



Policies & Procedures

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SECTION A YOUR DISTRIBUTORSHIP

A-1 INDEPENDENT DISTRIBUTOR DEFINITION

An Independent Distributor (hereinafter, "Distributor" or "Independent Distributor" or "Partner") is one who agrees with the ForMor International (hereinafter, may be referred to as "ForMor," "ForMor International," "Company," or "FMI") Policies and Procedures as contained herein, which from time to time may be amended, and who has completed a ForMor International Distributor Application and Agreement Form or its online equivalent, which has been accepted, processed and approved by ForMor International. If an individual is rejected by ForMor International, notification of such rejection will be given in writing within thirty (30) days from the date the Distributor Application and Agreement Form was received at the ForMor International home office. ForMor International reserves the exclusive right to accept or reject anyone as a Distributor.

A-2 BECOMING A DISTRIBUTOR

When a completed Distributor Application and Agreement, or its online equivalent, is received, processed and accepted by ForMor International, an applicant then becomes a ForMor International Independent Distributor.

A-3 EXPENSES, LICENSING AND CONTRACTUAL OBLIGATIONS

All Distributors are independent contractors and are responsible for any expenses, which result from operating their independent businesses. These expenses include, but are not limited to licenses required to operate a business, legal costs, fees connected with the use of a fictitious business name, telephone expenses (ForMor International does not accept collect calls) advertising, etc. No Distributor shall involve ForMor International in any contractual relationships relative to his/her business. Distributors are independent marketing distributors of ForMor International and are not to be considered purchasers of a franchise or a distributorship or a legal partnership. The Agreement by and between the Company and its Distributors does not create an employer/employee relationship, agency, partnership or joint venture between the Company and the Distributors. The Distributors have no authority to bind the Company to any obligation, and may not represent themselves in any way, orally or in writing, as being an employee, agent, franchise, partner and/or joint venture of the Company. Each Distributor shall hold harmless ForMor International from any claims, damages, or liabilities arising out of the Distributor's business practices.

A-4 NO PURCHASE REQUIRED

Distributors are not required to purchase any product, sales aid, marketing supply or service from the company, or their sponsors, in order to become or remain a ForMor International Distributor. The only required purchase is an Application Fee and a Distributor Kit. If any First Order Package is purchased, then the Application Fee and Distributor Kit is included in the purchase of a First Order Package. The Distributor Kit contains explanatory information of the Company.

A-5 DISTRIBUTOR RIGHTS

All Active Distributors are authorized to sell ForMor International products and to participate in the financial plan provided they meet the various plan requirements.

A-6 LEGAL AGE

Before acceptance as a Distributor can be considered, a person must be of legal age of consent in the state in which they reside.

A-7 MARRIED COUPLES

ForMor International shall consider each married couple as a single Distributorship. Distributors who marry after becoming Distributors must maintain separate Distributorships unless one is a direct sponsor of the other, in which case their Distributorships may be consolidated. When a

married couple sharing a single Distributorship divorces or legally separates, ForMor International will continue to pay commissions and bonuses as before the divorce or separation until the Company receives a notarized, written statement, signed by both parties, or a court decree specifying how future earnings checks should be paid.

A-8 SIMULTANEOUS INTERESTS

Distributors may have only one sponsor. Distributors, their spouses and dependents may not have simultaneous beneficial interests in more than one ForMor International Distributorship. For example, a shareholder of a corporation that is a Distributor may not become a Distributor individually. A partnership or corporation may be a Distributor. However, no individual may participate in more than one Distributorship position in any form or manner. For identification and recognition purposes, the names of all the principal partners of a partnership applicant or the principal officers of a corporate applicant together with their social security numbers, must be listed on the ForMor International Corporate/Partnership Form and accompany the Distributor Application and Agreement Form. No application for partnership or corporations will be accepted for processing without a fully completed Corporate/Partnership Form.

A-9 FICTITIOUS AND/OR ASSUMED NAMES

A person or business entity may not apply as a Distributor using a fictitious or assumed name.

A-10 THE DISTRIBUTOR COMMITMENT

Distributor agrees to:

Adhere to all ForMor International Policies and Procedures as set forth herein, when dealing with the public, with retail customers of ForMor International products and services, and with fellow ForMor International Distributors.

Know and comply with applicable federal, state and local tax requirements as well as laws concerning consumer rights, sales taxes and any ordinances affecting the sale of ForMor International products and services.

Make no claims or guarantees concerning products or profits other than those contained in Company literature and make no product usage recommendations other than those specifically found on product labeling.

Report promptly any changes in the information submitted on the Distributor Agreement or its online equivalent.

A-11 CONFIDENTIALITY AND NONDISCLOSURE

On a periodic basis, the Company will supply data processing information and reports relative to the Distributor's downline sales organization. The Distributor agrees that such information is proprietary and confidential to the Company and is transmitted to the Distributor in confidence. The Distributor agrees that he/she will not disclose such information to any third party directly or indirectly, nor use the information to compete with the Company directly or indirectly. The Distributor and the Company agree that, but for this agreement of confidentiality and nondisclosure, the company would not provide the above confidential information to the Distributor. In addition to any other legal or equitable rights ForMor International may have, violation of this confidentiality requirement is grounds for immediate termination. Upon termination of a Distributorship for any reason, the Distributor of that Distributorship agrees to return promptly all confidential information to the Company.

A-12 INDEMNITY AGREEMENT

Each Distributor agrees to indemnify and hold harmless ForMor International, its subsidiaries, affiliates, and all their shareholders, officers, agents, employees, and directors, against any claim, demand, liability, loss, cost, or expense, including, but not limited to, court costs or attorney's fees, asserted against or suffered or incurred by the Distributor by reason of, directly or indirectly, arising out of, or in any way related to, or connected with, allegedly or otherwise, that Distributor's (i) activities as a ForMor International Distributor; (ii) breach of the terms of these Policies & Procedures; or (iii) violation of, or failure to comply with, any applicable federal, state or local law or regulation.

A-13 TAXATION

Distributors will not be treated as employees, franchises, joint ventures, partners, or agents of ForMor International with respect to the Internal Revenue Code, Social Security Act, Federal Unemployment Act, State Unemployment Acts, or any other federal, state, or local statute, ordinance, rule or regulation.

A-14 LEGAL COMPLIANCE

Distributors shall comply with all federal, state, and local statutes, regulations, and ordinances concerning the operation of their Distributorship. All Distributors are responsible for their own managerial decisions and expenditures, including all estimated income and self-employment taxes. At the end of each calendar year, the Company will issue an IRS Form 1099 to each U.S. Distributor that earns in excess of \$600 for that year. For Distributors who reside in a country where ForMor has a local office, ForMor will issue any earnings statements required by that particular country. Once a Distributor has earned at least \$500 in a calendar year, ForMor will hold all commissions until a W-9 Form is to be filled out by that Distributor and returned to the company.

A-15 DISTRIBUTORSHIP IDENTIFICATION NUMBER

The Social Security Number and the Federal Tax Identification Number (if applicable) of the applicant is required information to be submitted at the time of application for future use in reporting income as required by law. ForMor International shall issue a unique Distributor Identification Number for each Distributor, which will become that Distributor's Identification Number upon acceptance as a Distributor by the ForMor International home office.

