

# OMNILIFE

PEOPLE TAKING CARE OF PEOPLE

## OMNILIFE USA, INC.

Legacy Town Center II, 6900 North Dallas Parkway, Suite 870, Plano, Texas, 75024

Having read and understood the Distributor's Manual, I hereby state my interest in becoming an Independent Distributor of OMNILIFE and SEYTÚ COSMÉTICA in the UNITED STATES OF AMERICA, pursuant to the following agreement:

**INDEPENDENT DISTRIBUTION AGREEMENT ENTERED INTO BY OMNILIFE USA, INC., HERINAFTER REFERRED TO AS "OMNILIFE," AND THE PERSON INTERESTED IN BECOMING AN INDEPENDENT DISTRIBUTOR, HERINAFTER REFERRED TO AS THE "DISTRIBUTOR," WHO WILL JOINTLY BE REFERRED TO AS THE "PARTIES," AND WHO AGREE TO SUBMIT TO THE FOLLOWING STATEMENTS AND CLAUSES:**

### STATEMENTS

I. OMNILIFE declares that:

- a) It is a legally established company that complies with applicable law.
- b) Its purpose, amongst other activities, is to market a number of different products, hereinafter referred to as the "Products."
- c) It has the necessary licenses and permits to carry out its business activity.
- d) Because it a multi-level direct sales company pursuant to the law, it is interested in having the DISTRIBUTOR market its Products in a non-exclusive manner.
- e) Its registered address is **Legacy Town Center II, 6900 North Dallas Parkway, Suite 870, Plano, Texas, 75024.**

II. The DISTRIBUTOR declares that he/she:

- a) Is a salesperson with the necessary resources, experience, and know-how to carry out this activity.
- b) Is interested in becoming an Independent Distributor of OMNILIFE.
- c) Performs his/her commercial activities in an independent, non-subordinate, non-exclusive manner, without prejudice to other activities that he/she may perform at this time and which may continue in the future.
- d) Is registered as a merchant with the relevant authority, to issue the supporting documents.
- e) Has received to his/her satisfaction the Distributor's Manual, which is an integral part of the present agreement, and equally declares to have fully read and understood said document in its entirety, agreeing to abide by its provisions.
- f) Has provided a correct and valid address and contact information in the preceding introduction form, as is the rest of the contact information included therein.

Based on the foregoing, both Parties agree to be bound by the following:

### CLAUSES

**FIRST.**- The DISTRIBUTOR may distribute the Products within the United States and its territories and in those countries in which Omnilife has a presence, provided that the products to be distributed are purchased in the same country in which they will be resold, and that the DISTRIBUTOR has the necessary authorization to do so, in accordance with local law.

In his/her capacity as DISTRIBUTOR, he/she has: I) The right to certain discount levels as a result of the personal purchase volume; II) A profit based on the difference between the discounted price at which the Products are acquired and the resale price at which they are sold; and (III) Earnings based on the purchases made by the distributors sponsored by him/her, and therefore considered for the purposes of this agreement - as part of the DISTRIBUTOR'S distribution network. These benefits are pursuant to the information included in the Distributor's Manual, which represents an annex to this agreement.

**SECOND.**- Due to the multi-level and earnings structure of the business, the DISTRIBUTOR may in accordance with this structure and in any country in which OMNILIFE has a presence buy products, resell them, and sponsor new people who are interested in distributing them, obtaining the earnings that correspond in each case. The payment of said earnings will be channeled through OMNILIFE, to which the DISTRIBUTOR grants free mandate without representation so that the company may deliver the earnings generated by the DISTRIBUTOR and processed by OMNILIFE on his/her behalf. The DISTRIBUTOR will comply with any and all tax obligations that may apply.

**THIRD.**- In the event that the DISTRIBUTOR does not have the necessary tax

registration, records, receipts and/or authorizations demanded by the local tax authorities for the performance of the commercial activities agreed to herein, OMNILIFE will be unable to complete payment of any earnings to which the DISTRIBUTOR has a right until the his/her tax situation is resolved. Nevertheless, OMNILIFE will have the power - at its own discretion - to set up a way to defer payment or channel payment to the DISTRIBUTOR in a different way, after deducting any applicable charges and taxes. It may credit the DISTRIBUTOR'S account with which he/she makes direct purchases, as established in the Distributor's Manual. Payment may also be handled otherwise, as the case may be.

**FOURTH.**- OMNILIFE makes a commitment to sell the DISTRIBUTOR the Products that he or she requires, provided that OMNILIFE has them in stock. The Products will always be delivered to the DISTRIBUTOR in perfect condition and in accordance with applicable sanitary standards and regulations.

**FIFTH.**- The DISTRIBUTOR must pay his or her purchases in full at the moment of placing the order, and may use any of the payment options accepted by OMNILIFE.

**SIXTH.**- The product prices will be set by OMNILIFE according to the price list in effect at the moment the Products are purchased by the DISTRIBUTOR. OMNILIFE may suggest the resale price to the general public of the Products the DISTRIBUTOR purchases to this end.

