization, must comply with the requirements in Section 13.5.

11.8 Succession

- A. Upon the death or incapacity of a Brand Partner, the Brand Partner's business may be passed on to his or her legal successors in interest (successor). Whenever a Vasayo business is transferred by will or other testamentary process, the successor acquires the right to collect all bonuses and commissions of the deceased Brand Partner's sales organization. The successor must:



- I. Complete and sign a new Vasayo Brand Partner Agreement;
 - II. Comply with the Terms and provisions of the Brand Partner Agreement; and
 - III. Meet all the qualifications for the last rank achieved by the former Brand Partner.
- B. Bonus and commission checks of a Vasayo business transferred based on this section will be paid in a single check to the successor. The successor must provide Vasayo with an "address of record" to which all bonus and commission Payments will be sent. Payments will be based on the current performance of the Brand Partnership, not the highest rank or volume achieved.
- C. If the business is bequeathed to joint devisees (successors), they must form a business entity and acquire a Federal taxpayer identification number. Vasayo will issue all bonus and commission payments and one 1099 Miscellaneous Income Tax form to the managing business entity only.
- D. Appropriate legal documentation must be submitted to Vasayo Compliance department to ensure the transfer is done properly. To affect a testamentary transfer of a Vasayo business, the successor must provide the following to Vasayo Compliance department:
- I. A certified copy of the death certificate; and
 - II. A notarized copy of the will or other appropriate legal documentation establishing the successor's right to the Vasayo business.
- E. To complete a transfer of the Vasayo business because of incapacity, the successor must provide the following to the Vasayo Compliance department:
- I. A notarized copy of an appointment as trustee;
 - II. A notarized copy of the trust document or other appropriate legal documentation establishing the trustee's right to administer the Vasayo business; and
 - III. A completed Brand Partner Agreement executed by the trustee.
- F. If the successor is already an existing Brand Partner, Vasayo will allow such Brand Partner to keep his or her own Brand Partnership plus the inherited Brand Partnership active for up to six (6) months. By the end of the 6-month period, the Brand Partner must have compressed (if applicable), sold or otherwise transferred either the existing Brand Partnership or the inherited Brand Partnership.
- G. If the successor wishes to terminate the Vasayo Brand Partnership, he or she must submit a notarized statement stating the desire to terminate the Brand Partnership, along with a certified copy of the death certificate, appointment as trustee, and/or any other appropriate legal documentation.



- H. Upon written request, Vasayo may grant a one (1) month bereavement waiver and pay out at the last "paid as" rank.

11.9 Resignation/Voluntary Termination

- A. A Brand Partner may immediately terminate his or her Brand Partnership by submitting a written notice or email to the Vasayo Compliance department at compliance@vasayo.com. The written notice must include the following:
 - I. The Brand Partner's intent to resign;
 - II. Date of resignation;
 - III. Vasayo Identification Number;
 - IV. Reason for resigning; and
 - V. Signature.
- B. A Vasayo Brand Partner may not use resignation as a way to immediately change Sponsor and Placement. Instead, the Brand Partner who has voluntarily resigned is not eligible to reapply for a Brand Partnership or have any financial interest in a or any Vasayo business for six (6) months from the receipt of the written notice of resignation.

11.10 Involuntary Termination

- A. Vasayo reserves the right to terminate a Brand Partner's Brand Partnership for, but not limited to, the following reasons:
 - I. Violation of any Terms or Conditions of the Brand Partner Agreement;
 - II. Violation of any provision in these Policies and Procedures;
 - III. Violation of any provision in the Rewards Plan;
 - IV. Violation of any applicable law, ordinance, or regulation regarding the Vasayo business;
 - V. Engaging in unethical business practices or violating standards of fair dealing; or
 - VI. Returning over \$500 worth of products, services and/or sales tools for a refund within a twelve (12) month period.
- B. Vasayo will notify the Brand Partner in writing *by email*, at his or her last email address on file for the account of its intent to terminate the Brand Partner's Brand Partnership and the reasons for termination. The Brand Partner will have fifteen (15) calendar days from the date of email notification of such notice to respond in writing to the allegations or claims constituting cause



for termination as stated in the notice. Vasayo will then have thirty (30) calendar days from the date of receipt of the Brand Partner's response to render a final decision as to termination.