A-16 NO EXCLUSIVE TERRITORIES

All ForMor International Distributors have the right to function anywhere within the countries ForMor International designates. There are no geographical limitations within the U.S. and its possessions for the selling of ForMor International products and the sponsoring of new ForMor International Distributors. No Distributor may claim an exclusive territory. Any Distributor, who attempts to market products and/or services outside currently designated area(s), is subject to immediate termination.

A-17 OTHER PRODUCTS

Distributors are not restricted from selling the products or services of other companies. However, as ForMor International Distributors, they are strictly prohibited from promoting another direct sales or network marketing program or selling another product or service to any ForMor International Distributor, other than their first-level, personally-sponsored ForMor International Distributors. Distributors are also strictly prohibited from promoting anything, in any manner, other than ForMor International or ForMor International products at any ForMor event or venue, including those hosted by ForMor corporate or a ForMor Independent Distributor. Any Distributor found to be violating this provision is subject to immediate termination.

A-18 OUTSTANDING COLLECTIONS

ForMor International has the right to offset any monies owed in arrears by the Distributor in his capacity as a Distributor against bonuses and commissions earned as a result of product and/or service sales. Should a Distributor fail to have sufficient bonuses and commissions with which to cover his/her outstanding debt or choose to ignore his/her financial responsibility to the Company, then the balance of his/her financial responsibility to the Company will be transferred to a collection agency. The Distributor will be subject to immediate termination.

A-19 INCOME, EARNINGS OR SALES REPRESENTATIONS

Distributors are not permitted to make any representations whatsoever as to income, earnings or sales. Each Distributor's financial success depends entirely upon individual effort, locale, and dedication to his or her ForMor International Distributorship.

Any Distributor found, or reported to be, in violation of this rule may lose his or her buying privileges with ForMor International, be suspended from participation in the ForMor International compensation plan and/or be terminated of his or her Distributor status as well as be subject to all available remedies in law and in equity.

A-20 ETHICS

ForMor International recognizes its brand, good reputation and public image to be a major asset for the sponsoring and sales efforts of its Distributors and will guard against unacceptable behavior by those Distributors who step beyond the boundaries of good business ethics. ForMor International will intercede to correct unethical activity on the part of any Distributor regardless of rank. Verified unethical activities will be justifiable cause for termination.

Furthermore, if any Distributor behaves in a manner, which, in the sole opinion of ForMor International, causes disruption to the Company, or the normal conduct of its business, that Distributor may be suspended or terminated.

SECTION B DISTRIBUTOR RIGHTS, OBLIGATIONS AND RESPONSIBILITIES

B-1 SPONSOR'S RESPONSIBILITIES

All new ForMor International Distributors have the right to receive free training and support from their sponsor. A sponsor is expected to provide information on how to obtain Company-approved literature and to give appropriate training to his/her newly sponsored Distributors.

Any Distributor who sponsors other Distributors must fulfill the obligation of performing a bona fide supervisory, distributing and selling function in the sale of products and/or services to the ultimate retail consumer and in the training of those sponsored Distributors. A Distributor must have ongoing contact, communication and management supervision with his or her sales organization. Examples of such supervision may include, but are not limited to, the preparation and dissemination of a newsletter, correspondence, personal meetings, telephone contact, e-mail contact, training sessions, and accompanying individuals to company trainings and gatherings.

B-2 SPONSORING

ForMor International Distributors are entitled to sponsor anywhere within the U.S. and its possessions or any countries currently designated by ForMor International. Distributors receive no compensation for the act of sponsoring. Occasionally, one or more people may contact the same prospect and questions may arise as to who has sponsoring rights to a given prospect. ForMor International will not mediate such disputes as may arise, and will recognize as the sponsor, the individual or entity whose name appears on the Distributor Application and Agreement Form, or its online equivalent, first received by the Company at its offices.

B-3 MULTIPLE APPLICATIONS

If an applicant should submit more than one Distributor Application and Agreement Form, or its online equivalent, listing different sponsors on each, only the first completed Distributor Application and Agreement Form received by ForMor International will be considered for acceptance and processing. Should any question or dispute arise in regard to the document's validity, ForMor International will make the decision and that decision shall be final.

B-4 TRAINING REQUIREMENT

Distributors who sponsor new Distributors are required to properly train their new Distributors. These responsibilities include: introduction to the ForMor International product line and explanations of the Compensation Plan, the Ethical Business Practices, and the Policies & Procedures. Training also encompasses helping new Distributors with completion of a retail sale, including product presentation, filling out order forms, and explaining the retail customer

guarantee and refund policy. The Sponsor should stay in contact with all new Distributors for additional training and support.

B-5 SPONSORSHIP TRANSFERS

ForMor International prohibits transferring from one sponsor to another. The type of marketing employed by ForMor International is that of a business built on creating relationships. Once a Distributor is sponsored, ForMor International believes in the maximum protection of that relationship. The only potential exceptions will be if the six (6) upline distributors approve of the move in writing with notarized signatures or in the case of a Distributor using unethical means. Otherwise, sponsor changing can only be effected by resigning and then waiting six (6) months before rejoining with a new sponsor. When this choice is made, the resigning Distributor does not retain any of his/her downline.

B-6 VOLUNTARY RESIGNATION

A Distributor may voluntarily resign his or her Distributorship by sending a NOTARIZED signature statement of termination to ForMor International. Distributors who voluntarily resign their Distributorship may re-apply, as a new Distributor and create a new downline, after waiting a period of at least six (6) months from the day the Company received the resignation.

B-7 SUCCESSION

Upon the death of a Distributor, the deceased Distributor's Distributorship entity may pass to his or her successor(s)-in-interest as provided by law. However, ForMor International will not recognize such a transfer until the successor-in-interest has submitted a Distributor Application and Agreement Form, together with a certified copy of death certificate or other legal transferring instrument. The successor shall, thereafter, be entitled to all rights and subject to all obligations and responsibilities, as that of any other ForMor International Distributor.

B-8 ACQUISITION, TRANSFER OR SALE OF DISTRIBUTORSHIP (Call Distributor Services Department for more information.)

B-9 CHANGE OF STATUS

A ForMor International Distributor may change status from individual to partnership or corporation, or from partnership to corporation, but must notify the Company in writing, providing details of all participants in the new entity.

A co-applicant, who is subsequently added to an original Distributor Agreement, may not assume the Applicant position at a later date since this would in essence invalidate the transfer/assignment process.

B-10 COMMUNICATIONS WITH MANUFACTURERS, VENDORS OR AGENCIES

No Distributor is permitted to contact, directly or indirectly, or speak to or communicate with, any representative of any supplier or manufacturer of ForMor International except at a corporate-sponsored event, which the representative attends at the request of the Company. Distributors may not contact any government regulators (e.g. FDA, FTC, various state Departments of Health, etc.) on behalf of Company. Associates may not represent the Company if contacted by government regulators. All regulatory inquiries are to be referred to the Company.