**SEVENTH.**- The risk regarding the storage and loss of the Products will be assumed by their owner; that is, by OMNILIFE until the company turns them over to the DISTRIBUTOR by virtue of a sale, and by the DISTRIBUTOR from the moment he/she receives them due to a purchase.

**EIGHTH.**- Because the DISTRIBUTOR manages his/her own business and personal and professional resources, the DISTRIBUTOR may employ his/her own sales and distribution strategies; however, OMNILIFE may suggest marketing plans to be used to market the Products.

**NINTH.**- All the expenses generated by the DISTRIBUTOR during the distribution of the Products, such as tax payments, transportation costs, office supplies or any other, will be his/her responsibility.

**TENTH.**- In relation to all the expenses associated with shipping and handling, and as the ongoing advertising and marketing costs related to the Products being sold through OMNILIFE's multi-level distribution system, the PARTIES agree that OMNILIFE may establish certain fees, and that - as is the case with the product prices - they will be the responsibility of the DISTRIBUTOR once they are defined.

**ELEVENTH.**- If the DISTRIBUTOR, in the course of marketing the Products to his/her customers, finds that any of them is interested in distributing them as well, he/she may introduce them to OMNILIFE and they can apply to become distributors and sign the corresponding Distribution Agreement; this action does not entail any payment from OMNILIFE to the DISTRIBUTOR. In the event that they are accepted as new distributors, they will become part of the first DISTRIBUTOR'S distribution network.

**TWELVETH.**- The rights and obligations of the DISTRIBUTOR with respect to this agreement may not be transferred without the express, prior, and written consent of OMNILIFE.

**THIRTEENTH.**- The DISTRIBUTOR will conduct him/herself with honesty and will not engage in misleading or unethical business practices; therefore, it will be the DISTRIBUTOR'S obligation to comply at all times with any and all laws that may be applicable as a result of his/her professional activity.

**FOURTEENTH.**- The Distributor must respect all intellectual property rights and copyrights of the companies in the OMNILIFE GROUP and its subsidiaries. The DISTRIBUTOR may not use the name of any of the companies in the OMNILIFE GROUP, its registered trademarks, or any of its distinctive signs being used in the commercialization of the Products, in any advertising medium, electronic media, business cards, posters, flyers, brochures, vehicles, checks, or letterheads, without the prior written consent of OMNILIFE.

FIFTEENTH.- Under no circumstances may the DISTRIBUTOR present him/herself as an employee, franchisee, representative or agent of OMNILIFE, or of any other OMNILIFE distributor. Accordingly, neither party will have any obligation to the other, as a representative, agent, or otherwise. Therefore, if the DISTRIBUTOR should present him/herself as occupying any of these roles, he/she shall be liable for any damages caused to OMNILIFE or a third party.

SIXTEENTH.- This agreement will have an indefinite duration as long as the provisions established in the Distributor's Manual are adhered to. However, either party will be able to unilaterally terminate this agreement - at any time and for any reason - by giving written notice 30 calendar days in advance, without liability for the party who has requested said termination. Once the corresponding period has transpired, the agreement will be canceled, and neither party shall have any subsequent rights in regards to the other except for the liquidation of outstanding debts.

SEVENTEENTH.- If the DISTRIBUTOR decides to terminate his/hers Distribution Agreement for whatever reason, by the simple act of requesting said termination, OMNILIFE, as your supplier, pledges to buy back the products purchased by you during the 12 months prior to the Agreement termination. The agreed upon buyback amount will be 90 % of the net purchase price of each product.

EIGHTEENTH.- In the event that the DISTRIBUTOR should fail to comply with any of its obligations under this agreement or the Distributor's Manual, OMNILIFE will have the power to terminate the agreement, with said termination taking place automatically once the DISTRIBUTOR receives a written communication affirming this clause, without prejudice to any legal actions OMNILIFE may carry out against the DISTRIBUTOR, who has the right to do the same under equal terms. With the termination of this agreement, neither party shall have any subsequent rights in regards to the other except for the liquidation of outstanding debts.

NINETEENTH.- Pursuant to the type of business, the DISTRIBUTOR agrees that OMNILIFE has the right to modify at any time the Distributor's Manual – which it has made available to the DISTRIBUTOR in electronic as well as written form. These modifications will be made available to the DISTRIBUTOR on the notice boards of the Distribution Centers and on OMNILIFE'S website, which the DISTRIBUTOR knows how to access, and will be published prior to their implementation. In the event the DISTRIBUTOR does not agree with a particular modification, he/she will be entitled to terminate his/her agreement by sending a simple message to OMNILIFE. If there is no statement opposing the changes made by the DISTRIBUTOR during the allotted time, the amendments to the Distributor's Manual will be considered approved and accepted, and will become enforceable.

TWENTIETH.- The DISTRIBUTOR is not obligated to purchase certain Products or do so with any type of frequency, nor is he/she subject to any particular business hours for the distribution of the Products; furthermore, he/she shall not be subject to the authority or instructions of OMNILIFE employees, nor be held accountable by them in the performance of his/her activities, except those activities pursuant to the nature of this agreement.