- C. If a decision is made by Vasayo to terminate the Brand Partner's Brand Partnership, Vasayo will inform the Brand Partner in writing that the Brand Partnership is terminated effective as of the date of the written notification. The Brand Partner will then have fifteen (15) calendar days from the date of mailing of such notice to appeal the termination in writing. Vasayo must receive the Brand Partner's written appeal within twenty (20) calendar days of the date of the Vasayo termination letter. If the written appeal is not received within this time period, the termination will be considered final.
- D. If the Brand Partner does file a timely appeal of termination, Vasayo will review its decision, along with any other information it may deem relevant, reconsider any other appropriate action, and notify the Brand Partner of its decision. The decision of Vasayo is then considered final and not subject to further review.
- E. If the termination is not rescinded, the termination will be effective as of the date of the original termination notice by Vasayo. The former Brand Partner shall thereafter be prohibited from using the names, marks or signs, labels, stationery, advertising, or business material referring to or relating to any Vasayo products or services. The organization of the terminated Brand Partner will "roll up" to the active Upline Sponsor on record.
- F. The Vasayo Brand Partner who is involuntarily terminated by Vasayo may not reapply for a Brand Partnership, either under his or her present name or any other name or entity, without the *express written consent of an officer of Vasayo, following a review by the Vasayo Compliance Committee*. In any event, such Brand Partner may not re-apply for a Brand Partnership for six (6) months from the date of termination.

11.11 Effect of Cancellation

- A. Following a Brand Partner's cancellation for inactivity or voluntary or involuntary termination (collectively, a "cancellation") such Brand Partner:
 - I. Shall have no right, title, claim or interest to any commission or bonus from the sales generated by the Brand Partner's former organization or any other payments in association with the Brand Partner's former independent Brand Partnership;
 - II. Effectively waives any and all claims to property rights or any interest in or to the Brand Partner's former Downline organization;
 - III. Shall receive commissions and bonuses only for the last full pay period in which he or she was active prior to cancellation, less any amounts withheld during an investigation preceding an involuntary cancellation, and less any other amounts owed to Vasayo.



12.0 DISCIPLINARY SANCTIONS

12.1 Imposition of Disciplinary Action – Purpose

- A. It is the spirit of Vasayo that integrity and fairness should pervade among its Brand Partners, thereby providing everyone with an equal opportunity to build a successful business. Therefore, Vasayo reserves the right to impose disciplinary sanctions at any time, when it has determined that a Brand Partner has violated the Agreement or any of these Policies and Procedures or the Rewards Plan as they may be amended from time to time by Vasayo.

12.2 Consequences and Remedies of Breach

- A. Disciplinary actions may include one or more of the following:
- I. Monitoring a Brand Partner’s conduct over a specified period of time to assure compliance;
 - II. Issuance of a written warning or requiring the Brand Partner to take immediate corrective action;
 - III. Imposition of a fine (which may be imposed immediately or withheld from future commission payments) or the withholding of commission payments (“Commission Hold”) until the matter causing the Commission Hold is resolved or until Vasayo receives adequate additional assurances from the Brand Partner to ensure future compliance;
 - IV. Suspension from participation in Company or Brand Partner events, rewards, or recognition;
 - V. Vasayo reserves the right to, in its sole discretion, determine who goes on company Lifestyle Trips (also known as incentive trips or rewards trips);
 - VI. Suspension of the Vasayo Brand Partner Agreement and Brand Partnership for one or more pay periods;
 - VII. Involuntary termination of the Brand Partner’s Agreement and Brand Partnership;
 - VIII. Any other measure which Vasayo deems feasible and appropriate to justly resolve injuries caused by the Brand Partner’s Policy violation or contractual breach; OR
 - IX. Legal proceedings for monetary or equitable relief.