B-11 SUSPENSION AND TERMINATION

(Also see Ethical Business Practices, Compliance and Enforcement at section H of this booklet). If a violation has occurred, ForMor International will notify the Distributor by telephone and/or written notice. If the violation is deemed curable in ForMor International's sole and absolute discretion, the notice will state that the Distributor shall have the opportunity to cure or cease the violation within ten (10) business days of being notified. If the violation is not deemed curable in ForMor International's sole and absolute discretion, then the notice shall state that the Distributor's Distributorship is suspended and that a date has been set for the Ethics Committee hearing. Upon receipt of the suspension notice, the Distributor shall have ten (10) business days

to provide evidence, in writing, to the Ethics Committee as to why the suspension should be lifted. The decision of the Ethics Committee shall be forwarded to the Distributor. The suspension status remains in effect pending the result of the hearing, any subsequent appeal of termination, and until the termination is effective, as applicable. All notices, whether suspension or termination, will be sent by either Registered U.S. Mail or by Express Delivery to the violating Distributor's address of record, and shall be deemed delivered when deposited at such address by the carrier.

B-12 APPEAL

Termination of a Distributor's Distributorship may be appealed by submitting a letter stating grounds of the appeal. The letter must be sent REGISTERED U.S. MAIL, RETURN RECEIPT REQUESTED or VIA PRIVATE COURIER (FedEx, UPS, DHL, etc.), ACCEPTING SIGNATURE REQUIRED and must be received by ForMor International within fifteen (15) days of the date of delivery of the termination notice. If ForMor International has not received a letter of appeal by the deadline, the termination automatically becomes final. If a Distributor files a timely appeal, ForMor International shall, in its sole discretion, review the termination and notify the Distributor of its decision. If the appeal is denied, the termination stands and is retroactive to the date of the original termination notice. The decision of ForMor International shall be final and is subject to no further review.

B-13 EFFECT OF SUSPENSION

Should a Distributor be placed on suspension, he or she immediately shall have no right to represent, and shall cease representing himself/herself as a Distributor of ForMor International products. In addition, they cannot purchase additional products from ForMor International or any Distributor, or receive any commissions or bonuses, until his or her suspension is revoked. Suspension status is retroactive to the beginning of the month in which the suspension is imposed by ForMor International, and any applicable commissions or bonuses pending or due for the month and thereafter will be held in abeyance until resolution of the matter.

B-14 JURISDICTION AND VENUE

In the event of any disputes, the parties agree that the matter shall be adjudicated in federal or state court in the county in which the ForMor International home office is located. Such county shall be deemed the sole and appropriate place for jurisdiction and venue. The laws of the State of Arkansas shall govern all rules of the company.

B-15 REGULATORY APPROVAL

No governmental body, whether it be a State Attorney General's Office, a Secretary of State's office, a Consumer Protection Agency, a State or Federal Trade Commission or any Better Business Bureau office approves or endorses any marketing program.

Although ForMor International makes every effort to assure good relations within all areas of operation, no Distributor may ever imply that the promotion, operation or organization of ForMor International has been approved, sanctioned or endorsed by any regulatory authority. Such statement or implication constitutes grounds for termination as a Distributor.

B-16 EFFECT OF RESIGNATION OR TERMINATION

Resignation or termination results in the Distributor's permanent loss of the rights to his or her sponsored downline organization, which then moves under the control of ForMor International which has the right to operate or dispose of it as it sees fit.

Furthermore, the resigning or terminated Distributor shall have no right to purchase additional products or receive additional commissions or bonuses from ForMor International. If a Distributor's Distributorship is terminated from any ForMor International affiliated company, whether domestic or foreign, the Distributorship governed by these Policies & Procedures may also be terminated. A Distributor who has had his or her Distributor status terminated by ForMor International may make re-application as a Distributor after waiting twelve (12) months from the

date the termination became effective. Termination is retroactive to the beginning of the month in which the termination became effective. Any payment of commissions or bonuses will be made only for business completed during the last full calendar month prior to termination. No terminated Distributor shall represent themselves as a Distributor of ForMor International products.

B-17 ARBITRATION

Except as set forth herein, all disputes relating to the terms and provisions of a Distributorship's Application and Agreement of Distributorship, or the rights and obligations of the parties or any other claims or causes of action relating to the performance of either party under said Agreement, shall be settled totally and finally by arbitration in the City of Conway, State of Arkansas, in accordance with the Federal Arbitration Act and the Commercial Rules of the American Arbitration Association. Notwithstanding the foregoing, the arbitrator shall have no jurisdiction over disputes relating to the ownership, validity or registration of any mark or the intellectual property or confidential information of the Company without the Company's prior written consent. Furthermore, the Company shall have the right to apply to and obtain from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other injunctive or emergency relief available to safeguard and protect the Company's interest prior to the filing of, during, or following any arbitration.

Any Distributor found, or reported to be, in violation of this rule may lose his or her buying privilege with ForMor International, be suspended from participation in the ForMor International compensation plan and/or be terminated of his or her Distributor status as well as be subject to all available remedies in law and equity.

SECTION C ADVERTISING & PROMOTION

All Distributors must obtain written consent from ForMor International prior to publishing any advertisement, distributing any flyer, placing any sign or airing any broadcast relating to ForMor International or its products.

C-1 USE OF AUTHORIZED PROMOTIONAL MATERIALS

Only those materials that have been made available directly by the Company are allowed for promotional purposes. The Company will produce, and offer for sale at a reasonable price, the materials necessary to build a Distributor's business. Any violation of this rule may lead to Distributor termination.

C-2 TRADEMARKS

The name, trade names, trademarks, logos or any other intangible commercial assets of ForMor International, in any form, are the legally registered trademarks exclusively owned or licensed by ForMor International. Use of these registered marks on any item not produced by ForMor International, without its express written consent, is prohibited except in the manner prescribed by the Company. The following are examples of approved manner and use of the Company's name:

(Name of Distributor)

ForMor International Independent Distributor

(Name of Distributor)

Independent Distributor of ForMor International

C-3 COPYRIGHTS

ForMor International is the sole owner of all rights to contents of all Company-published materials and all Company-sponsored training sessions and meetings. Any use or reproduction of such materials by any means requires prior written approval from the ForMor International home office.

C-4 BUSINESS NAMES

No ForMor International Distributor may use the words "ForMor International" or any of its names, product names, trademarks, logos, etc. within any business name. "ForMor International of Dallas" is an example of unauthorized and forbidden use of the trademarked ForMor International name.

Additionally, when Distributors are setting up checking accounts or any type of business credit accounts regarding their personal ForMor International Distributorships, they may not utilize the name of ForMor International in any account name format whatsoever.

For example, printed account information appearing on a check could not state "ForMor International, Bob Johnson, Distributor." An approved format would be "Bob Johnson, Independent Distributor of ForMor International." Likewise any type of trade show or expo program listing cannot include the name of ForMor International but must only state the name of the Distributor.

C-5 ADVERTISING

As independent contractors, ForMor International Distributors are free to promote their businesses in any legal manner and may advertise without Company approval provided they do not use the ForMor International trade name, trademarks, logo or copyrighted materials, product images, or make unauthorized claims or make references of any type to the name of any corporate executives, officers, employees, service providers, endorsement personalities, product research council members, financial institutions through which the program may be administered, or the name of any group or individual who is associated with ForMor International. No radio or television advertising of any type is permitted in any format whatsoever. All print ads must include the Distributor's name. For example, a print ad could end with the statement, "for details call Mary Smith at (000)000-0000," but it could not say "for details call Mary Smith, Distributor of ForMor International at (000)000-0000." The latter statement is prohibited because it uses the ForMor International name, which makes the ad no longer blind.

