



# DYNAMAXX POLICIES AND PROCEDURES

EFFECTIVE APRIL 20, 2010

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## INTRODUCTION

DynaMAXX International LTD (“DynaMAXX”) is a direct selling company that markets its products through independent Associates. It is important to understand that your success and the success of your fellow Associates depend on the integrity of the men and women who market DynaMAXX products and services. The Agreement (as defined below) is made to clearly define the relationship between you and us, between you and your Customers and between you and other Associates. DynaMAXX or its subsidiaries is sometimes referred to as “the Company”, “we”, “us”, and “our”, and the Associate signing the Associate Application and Agreement (the “Associate Agreement”) is sometimes referred to as “you” and “your.”

These Policies and Procedures (sometimes hereinafter referred to as the “Policies” or the “P & Ps”), as currently stated and as amended from time to time, are incorporated into and form an integral part of the Associate Agreement. When the term “Agreement” is used herein, it collectively refers to the DynaMAXX International Associate Agreement, these Policies and Procedures, and the attached addenda (which are incorporated herein by this reference), and the DynaMAXX International Compensation Plan. The addenda may be country-specific and may modify the terms herein. You have the responsibility to read, understand, and adhere to the most current version of these Policies and Procedures. When sponsoring a new Associate, you must ensure that he or she is provided with the opportunity to: (1) review and understand the terms and conditions of the Agreement and (2) read and understand the Policies and Procedures and the Compensation Plan prior to signing the Associate Agreement. All terms not expressly defined in the body of the Policies are defined in Section 9.

## SECTION 1. BECOMING AN INDEPENDENT ASSOCIATE

- 1.1. Requirement to Become an Associate. To become a DynaMAXX International Associate, you must:
  - 1.1.1. If you are an individual, be of the age of legal majority in the jurisdiction in which you reside (usually age 18);
  - 1.1.2. If you are a legal entity, be properly registered and in good standing with your governing jurisdiction with a valid tax identification number (TIN) and certify that under penalty of perjury the TIN information is correct; you are not subject to backup and withholding due to failure to report interest and dividend income; and you are a U.S. citizen
  - 1.1.3. Reside in an Opened Country;
  - 1.1.4. Provide, where allowed by law, evidence of identity in the form and manner as the Company may require; and
  - 1.1.5. Submit a true, accurate and properly completed Associate Agreement to the Company either online or on paper.
- 1.2. Application and Acceptance. By completing the Associate Agreement and



submitting it to us, you are applying to become an independent Associate of DynaMAXX International, LTD with an initial title of Independent Associate. Your application is accepted when your data is entered in our database and you are otherwise in compliance with the Associate Agreement. Upon acceptance, we will establish the Placement Tree and the Personal Enrollment Tree of the Associate Independent Business Center (IBC), and issue you an identifying IBC number.

- 1.2.1. We reserve the right to reject any Associate Agreement. We will not accept inaccurate or false information. Incomplete, inaccurate, or unlawful Associate Agreements are voidable by us.
- 1.2.2. You are responsible for informing us of any changes affecting the accuracy of your Associate Agreement and any subsequent information regarding the account information of your Associate IBC.
- 1.2.3. The Agreement is subject to acceptance by us as stated above before becoming binding with us.
- 1.3. Territory. Acceptance of your Associate Agreement authorizes you to resell products and operate your IBC in the country for which it is specified. If you desire to sell products in another country than we have officially opened, you must provide proof of residence in that country and submit a change of country request to the Compliance Department. If you desire to sponsor in a country we have officially opened, but do not reside there, please see Section 4.12. We do not grant exclusive territories to any Associate.
- 1.4. Associate Benefits. Once your Associate Agreement has been accepted by us, the benefits of the Associate Agreement will be available to you as long as your IBC is in good standing and you are in compliance with the terms of the Agreement. These benefits include the right to:
  - 1.4.1. Sell DynaMAXX products in accordance with the Policies and Procedures;
  - 1.4.2. Participate in the Compensation Plan (receive Bonuses, if eligible);
  - 1.4.3. Sponsor other persons;
  - 1.4.4. Receive periodical DynaMAXX literature and other DynaMAXX communications;
  - 1.4.5. Participate in DynaMAXX-sponsored support, services, training, motivational, and recognition functions (upon payment of appropriate charges, if applicable); and
  - 1.4.6. Participate in promotional and incentive contests and programs



sponsored by DynaMAXX.