13.0 DISPUTE RESOLUTION

13.1 Grievances

- A. If a Vasayo Brand Partner has a grievance or complaint against another Brand Partner regarding any practice or conduct relating to their respective Vasayo businesses, he or she is encouraged to resolve the issue directly with the other party. If an agreement cannot be reached, it must be reported directly to the Vasayo Compliance department as outlined below in this Section.
- B. The Vasayo Compliance department will be the final authority on settling such grievance or complaint and its written decision shall be final and binding on the Brand Partners involved.
- C. Vasayo will confine its involvement to disputes regarding Vasayo business matters only. Vasayo will not decide issues that involve personality conflicts or unprofessional conduct by or between Brand Partners outside the context of a Vasayo business. These issues go beyond the scope of Vasayo and may not be used to justify a Sponsor or Placement change or a transfer to another Vasayo organization.
- D. Vasayo does not consider, enforce, or mediate third party agreements between Brand Partners, nor does it provide names, funding, or advice for obtaining outside legal counsel.
- E. Process for Grievances:
 - I. The Vasayo Brand Partner should submit a written letter of complaint (email will not be accepted) directly to the Vasayo Compliance department. The letter shall set forth the details of the incident as follows:
 - a. The nature of the violation;
 - b. Specific facts to support the allegations;
 - c. Dates;
 - d. Number of occurrences;
 - e. Persons involved; and
 - f. Supporting documentation.
 - II. Upon receipt of the written complaint, Vasayo will conduct an investigation according to the following procedures:
 - a. The Compliance department will send an acknowledgment of receipt to the complaining Brand Partner;
 - b. The Compliance department will provide a verbal or written notice of the allegation to the Brand Partner under investigation. If a written notice is sent to the Brand Partner, he or she will have ten (10) business days from the date of the notification letter to present all information relating to the incident for review by Vasayo
 - c. The Compliance department will thoroughly investigate the complaint, consider all the submitted information it deems relevant, including information from collateral sources. Due to the unique nature of each



- situation, determinations of the appropriate remedy will be on a case by case basis, and the length of time to reach a resolution will vary.
- d. During the course of the investigation, the Compliance department will only provide periodic updates simply stating that the investigation is ongoing. No other information will be released during this time. Brand Partner calls, letters, and requests for "progress reports" during the course of the investigation will not be answered or returned.
 - E. Vasayo will make a final decision and timely notify the Vasayo Brand Partners involved. The Compliance department is not required to disclose information regarding penalties or corrective action to anyone except the Brand Partner who Vasayo Compliance educates, penalizes, terminates, or has their account or practices relating to Vasayo investigated or reviewed by Vasayo Compliance.

13.2 Arbitration

- A. **Any controversy or claim arising out of or relating to the Vasayo Brand Partner agreement, these Policies and Procedures, or the breach thereof, the Brand Partner's business or any dispute between Vasayo and the Brand Partner, shall be settled by binding and confidential arbitration administered by the American Arbitration Association under its commercial arbitration rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.** Any such arbitration shall be held in Midway, Utah. There shall be one arbitrator, who shall have expertise in business law transactions and who shall be knowledgeable in the direct selling industry, selected from a panel provided by the American Arbitration Association.
- B. The prevailing party in any such arbitration shall be entitled to receive from the losing party, all costs and expenses of arbitration, including reasonable attorney's fees and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to judgment in any court of competent jurisdiction.
- C. This agreement to arbitration shall survive any termination or expiration of the Brand Partner agreement.
- D. Nothing in these Policies and Procedures shall prevent Vasayo from applying for or obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect Vasayo interests or its Confidential Information prior to, during or following the filing of an arbitration or other proceeding, or pending the rendition of a decision or award in connection with any arbitration or other proceeding.
- E. **NO CLASS ACTION, OR OTHER REPRESENTATIVE ACTION OR PRIVATE ATTORNEY GENERAL ACTION OR JOINDER OR CONSOLIDATION OF ANY CLAIM WITH A CLAIM OF ANOTHER PERSON OR CLASS OF CLAIMANTS SHALL BE ALLOWABLE.**



- F. These Policies and Procedures and any arbitration involving a Brand Partner and Vasayo shall be governed by and construed in accordance with the laws of the state of Utah, without reference to its principles of conflict of laws.