C-6 TELEPHONE ANSWERING

Distributors may not answer the telephone by saying "ForMor International," "ForMor," or in any other manner that would lead the caller to believe that they have reached the Company's corporate offices.

C-7 TELEPHONE DIRECTORY ADVERTISING

ForMor International Distributors may be listed in the white pages of the telephone directory. Only Distributors at the Double Diamond level or higher may advertise in the yellow pages of the telephone directory. Suitable categories for yellow page listings are Foods, Health Foods, Vitamins, Skin Care, and Weight Loss. Yellow page advertising must conform to all applicable ForMor International Policies and Procedures. Use of name, logo or trademark, or any representations must be submitted to the ForMor International Corporate headquarters for written approval in advance. The approved yellow page listing is as follows:

ForMor International Independent Distributor
(Distributor Name)
Address
Telephone Number

Distributors may not contract for a display ad in any telephone directory. A Distributor with a telephone listing who terminates his/her relationship with ForMor International must discontinue the listed number immediately.

C-8 IMPRINTED CHECKS

ForMor International Distributors are not permitted to use the ForMor International trade name or any of its trademarks on their business or personal checking accounts. However, Distributors may imprint their ForMor International business checks in either of the following ways: "Independent Distributor of ForMor International" "ForMor International Independent Distributor"

C-9 BUSINESS CARDS, LETTERHEADS, ENVELOPES

Distributors may purchase personalized Distributor business cards, letterhead and envelopes. All approved materials are provided to each Distributor in the ForMor International Distributor Kit. Distributors must agree to strictly adhere to ForMor International's guidelines regarding stationery or envelope artwork and compliance issues. Distributors may not alter the layout or design of the business cards, letterhead and envelopes. The title "Independent Distributor" must always accompany the Distributor's name on said promotional materials. Additionally, Distributors may select their printer of choice.

C-10 THE INTERNET

The ForMor International Internet policy can be stated very simply:

With the exception of official ForMor International Distributor websites—those designed, approved and supplied by ForMor International—ForMor International does not permit ANY advertising whatsoever on the Internet.

No Distributor shall place any material whatsoever on the Internet designed to attract a consumer response either to ForMor International products or to the ForMor International opportunity. This includes, but is not limited to, newsgroup posting or public chat room discussion, links to or from other sites, any type of search engine or locator device servicing the Internet including any of the prohibited content materials noted above which would directly or indirectly forward interested parties to their Internet account or business site.

Domains•

Distributors are strictly prohibited from utilizing or securing any domain name that is any trademark or any derivative of a ForMor trademark or trade name or product name.

Illicit or Objectionable Material and Links•

Distributors are strictly prohibited from publishing, combining, connecting or in any way linking the ForMor name, any trademark or trade name, or product name, or any ForMor information of any kind, any ForMor representative, corporate or otherwise, any ForMor media of any kind and any other thing that could under the most strict of understandings be construed as referencing ForMor in any way to any site that is considered illicit, primarily sexual in nature, objectionable, offensive, pornographic, or in any other way deemed inappropriate in the sole opinion of ForMor International.

Unsolicited E-mail, Newsgroups and Bulletin Boards•

Distributors are strictly prohibited from utilizing unsolicited e-mail and/or posting electronic messages on Internet bulletin boards/newsgroups to advertise Company products and/or the business opportunity.

Blind Ads•

No Distributor may use "blind" ads on the Internet making product or income claims, which are ultimately associated with ForMor International, ForMor International products or the ForMor International compensation plan. For information on obtaining an approved ForMor International Distributor web page, contact ForMor International Distributor Services Department.

Internet Shopping Cart•

No Distributor may design and sell online through independently designed shopping carts or web sites that use the names, logos, product or income testimonials, compensation plan or product description(s) of ForMor International.

Names, Trademarks, Logos, Etc. •

Any person using the ForMor International names, trademarks, logos, etc. on the Internet or in any other advertising medium—except as permitted by ForMor International Policies and Procedures—shall be subject to immediate discipline, including termination of Distributorship and forfeiture of all Distributor benefits, including (but not limited to) loss of downlines and associated incomes, and whatever other damages may be deemed appropriate in a court of law. For information on obtaining an approved ForMor International website, contact ForMor International Distributor Services Department.

Auction Sites •

No Distributor may design and/or sell online through auction sites (like ebay) any product of ForMor International.

Violation of Internet Policy •

Any person in violation of any of the ForMor Internet Policies as stated and amended, as deemed necessary in the sole discretion of ForMor International, shall be subject to immediate discipline, including termination of Distributorship and forfeiture of all Distributor benefits, including (but not limited to) loss of downlines and associated incomes, and whatever other damages may be deemed appropriate in a court of law.

C-11 ENDORSEMENTS

The name of the Company's associates or affiliates, including any anecdote relating to them, may not be used in any form of advertising whatsoever; nor is it permissible to use their position for the purpose of recruiting or enticing new prospective Distributors in any manner other than that which is stated in ForMor International official literature.

C-12 PERSONAL APPEARANCES

Appearances by ForMor International Distributors on television, cable television and/or radio, as such appearance would relate to ForMor International, its products or business opportunity, are strictly prohibited without the express prior written approval from an authorized officer of ForMor International.

C-13 PRESS INQUIRIES AND MEDIA INTERVIEWS

Distributors are prohibited from granting radio, television, cable television, newspaper, tabloid, or magazine interviews. Further, Distributors are not to use public appearances, public speaking engagements, or make any type of statement to the public media to publicize ForMor International or its products, or their individual ForMor International Distributorship enterprises, except with the express, prior written approval of ForMor International, which may be withheld at the Company's sole discretion. The Company requires that all media inquiries be immediately referred to the attention of the ForMor International Distributor Services Department.

C-14 CONDUCT AT BUSINESS OPPORTUNITY MEETINGS AND TRAINING SESSIONS

All ForMor International-related events shall be conducted in strict conformity with corporately produced scripts, presentations and printed materials. These materials may not be altered or deviated from in any way. They have been developed and refined to ensure that prospects have accurate information upon which to base decisions and to assist new Distributors in learning proven techniques for achieving success within prescribed guidelines. For this reason, any substantive alteration of scripts, audio/visual presentations, printed materials or videos, or any deviation in the prescribed presentation thereof which compromises the integrity and/or intent of the ForMor International program may result in termination of the offending Distributor.

C-15 PUBLIC MEETING SIGNAGE

At open or public meetings no signage other than approved ForMor International podium, wall banner or product poster signage is permissible. It is strictly against corporate policy to display banners, signs or other paraphernalia that identifies or promotes the name of a specific downline, network or organization at any public meeting. Such banners, signs and paraphernalia may be

utilized only at closed presentations sponsored by and paid for by a single downline, network or organization.

C-16 ALIEN MATERIALS OR PRODUCTS

During the term of the Distributor Agreement, the Distributor shall not sell or promote, directly or indirectly, the products, services or opportunities of any other company while conducting his/her ForMor International business. Additionally, only ForMor International products and/or authorized promotional materials may be sold or displayed at any ForMor International meeting, including but not limited to jewelry or items of apparel not directly produced and sold by the Company. Violation of this provision is justifiable cause for termination as a Distributor.