TWENTY-FIRST.- The DISTRIBUTOR may authorize another person to participate in the distribution of OMNILIFE Products under his/her same agreement; this person, who assumes the role of Co-distributor, will participate directly in the purchase and sale of the Products, as well as in the operation and marketing of the Independent Business. Being appointed Co-distributor implies becoming the beneficiary of all the rights and obligations of the DISTRIBUTOR in the event of his/her death. It also implies that the DISTRIBUTOR shall be responsible for all the actions carried out by his/her designated Co-Distributor, as well as for compliance with the rights arising from the Co-distributorship.

TWENTY-SECOND.- The DISTRIBUTOR agrees to maintain confidentiality of all the economic, financial, accounting, strategic, marketing, customer, and any other information that may be obtained from OMNILIFE pursuant to the present agreement. Likewise, the sales information obtained by the DISTRIBUTOR as a result of the relationship originating from this agreement regarding the company's business, marketing, sales, and promotion practices, are new to the DISTRIBUTOR and have been especially designed by OMNILIFE at a high cost, granting competitive advantages to the company. Because of this, the DISTRIBUTOR must observe the strictest confidentiality; he or she may not use this private information for any other purposes than those described herein, and is responsible for any damages caused to OMNILIFE due to a breach of confidentiality.

TWENTY-THIRD.- In order to ensure that activities performed by the DISTRIBUTOR do not provide unlawful organizations with an opportunity to conceal the proceeds of illegal activities, or use resources destined for illegal organizations or activities, the DISTRIBUTOR shall put into practice the measures required by law, performing each of his/her operations in accordance with the strictest ethical principles and in strict observance of the applicable laws, rules and regulations, especially those related to the prevention of illegal activities or any similar or related activity.

TWENTY-FOURTH.- By entering into the present agreement, the DISTRIBUTOR expressly and freely authorizes OMNILIFE to handle the personal information contained in this document in accordance with OMNILIFE'S Privacy Policy, which has been made available and can be viewed at [www.omnilife.com](http://www.omnilife.com). In addition, the DISTRIBUTOR may exercise his/her right to access, rectify, cancel, or oppose the information, as well as revoke his/her consent to the treatment of said personal information by sending his/her request under the provisions of the Privacy Policy through the email address [privacy@omnilife.com](mailto:privacy@omnilife.com), where it will be suitably addressed in a timely manner.

TWENTY-FIFTH.- The DISTRIBUTOR is aware and agrees to his/her personal information being processed by OMNILIFE in its database, to be used within the context of the business relationship that exists between the PARTIES, as well as for marketing purposes, including offering products and services other than those initially stipulated. Likewise, the DISTRIBUTOR authorizes the company to communicate or transfer this information to other companies within the OMNILIFE GROUP on a national and international level.

TWENTY-SIXTH.- Due to the nature of the business structure and as previously noted, the DISTRIBUTOR may also have access to the information of his/her personally sponsored distributors regarding their contact information, product purchases, and of those distributors' personally sponsored distributors which you authorize by signing this contract; the personally sponsored distributors may also have access to their sponsor's information, product purchases and other personally sponsored distributors. The Distributor agrees to comply with the all applicable laws referring to privacy and data protection; therefore, In the event of a breach on behalf of the DISTRIBUTOR, he or she will assume complete responsibility, freeing OMNILIFE from any liability.

TWENTY-SEVENTH.- Any notification or announcement between the PARTIES shall be made to the address that is registered in OMNILIFE'S system at the time of the notification.

TWENTY-EIGHT.- This agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be settled in Dallas county, Texas by binding arbitration administered by the American Arbitration Association ("AAA") and governed by the AAA Commercial Arbitration rules ("AAA Rules") of the AAA. The judgment upon the award rendered by the arbitrator may be entered for enforcement, if necessary, in any court of competent jurisdiction sitting in Dallas County, Texas. Claims shall be heard by a single arbitrator. The arbitrator shall award all arbitration costs and attorney fees incurred as a result of enforcing the arbitration to the prevailing party, as well as, any obligation created under the agreement, any remedy, or declaratory or injunctive relief that a Texas State Court could order grant. Omnilife will attempt to resolve any claim or controversy in a friendly and informal manner, so that, before such arbitration is established, the disputing party shall give the other party written notice of the nature of the dispute. The parties will have ten (10) business days following actual receipt of the Notice to meet in an attempt to resolve the dispute. If the Parties are unable to resolve the dispute within ten (10) business days, either Party may initiate a binding arbitration proceeding. Both the distributor and Omnilife waive the right to sue in court and agree that any arbitration under this agreement will be on an individual basis, waiving the possibility of filing a class or representative lawsuit. Except as may be required by law, neither the DISTRIBUTOR nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of OMNILIFE.

TWENTY-NINTH.- For matters not provided for in the present agreement, the PARTIES are subject to the Distributor's Manual, which as an annex to this document represents an integral part of the agreement, and secondly to the applicable rules and regulations.

THIRTIETH.- In the event that any of the terms or provisions of this agreement were to be declared null and void by the competent authority, the rest shall remain valid and in effect and the relationship between the PARTIES shall continue pursuant to the terms agreed upon by means of the present document.