13.3 Severability

- A. If any provision of these Policies and Procedures is found to be invalid, or unenforceable for any reason, only the invalid provision shall be severed. The remaining terms and provisions hereof shall remain in full force and shall be construed as if such invalid or unenforceable provision never had comprised a part of these Policies and Procedures.

13.4 Waiver

- A. Only an officer of Vasayo can, in writing, affect a waiver of the Vasayo Policies and Procedures. Vasayo's waiver of any particular breach by a Brand Partner shall not affect Vasayo's rights with respect to any subsequent breach, nor shall it affect the rights or obligations of any other Brand Partner.
- B. The existence of any claim or cause of action of a Brand Partner against Vasayo shall not constitute a defense to Vasayo enforcement of any term or provision of these Policies and Procedures.

13.5 Successors and Claims

The agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

14.0 GOVERNING LAW

These Policies and Procedures shall be governed by and construed in accordance with the Laws of the State of Utah and the exclusive jurisdiction of the United States courts.

15.0 VASAYO GLOSSARY OF TERMS

ACTIVE BRAND PARTNER: A Brand Partner who satisfies the minimum volume requirements, as set forth in the Rewards Plan, to ensure that they are eligible to receive bonuses and commissions.

AGREEMENT: The contract between the Company and each Brand Partner; includes the Brand Partner Agreement, the Vasayo Policies and Procedures, and the Vasayo Rewards Plan, all in their current form and as amended by Vasayo in its sole discretion. These documents are collectively referred to as the "Agreement."



CANCEL: The termination of a Brand Partner's business. Cancellation may be either voluntary, involuntary, or through non-renewal.

REWARDS PLAN: The guidelines and referenced literature for describing how Brand Partners can generate commissions and bonuses.

CUSTOMER: A Customer who purchases Vasayo products and does not engage in building a business or retailing product.

BRAND PARTNER: An individual, who purchases product, generates retail sales and business building commissions.

LINE OF SPONSORSHIP (LOS): A report generated by Vasayo that provides critical data relating to the identities of Brand Partners, sales information, and enrollment activity of each Brand Partner's organization. This report contains confidential and trade secret information which is proprietary to Vasayo.

ORGANIZATION: The Customers and Brand Partners placed below a particular Brand Partner.

OFFICIAL VASAYO MATERIAL: Literature, audio or video tapes, and other materials developed, printed, published, and distributed by Vasayoto Brand Partners.

PLACEMENT: Your position inside your Sponsor's organization.

RECRUIT: For purposes of the Vasayo Conflict of Interest Policy, the term "Recruit" means the actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Vasayo Brand Partner or Customer to enroll or participate in another multilevel marketing, network marketing, or direct sales opportunity.

RESALABLE: Products shall be deemed "resalable" if each of the following elements is satisfied: (i) they are unopened and unused; (ii) original packaging and labelling has not been altered or damaged; (iii) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; and (iv) the product contains current Vasayo labelling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resalable.

SPONSOR: A Brand Partner who enrolls a Customer, Retailer, or another Brand Partner into the Company, and is listed as the Sponsor on the Brand Partner Agreement. The act of enrolling others and training them to become Brand Partners is called "sponsoring."

UPLINE: This term refers to the Brand Partner or Brand Partners above a particular Brand Partner in a sponsorship line up to the Company. It is the line of sponsors that links any particular Brand Partner to the Company.