C-17 DOWNLINE ORGANIZATION COMMUNICATIONS

As independent contractors, ForMor International Distributors are encouraged to promote training information and to provide direction to their respective downline organizations. The proper and constructive use of internal newsletters, training workshops, and other organizational programs is encouraged, provided they are in compliance with the Policies & Procedures and all applicable local, state and federal laws and regulations.

C-18 PRODUCT CLAIMS

ForMor International Distributors shall not represent any claim for any product or service that is not expressed in official ForMor International promotional materials. ForMor International is responsible only for materials printed or contained in Company-provided promotional materials.

No claims as to the therapeutic or curative properties of the products may be made by Distributors except those officially approved in writing by the Company or as contained in the official Company literature. ForMor International specifically makes no medical claims for the treatment, prevention, cure, or mitigation of disease, and any Distributor who makes such claims shall be subject to immediate suspension or termination.

C-19 MEDICAL, THERAPEUTIC OR CURATIVE CLAIMS

No type of claim whatever, expressed or implied, is to be made for any ForMor International product by any Distributor. A Distributor is required to recommend to any customer under physician's care, or suffering from any chronic disorder, that they should first consult with their physician before undertaking any changes in diet or when beginning any nutritional program. Persons currently under medical treatment should be urged to seek the advice of their physician before changing their diets when beginning any nutritional program.

C-20 INCOME CLAIMS

ForMor International Distributors shall not make any false or misleading statements about their own or any other Distributor's income. No random, hypothetical examples of what is mathematically possible, nor income representations, projections or potentials, may be used in any Business Opportunity Meeting. Stating your own actual income is permitted. Exaggerations of your own or another Distributor's actual income will be grounds for termination. No ForMor International Distributor can guarantee the success of any prospect. Distributors shall avoid any suggestion that is easy to attain high-income levels, and shall always explain that each individual's success depends solely upon the level of effort expended and their personal commitment to the ForMor International program.

C-21 RECORDINGS AND OTHER PROMOTIONAL MATERIALS

Distributors shall not produce or reproduce in any way whatsoever any personal or ForMor International produced audio or video taped material detailing the ForMor International career opportunity, compensation plan, product presentations, events or speeches, including conference calls.

C-22 RE-PACKAGING OF PRODUCT

Distributors are strictly prohibited from re-packaging ForMor International products in any way or for any reason whatsoever.

Any Distributor found, or reported to be, in violation of this rule may lose his or her buying privilege with ForMor International, be suspended from participation in the ForMor International compensation plan and/or be terminated of his or her Distributor status as well as be subject to all available remedies in law and equity.

C-23 INDUCEMENTS TO PROSPECTS

ForMor International Distributors shall not make any promises about providing prospects or actually placing/stacking new Distributors under a prospect as an inducement to sponsorship. Ultimately each Distributor is responsible for building his/her own organization. It is grounds for termination to promise or imply that a Distributor will build an organization for another as an inducement to sponsorship through advertising support or any means other than training and supervisory assistance. All ForMor International Distributors are equal in the eyes of the home office. No organization, network, leg, or downline may imply that it has a "special relationship" or that it can offer a prospect preferred treatment by virtue of a special relationship with the ForMor International home office.

C-24 MINIMUM ADVERTISING PRICE POLICY (MAPP)

Regardless of business type (retail stores, clinics or distributors) and irrespective of advertising medium (print, online, TV, radio, and Internet), the minimum advertised price of all ForMor products is their retail price as listed on current ForMor medium. This is the minimum advertised price allowed. No exceptions.

Please note that "retail" outlets and/or any individuals can sell ForMor products for any price they want. We have no legal bearing over the actual sales price, just the price that is advertised.

SECTION D PURCHASE, SALE AND SHIPPING OF PRODUCTS

D-1 NO PURCHASE REQUIRED TO BECOME A DISTRIBUTOR

Under no circumstances are product purchases required of anyone in order for that person to become a ForMor International Distributor. The only requirement is the purchase of an Application Fee and a Distributor Kit.

D-2 STOCKPILING DISCOURAGED

The ForMor International compensation plan is based upon retail sales to the ultimate retail consumer. Since product is available from the Company in less than case lots, all forms of stockpiling are prohibited. It is recognized that Distributors may wish to purchase products in reasonable amounts for their personal consumption, retail sales customers and for the support of their Personal Group. However, ForMor International strictly prohibits the purchase of products in unreasonable amounts solely for the purpose of qualifications or advancement in the ForMor International compensation plan.

D-3 70% RULE

To qualify for commissions and bonuses, Distributors must certify on each product order placed through the Company or sponsor that at least 70% of all products previously purchased have been sold. For purposes of this rule, a sale may include a purchase for personal or family use.

NOTE: Distributors placing orders via the internet or telephone with the Company are still required to comply with this Rule.

D-4 RETAIL CUSTOMER MONEY-BACK GUARANTEE

ForMor International employs a 30-day, 100% Money-Back Guarantee to consumable products for its retail customers only. It is the responsibility of each ForMor International Distributor to refund the entire purchase price for consumable products to any customer who is not fully satisfied. ForMor International will promptly replace any product returned to the Distributor upon receipt of a Returned Merchandise Authorization Form and return of the empty or unused product to the ForMor International Distributor Services Department.

Prior to the return of unused product, the Distributor must obtain a Return Authorization Number from the Distributor Services Department to ensure proper processing.

D-5 SALES TAXES

Generally, products sold by ForMor International distributors are subject to sales tax in each state, county, city or province, which levies such a tax. Distributors must collect and remit sales tax on each retail sale in accordance with local and state law. It is the Distributor's sole responsibility to collect, report, and pay local and state sales tax.

Arkansas Distributors

ForMor International collects and remits sales tax on any product, sales aid, as well as, shipping and handling charges sold to Distributors in Arkansas. Distributors who possess a resale certificate, may file a copy of that certificate with the ForMor International home office and be exempt from the collection of sales tax on orders placed with the home office from the time their certificate is filed. No refunds for sales tax already collected prior to ForMor's receipt of the resale certificate will be made.

D-6 ORDER POLICIES

The ForMor International policies regarding the placement of orders are as follows:

If not properly completed, all orders received by mail or fax could be subject to a delay in processing or may be returned.

Payment must be enclosed with the order and the credit card must be accepted or the order will not be processed.

Unless there are special arrangements announced by ForMor International, the order will be credited to the calendar period in which the order, with payment, is received and processed.

On all orders, the ordering Distributor or retail customer must be the owner or the authorized signatory of the credit card being used.

Each order may specify only one shipping address.

Distributors who have had two checks returned "insufficient funds" or "account closed" shall have their check writing privileges suspended. A \$20 handling fee will also be charged to the Distributor for a returned check. All checks over \$750 will be subject to review and approval prior to shipment of merchandise.

All product orders will be shipped via United States Postal Service or other carriers of the Company's choice, including UPS or DHL, unless specified by the ordering Distributor.

Distributors who initiate credit card "charge backs" will be considered to have "disputed balances." The Distributor owning the card and the Distributor receiving the commission credit on the order in question will have all commissions suspended until the dispute is resolved to ForMor International's satisfaction.

