



# Terms and Conditions

Changes<sup>®</sup> International has a commitment to integrity in its business practices. We are winners - proud of ourselves and the jobs we do. This attitude is reflected in the way we deal with others. As you carefully read the following Terms and Conditions, you will sense the deep commitment we have for doing business with integrity and respecting others in all that we do. We deeply value honesty and fairness at Changes International.

Please note that any breach of these Terms and Conditions by any member of our team can, at the very least, result in the loss of the privilege of representing Changes International.

CHANGES INTERNATIONAL, INC. ("Changes International") and I agree as follows:

I am of legal age to enter into this Agreement in the state of my residency which will be effective upon execution by me and acceptance by Changes International at its principal place of business. Changes International does not grant any exclusive or geographical territories to me.

This Agreement shall have an initial term beginning on the date of acceptance by Changes International and ending one (1) year from the date thereof (the "Anniversary Date"). I may renew this Agreement, subject to acceptance by Changes International, on the Anniversary Date for an additional one (1) year term, in accordance with the then current renewal policy of Changes International as set forth in the Policies and Procedures.

Neither Changes International nor anyone else has made any claim to me of any kind concerning earning potential. I will make no statements or representations when selling Changes International products, or to Changes International Executive/Distributor, other than those contained in materials provided by or approved by Changes International.

Changes International may alter, modify or change this Agreement, the Policies and Procedures, and prices at any time effective upon publication by Changes International. However, 60 days notification will be given prior to any Compensation Plan changes.

Changes International will pay commissions on product sales in accordance with the Compensation Plan. I agree that Changes International may offset any amounts owed to me or commissions against any amounts that I owe Changes International, including chargebacks for product returns.

I agree to abide by Changes International's regular customer satisfaction guaranteed policy, as set forth in the Policies and Procedures. I acknowledge that I am eligible to receive a refund for products, services and literature purchased by me, less a ten percent (10%) handling fee, if I choose to terminate this Agreement and return the products, services or literature in currently marketable condition within three months of purchase. For purposes of this Agreement, "currently marketed" shall mean that the product's commercially reasonable usable shelf-life period has not passed and the product has not been altered in any way, nor address labels affixed, etc. and continues to be marketable by Changes International, Inc. Commissions paid on returned products must be repaid to Changes International by me.

I agree to abide by Changes International's seventy percent (70%) rule and will certify on each product order that I have sold or personally consumed seventy percent (70%) of the products I purchased in the previous month or the last order. I will keep and retain receipts of my retail sales and provide them to Changes International at its request.

I acknowledge that Changes International's intellectual property such as trademarks, service marks, trade names, patents and copyrighted materials, are owned solely by Changes International, and that use of such marks and materials by me must be in compliance with Changes International's written policies, as such may be amended by Changes International from time to time, without prior notice. I agree to use only promotional or advertising

materials produced or approved in writing by Changes International. I agree that Changes International has the exclusive proprietary interest in its customer lists, customer information developed by or for Changes International, distributor lists, manufacturing procedures, formulas, source codes, product development and in all operating, financial and marketing materials; and that all such information is confidential. I shall not use or disclose such information to any third party except in strict accordance with this Agreement and the Policies and Procedures. Confidential information is disclosed to me on a "need to know" basis solely for use in my business with Changes International. I agree to use my best efforts to keep such information confidential and shall not use such information to sell products or services other than Changes International's products and services or in connection with any other business during the term of and after termination of this Agreement. Upon termination or non-renewal of this Agreement, I immediately shall cease all use of Changes International's trademarks, service marks and proprietary and confidential information and, return all such materials in my possession to Changes International.

I am an independent contractor, responsible for my own business activities, and not an agent or employee of Changes International. As an independent contractor, I have no power or authority to incur any debt, obligation or liability on behalf of Changes International. I am responsible for the payment of taxes as required by law.

To ensure compliance with the VAT requirements of each country, unless otherwise mandated by state law or as stated in the Policies and Procedures, Changes International shall collect and remit all applicable Value Added Tax based upon the suggested wholesale price of the product. The applicable rate of tax due shall be based on the UK VAT rate if the products are being shipped within the European Community.

Changes International does not require me to sponsor or recruit anyone. Compensation is based upon the sale of Changes International products and not upon sponsoring or recruiting Changes International Distributors. As a Distributor, I will place primary emphasis upon the making of regular sales to consumers. I am responsible for training and supporting the Distributor I sponsor.

I will not promote or sell other products at functions organized to feature Changes International products. I agree that during the term of this Agreement and for a period of one (1) year thereafter, I shall not, directly or indirectly, on my own behalf or on the behalf of any other person or entity, solicit, induce or hire or attempt to solicit, induce or hire any Distributor, employee, member, customer, supplier or vendor of Changes International (i) to enter into any business relationship with any other direct sales or network marketing company or individual unless approved in writing by Changes International or (ii) to terminate or alter his or her business or employment relationship with Changes International.

I cannot assign, sell or otherwise transfer this Agreement or any of my rights and duties under it without Changes International's prior written consent. Changes International may assign, sell or transfer this Agreement.

This Agreement may be terminated by either party at any time without cause upon thirty (30) days written notice to the other party. Changes International may terminate this Agreement immediately if I breach any of my obligations under this Agreement. Immediately upon non-renewal or termination of this Agreement, I shall (a) lose all rights to purchase products from Changes International at the Distributor cost; (b) cease from representing myself as a Distributor of Changes International; (c) lose all rights to my distributorship, my participation and position in the Compensation Plan, including all future commissions and earnings resulting there from shall immediately terminate; and (d) take all other actions reasonably required by Changes International, including the discontinuance of Changes International's trade-marks and service marks.

Where laws on termination are inconsistent with this provision, then the applicable law shall apply.

I shall abide by all applicable laws or regulations, and the terms of this Agreement and the Policies and Procedures and the Compensation Plan all of which are incorporated in this Agreement by reference.

All rights, powers and remedies given to Changes International are cumulative, not exclusive and in addition to any and all other rights and remedies provided by law.

To the extent permitted by law, Changes International shall not be liable for and I release Changes International from, and waive all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by me as a result of (a) the breach by me of the terms of this Agreement and/or the Policies and Procedures; (b) the operation of my business; (c) any incorrect or wrong data or information provided by me; or (d) the failure to provide any information or data necessary for Changes International to operate its business, including, without limitation, the enrolment and acceptance of me or the payment of commissions and bonuses.

I agree that upon a breach of this Agreement that Changes International will be immediately and irreparably harmed and cannot be made whole solely by monetary damages. I agree that the remedy at law for any breach of any provision of this Agreement shall be inadequate and that, in addition to any other remedies, in law or in equity, it may have, Changes International shall be entitled, without necessity of proving actual damages, to temporary and permanent injunctive relief to prevent the breach of any provisions of this Agreement and/or to compel specific performance of this Agreement. In addition, Changes International shall be entitled to its cost and expenses, including reasonable attorneys' fees, in enforcing its rights under this Agreement.

If under any applicable and binding law or rule of any applicable jurisdiction, any provision of the Agreement or any specification, standard or operating procedure which Changes International has prescribed is held to be invalid or unenforceable, Changes International shall have the right to modify the invalid or unenforceable provision, specification, standard or operating procedure or any portion thereof to the extent required to be valid and enforceable. I shall be bound by any such modification, which shall be effective only in the jurisdiction required.

Many Changes Distributors have very profitable consumer businesses and Changes does not therefore allow this excellent retail opportunity to be impaired by allowing products to be sold at lowest wholesale prices to non-members.