Upline distributors can be held accountable for the processing of "bad business" in their downline organizations. It is the responsibility of the sponsoring distributors to insure that they sponsor reputable distributors into their organizations.

D-7 PRODUCT ORDER/PAYMENT OPTIONS

Here is how you may order ForMor International products:

Call Order Department at:

888-270-4793 (8am – 5pm Central Time, Monday – Friday).

Fax to: 800-750-8155 (24 hours a day).

Internet at: www.formor.com

Mail to: ForMor International, P.O. Box 2080, Conway, AR 72033.

ForMor International will accept personal checks, checks by phone, money orders, cashier's checks, American Express, Discover, Visa, MasterCard and JCB credit cards. No order will be shipped without prior approved payment.

NOTE: After 2 non-sufficient funds notices, a Distributor's check writing privileges may be revoked. A \$20 fee will be charged for each 'non-sufficient funds' check.

D-8 FAXED ORDERS

Distributors may order by fax using American Express, Discover, Visa, MasterCard and "check by fax." However, once done, DO NOT MAIL THE ORIGINAL COPY TO THE COMPANY. Doing so will cause the order to be double-shipped and double-billed, and the Company cannot accept responsibility in such events. Please Fax Orders to 800-750-8155.

NOTE: All faxed orders and applications must be received by the close of business the last business day of the month. Any faxed orders and/or applications received after normal business hours on the last business day of the month will be credited to the following month's business.

D-9 INTERNET ORDERS

Distributors may order via the Internet using American Express, Discover, Visa, MasterCard, or JCB credit cards. However, once the order is complete, DO NOT MAIL THE ORIGINAL COPY TO THE COMPANY. Doing so will cause the order to be double-shipped and double-billed and the Company cannot accept responsibility in such events. To place orders online, log into www.formor.com.

NOTE: All Internet orders and applications must be received by 11:59pm Central Time of the last business day of the month. Any Internet orders and/or applications received after 11:59pm Central Time on the last business day of the month will be credited to the following month's business.

D-10 TELEPHONE ORDER & HOURS

American Express, Discover, Visa, MasterCard, and JCB credit cards and "check by phone" may be used by calling the ForMor International Order Department at 1-888-270-4793 from 9:30am-5pm Central Time, Monday through Friday. Do not mail an original order form as confirmation of having placed a telephone order. This will cause the telephone order to be double shipped and double billed. It is also required that the purchasing Distributor be the cardholder.

ALL TELEPHONE ORDERS ARE FINAL. Telephone orders may not be canceled or changed once the order is completed.

NOTE: Fraudulent use of a credit card to make a purchase from ForMor International is cause for immediate termination of the Distributor's Distributorship, and the fraudulent transaction will be reported to local, state, and federal authorities to take the appropriate legal action.

D-11 SHIPPING COSTS

Distributors are solely responsible for selecting the shipping options for their orders. The choices available are stated on each Product Order Form.

D-12 REFUSED SHIPMENTS

Should a Distributor, or the Distributorship's consignee, refuse delivery of any product order which the Distributor has ordered from the company, upon the Company's receipt of the shipment, the purchasing Distributor's Distributorship will be made "inactive" pending the resolution of the delivery refusal. It is strongly suggested that the Distributor, or the Distributorship's consignee, accept the product order and then contact the Distributor Services Department to discuss the reason(s) for requesting a return. If at the Company's sole discretion a

valid reason exist, the proper procedure for a return of the product order shall be explained to the Distributor.

D-13 TIMELY PRODUCT AND MATERIAL DELIVERY

Should any item be temporarily not available for shipment when the Distributor's product order is processed by the Company, the Distributor shall receive a partial order and the back ordered (B/O) item(s) will be shipped as soon as they are available, on a first order in, first order out, basis.

D-14 DAMAGED IN SHIPMENT GOODS

The shipping company is responsible for any damage that occurs after it takes physical custody of the goods. A Distributor who receives goods damaged in shipment, should follow this procedure:

- a.) Accept delivery.
- b.) Before the driver leaves, document on the delivery receipt the number of items and/or boxes that appear to be damaged.
- c.) Save the damaged goods or boxes for inspection by the shipping agent.
- d.) Make an appointment with the shipping company to have the damaged goods inspected.
- e.) File a claim with the shipping company.

Contact ForMor International Distributor Services Department for further information.

Hidden damages found in shipments must be reported to the carrier's local office immediately. Keep the shipment in the original package. The carrier will send a representative to examine it. When contacted by the carrier, ForMor International will initiate the proper procedures and follow up to completion.

Before assuming that an order or check is lost, wait a minimum of 15 working days for mail orders and 5 working days for telephone orders.

Lost shipments on orders (complete or partial) must be reported to ForMor International within seven days after estimated time of arrival.

ForMor International will not re-ship an order until the carrier's investigation is complete and results in an 'unable to locate package' response from the carrier.

NOTE: Any discrepancies regarding a product order must be brought to the attention of ForMor International with seven (7) working days of the Distributor's receipt of the shipment in order for resolution to be considered.

D-15 INCORRECT, DEFECTIVE OR DAMAGED PRODUCT RETURNS (Call Distributor Services Department for instructions).

D-16 SHIPPING ADDRESS

Shipment of product or sales aid items may only be made to a street address, Post Office or General Delivery.

D-17 SHIPPING CARRIER

ForMor International will utilize United States Postal Service, UPS, DHL or other carriers of the Company's choice for the shipment of all orders. Distributors residing outside the contiguous 48 states may require shipping services that are faster than surface carriers can provide. To arrange shipment by airfreight, the Distributor must contact the ForMor International Order Department.

D-18 SPECIAL HANDLING

Upon request by the Distributor, ForMor International may use an alternative means of shipment if such alternate means of shipment meets the Company's standard shipping criteria. The Distributor will be charged actual freight cost, plus handling for alternate means of shipment if

approved. Distributors must call the ForMor International Order Department to request special handling and delivery.

D-19 PRICE CHANGES

Although every attempt will always be made to advise Distributors in advance of any ForMor International products or literature changes, the Company reserves the right to make such changes without prior notice.

D-20 RECEIPTS AND RETAIL PRICING

Distributors have an obligation and shall provide all retail purchasers of ForMor International products with written receipts containing the Federal Trade Commission (FTC) required decision rights language printed on it. Such Retail Sales Order Forms are available for purchase from most office supply stores. Distributors may sell products at whatever retail price they and their customers agree upon.

D-21 RETAIL OUTLETS

ForMor International products may be sold to, or in, or be displayed by, any retail outlet including but not limited to drugstores or pharmacies, supermarkets or food stores, health food stores, flea markets or swap meets, permanent shopping mall booths, and permanent restaurant displays. Additionally, Company brochures and/or sales aids (banners, ads, etc.) may be displayed or exhibited at any retail outlet. However, no product may be advertised at a price below the wholesale price.

D-22 SERVICE-ORIENTED AND APPOINTMENT-ONLY ESTABLISHMENTS

It is permissible to take orders for ForMor International products into a health spa, health resort, beauty care facility, or similar establishment including a medical or health practitioner's office. ForMor International reserves the right to make the final determination as to whether an establishment is a proper place for the sale of products.

D-23 FAIRS, TRADE SHOWS AND MALL EXHIBITIONS

ForMor International Distributors may promote ForMor International products at fairs, trade shows and mall exhibitions provided that the products are not shown or displayed along with any other products that are sold via network marketing.

ForMor International reserves the right to make the final determination as to whether an establishment is a proper place for the sale of products.

D-24 BARTER ORGANIZATIONS

No ForMor International Distributor may promote his/her ForMor International Distributorship nor the Company's products through any type of barter organization.

D-25 DOCTORS' OFFICES

Doctors may not prescribe ForMor International products but may sell them from their offices.

SECTION E

PRODUCT RETURN AND REFUND POLICIES

E-1 RETAIL CUSTOMER RETURNS

Should a retail customer become dissatisfied with any ForMor International product for any reason whatsoever, it is a requirement, and the obligation of the Distributor who sold the product to the customer, to uphold the "unconditional 100% satisfaction guarantee." The following policy and procedures govern the ways and means to accomplish the retail customer satisfaction guarantee:

1. ForMor International requires that its Distributors offer an unconditional, 100% money-back guarantee to their Retail Customers. Every Distributor is bound by the terms and provisions of their Application and Agreement of Distributorship, the Ethical Business Practices Compliance and Enforcement and the Policies and Procedures to honor this guarantee. If a retail customer is dissatisfied with any ForMor International product for any reason whatsoever, that customer may return the unused portion of product to the Distributor from whom it was purchased, within thirty (30) calendar days from date of purchase for either a product replacement or a full refund of the purchase price by the Distributor.

2. Provided Distributors meet the following conditions, the Company will replace all approved retail customers product returns to the Distributor within ten (10) working days of the Company's receipt of the product from the Distributor and the completed Return Merchandise Authorization form.

3. Should Distributors not fulfill their obligations under this rule, they may lose their buying privileges with ForMor International, be suspended from participation in the ForMor International compensation plan and/or be terminated of their Distributor status.

E-2 RETURNED PRODUCT PROCEDURES

1. Distributors must call the Distributor Services Department at 888-270-4794 or log onto the Distributor Services area of www.formor.com for approval of the return prior to sending the products to the company. Upon approval, the Distributor will be given a Return Merchandise Authorization number to accompany the returned products.

2. The Distributor, who originally purchased the product from the Company, returns the container with the unused portion of the product to the Company.

3. The Company must receive the Product within thirty (30) calendar days of the retail customer's return of the product to the Distributor who made the retail sale and replaced or refunded the product.

4. The return is accompanied by a completed and signed Return Merchandise Authorization Form showing:

- a) A signed statement from the retail customer and the Distributor identifying the reason for the return.
- b) A copy of the completed original retail sales receipt, and
- c) The unused portion of the product in its original container.
- d) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement. The best and most economical means of shipping is suggested, since the cost is borne by the Distributor.

ForMor International does not refund to the Distributor the net purchase price of the product the retail customer returned to the Distributor. Providing the conditions of this rule are met, the Company will make a replacement to the Distributor of any product he or she replaced or refunded to a retail customer.

E-3 QUALITY ASSURANCE

ForMor International shall replace any product returned within thirty (30) days from date of purchase by the Distributor from the Company for reasons of quality assurance. Prior request to the Company is required before an exchange will be made. The following procedures must be followed before a replacement may be issued:

1. Distributors must make a verbal replacement request by calling 1-888-270-4794 and speaking with a Distributor Services Representative, who can issue a Return Merchandise Authorization Number. Proof of payment and a copy of the purchase order form or packing slip must

accompany this Number. Product returned without prior authorization shall be returned to the Distributor.

2. The company will instruct the Distributor where to ship the product for inventory and verification. Upon receipt and verification of the product and authorization, the Company will ship replacement product when necessary.

NOTE: Any unauthorized product return by a Distributor will result in that Distributor's Distributorship being placed in an "inactive" status pending resolution. Furthermore, there is no assurance that the unauthorized product return shall be considered replaceable by ForMor International.

E-4 DISTRIBUTOR RESIGNATION RETURN POLICY

On "reasonable commercial terms" ForMor International will repurchase "currently marketable" inventory in the possession of any Distributor that was purchased by the Distributor prior to the date the Company received the Distributor's notice of voluntary termination. "Reasonable commercial terms" shall include the repurchase of consumable, reusable, marketable inventory, purchased within thirty (30) days of the date the Company received the resignation notice (unless otherwise required by applicable law) at not less than ninety percent (90%) of the Distributor's original net cost less appropriate expenses and legal claims, if any. "Currently marketable" inventory refers to product that has been received for repurchase by ForMor International which is unopened and within not less than thirty (30) days of the expiration date of the product or products which have not been announced as seasonal, discontinued, or special promotional products. Proper shipping carton(s) and packing material are to be used in packing the product(s) being returned as per Rule E-1 Section 5. The best and most economical means of shipping is suggested since the cost is borne by the Distributor.

NOTE: ForMor International will not issue a refund for any product previously certified by the Distributor, under the 70% Rule, as having been sold or consumed.

E-5 EFFECT OF DISTRIBUTOR'S RESIGNATION REGARDING COMMISSIONS ALREADY PAID

Should a Distributor terminate his or her Distributorship status and, per Rule E-2, return product to ForMor International, any commissions and bonuses previously paid to any upline Distributor on the repurchased inventory by the Company must be repaid to the Company by the upline Distributors who received such compensation.

E-6 PRODUCT EXCHANGE POLICY

It is the policy of ForMor International to allow their Distributors to exchange previously purchased products, for any reason whatsoever. However, the product exchange policy should not be abused or used to defraud the company. No exchanges will be made on any discounted or discontinued product.

Any Distributor found, or reported to abuse this policy may lose his or her buying privilege with ForMor International, be suspended from participation in the ForMor International compensation plan and/or be terminated of his or her Distributor status as well as be subject to all available remedies in law and equity.

SECTION F COMMISSIONS

F-1 COMMISSION PAY PERIOD

The ForMor International commission/compensation pay period is on a weekly, bi-monthly and calendar month basis. All internet, phone and fax Distributor purchases for products and/or services, having been paid in full, must be received at the ForMor International home office no later than the last business day of the calendar month during normal business hours to be

included in that month's commission pay period. Internet orders must be received before 11:59pm Central Time on the last day of the month to be included in that month's commission pay period. Month-end commissions will be mailed or direct deposited to the Distributor on the 10th of the following month or the first business day thereafter for qualified commissions earned. Qwik-Pay* commissions are direct deposited on the 22nd of each month or the first business day thereafter for qualified commissions earned from the 1st through the 15th of that month. Weekly commissions on First Order Package orders that occur between midnight on Sunday and 11:59 on Saturday are paid on the following Wednesday by Direct Deposit only. All First Order Package commissions that are earned the last week of the calendar month, and any un-paid First Order Package commissions earned, and First Order Package commissions earned by Distributors who do not qualify for Direct Deposit are paid with the Month-end commission payment on the 10th of the following month or the first business day thereafter for qualified commissions earned.

*Only Autoship Distributors with at least 100BV Autoship order on file qualify for direct deposit.

F-2 COMMISSION/VOLUME ISSUES

Any questions or issues concerning commission qualifications should be resolved with the Distributor Services Department by the last calendar day of the month in which commissions are earned. FMI will not process any returns the last three (3) calendar days of the month. For example, questions about June checks, which are paid in July, must be resolved by the last calendar day of June. Once commissions have been calculated, no recalculations can take place.

F-3 CHANGE OF ADDRESS NOTIFICATION

A Distributor requiring a change in his/her record (address, telephone number, etc.) must send a signed letter to the ForMor International Distributor Services Department requesting the change, telephone the Distributor Services Department, properly identifying himself/herself through the security procedure then in place to effect a change in permanent record, or make the change via the Distributor Service section of www.formor.com.

SECTION G MISCELLANEOUS GENERAL PROVISIONS

G-1 RECORD KEEPING

For practical, personal, and business purposes, the Company encourages all Distributors to keep complete and accurate records of all their business transactions.

G-2 GOVERNMENTAL ENDORSEMENT

Federal, state, and local regulatory agencies do not endorse direct selling programs.

Therefore, ForMor International Distributors shall not represent or imply, directly or indirectly, that the ForMor International plan and program has been approved or endorsed by any governmental agency.

G-3 PRODUCT LIABILITY INSURANCE

ForMor International carries product liability insurance, which protects both the Company and each active Distributor of record. The insurance coverage applies only to those uses and purposes specifically set forth on the product label or in official company literature. Any Distributor who misrepresents the product or makes claims other than those set forth on the labels or in official company literature, is not only depriving his/her Distributorship of the protection the product liability insurance provides, but he or she is also placing his/her distributorship status in jeopardy of being terminated.

G-4 AMENDMENTS

ForMor International reserves the right to amend the Policies and Procedures set forth herein, its discounted or wholesale prices, its product availability and formulation, and its compensation plan, at any time it deems appropriate. Amendments will be announced to all Distributors through

official ForMor International publications and/or communications. Amendments are effective and binding on all Distributors as of the date of issuance unless otherwise stated.

G-5 NON-WAIVER PROVISION

No failure of ForMor International to exercise any power or remedy under these Policies and Procedures or to insist upon strict compliance by a Distributor with any obligation or provision herein, and no custom or practice of the parties at variance with these Policies and Procedures, shall constitute a waiver of the Company's right to demand exact compliance with these Policies and Procedures or to exercise any additional remedy available in law or in equity. Waiver by ForMor International can be effected only in writing by an authorized officer of the Company. The Company's waiver of any particular default by a Distributor shall not affect or impair the Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other Distributor. Nor shall any delay or omission by ForMor International to exercise any right arising from default affect or impair the Company's rights as to that or any subsequent default.

G-6 JURISDICTION AND VENUE

Each and every Distributor and ForMor International expressly agrees that these Policies and Procedures and the Distributor Application and Agreement of Distributorship shall be governed by and construed in accordance with the laws of the State of Arkansas. Any legal action involving ForMor International, these Policies and Procedures and/or any ForMor International Distributor Application and Agreement shall be proper only in the courts located in Arkansas, and no other court shall have jurisdiction, unless otherwise subject to arbitration pursuant to paragraph B-16.

G-7 ENTIRE AGREEMENT

The Distributor Application and Agreement Form or its online equivalent, the Policies and Procedures (as may be modified from time to time) and all forms and applications mentioned herein are incorporated into the Distributor Application and Agreement of Distributorship and constitute the entire agreement of the parties.

G-8 PARTIAL INVALIDITY

Should any portion of these Policies and Procedures, the Distributor Application and Agreement Form, or of any other instruments referred to herein or issued by the Company be declared invalid by a court of competent jurisdiction, the balance as such Policies and Procedures, applications, or instruments shall remain in full force and effect.

G-9 REMEDIES

The rights and remedies of ForMor International, set forth herein shall be in addition to and not in lieu of any other right or remedy now and hereafter provided in law or in equity and shall continue after termination of a Distributor's Distributorship. The rights and remedies shall be cumulative and not exclusive of any other.

G-10 INJUNCTIVE RELIEF

Each Distributor agrees that the remedy at law for any breach of any provision of the Policies and Procedures shall be inadequate, and that, in addition to any other remedies it may have, ForMor International shall be entitled, without necessity of proving actual damages, to temporary and permanent injunctive relief to prevent the breach of any provisions of the Policies and Procedures.

G-11 LEGAL CONSTRUCTION

In case any one or more of the provisions of the Policies and Procedures shall for any reason to be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceable shall not affect any other provision thereof, and the Policies and Procedures shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

Any Distributor found, or reported to be in violation of this rule may lose his or her buying privilege with ForMor International, be suspended from participation in the ForMor International compensation plan, and/or be terminated of his or her Distributor status as well as be subject to all available remedies in law and equity.

SECTION H ETHICAL BUSINESS PRACTICES, COMPLIANCE, AND ENFORCEMENT

Under the guidance of ForMor International Chairman and President Michael Goss, ForMor International has grown to become one of world's premier network marketing companies. The reputation and character of the Company is built on a long-standing foundation of integrity.

All ForMor International Distributors must abide by the terms, conditions, and provisions of their Distributor Application and Agreement and these Policies and Procedures. It is recognized that at times, a Distributor may unknowingly violate the rules. Should that happen, it is then the responsibility of any Distributor who has learned or found that a violation has occurred, to take the initiative to act by following the rules and enforcement procedures recommended below:

Step 1

Upon learning of a potential violation, the Distributor who has learned or found that a violation has occurred should inform the violating Distributor of the specific Policies and Procedures, which have been violated and discuss the matter with the Distributor in a friendly manner. Most violations are due to a lack of understanding and a discussion usually settles the matter. If the rules-violating Distributor understands the matter and agrees to comply, then it is not necessary to inform ForMor International's Distributor Services Department of the violation. However, the Distributor who has had to point out the violation should always ensure that the upline Diamond of the rules-violating Distributor is aware of what has occurred. If the violation has anything to do with a crossline Distributor, the Distributor Service Department should be informed immediately.

Step 2

Should a rules-violating Distributor show, by word or deed, an unwillingness or refusal to cooperate, then the Distributor who has learned or found that a violation has occurred, is required to send a letter to the Distributor Services Department, stating the nature of the complaint, the Policies and Procedures violated, the names, addresses, and telephone numbers of the Distributor(s) involved, dates, times, places, and any other pertinent information. The letter must be signed by the Distributor(s) reporting the violation. Anonymous complaints are unacceptable and will not be acted upon by the Company. After the violation's notice letter has been mailed to the Company, the reporting Distributor(s) should maintain contact with the violating Distributor(s) and report to the Distributor Services Department any changes in the situation. The utmost care must be taken to ensure that the complaint is accurate and truthful. Knowingly making a false complaint is in itself a violation of the spirit governing the Code of Ethics.

Step 3

When the Company receives a rules violation complaint, it will be handled according to the procedures set forth in Sec. B of the Policies and Procedures. Although ForMor International holds the primary responsibility for enforcement of the Code of Ethics and the Policies and Procedures, occasionally, the sponsor and/or the Upline Diamonds of the Distributor in violation may be called upon to implement and enforce the decisions rendered.