- 1.5. No Product Purchase Required. No person is required to purchase our products or sales tools to become an Associate.
- 1.6. Term and Renewal. Subject to the provisions of Section 1.7, the Associate Agreement shall have a term beginning on the date of acceptance by the Company and ending one year from the date thereof (the "Anniversary Date"). Each Associate must renew his or her Agreement annually, and the Company has the right to decline to accept any renewal, in its sole discretion. The annual non-refundable renewal fee is due on the Anniversary Date. An Associate may elect to have his or her Associate Agreement automatically renewed by authorizing the Company to charge his or her credit card for the renewal fee. Should an Associate not renew by the anniversary date, they will be allowed a 30-day grace period to properly complete renewal or their IBC will be terminated. An Associate who fails to renew his or her Agreement may not reapply under a new sponsor for six (6) months after nonrenewal.
- 1.7. Termination. The Agreement between you and us may be terminated as follows:
  - 1.7.1. You may terminate the Agreement at any time, regardless of reason by submitting a notice in writing to the Company submitted by email, fax or postal or overnight delivery. The email notice must be from your email of record and include your name, IBC identification number and address. Written notice must include your signature unless it is submitted online.
  - 1.7.2. We may terminate your Associate Agreement and related IBC if you are in breach of the Agreement. Except as set forth in Section 1.7.3, prior to doing so we will give you notice of the breach in writing either by fax, email or postal or overnight delivery and offer an opportunity for you to cure the situation within the notice period of 10 business days. If the breach is not cured in the given notice period to the satisfaction of DynaMAXX, the termination will be effective at the end of the notice period.
  - 1.7.3. The parties agree that certain breaches are so egregious, or that potential damages for breach are irreparable, that notice and a cure period is an inadequate remedy. For example, the parties agree that there is no notice and cure for selling products on an Internet auction site.
- 1.8. Effects of Nonrenewal or Termination. When your Agreement with us is terminated, for whatever reason, your IBC rights as set forth in the Agreement also terminate including the right to sell products, to access your downline and to receive bonuses or other income resulting from the sales and other activities of your downline. Immediately upon expiration/termination, the Associate



must remove and discontinue the use of the Proprietary Marks (as defined in [Section 2.5](#)) and Confidential Information (as defined in [Section 2.4](#)) of the Company and take all other actions reasonably required by the Company to protect its Confidential Information and Intellectual Property.

- 1.9. **Beneficial Interests.** An individual may have a Beneficial Interest in only one IBC. Your spouse or partner residing with you may have his or her own personal IBC position provided it is in the same line of sponsorship. Only two (2) IBCs may exist with the same address. If there are more than two (2) adults of legal age residing at the same address, the Company may provide written authorization to allow for the additional IBCs on a case by case basis, as determined in its sole discretion. You will have to provide the information required by the Company for it to review prior to allowance of enrollment.
  - 1.9.1. A Business Entity may become an independent Associate. Business Entities must submit a copy of their business registration/formation number within 30 days of registration. If not received in the appropriate timeframe, commission will not be released until said documentation is received and recorded by the Company. In addition, the Business Entity must provide any such other formation or governing documents that may be requested by DynaMAXX from time to time. An individual authorized by the Business Entity must execute the Associate Agreement. The actions of the shareholders, officers, directors, members, managers, trustees and employees must conform to the Policies and are attributable to the Business Entity.
  - 1.9.2. Unincorporated businesses (proprietorships) with unique IRS issued taxpayer identification numbers (not the social security number of the proprietor), where applicable, may become an independent Associate. Proof of the issuance of the taxpayer identification number must be submitted to DynaMAXX.
  - 1.9.3. DynaMAXX, while allowing the above identified Business Entities to be independent Associates, will tie recognition to the primary applicant (signature on Agreement) as the authorized representative of the Business Entity.
- 1.10. **Succession and Incapacity.** If you bequeath your rights in your IBC upon death and such rights are confirmed by a court upon your death, we will recognize the transfer to the successor if the successor provides proof that is acceptable to us and completes and delivers an amended Associate Agreement with such information as is necessary for us and the successor to carry on business. Otherwise we will terminate your Associate Agreement. If you are incapable of operating your IBC due to incapacity, we will recognize your authorized agent to operate the IBC during your incapacity. To do so, your authorized agent must provide proof of your incapacity and proof of his authority that is authentic and



which we can verify to be lawful.

1.11. Effects of Divorce and Business Entity Dissolution. We will not allow an IBC to be partitioned or in any way divided in the event of a divorce or dissolution of the Business Entity.

1.11.1. During the divorce or Business Entity dissolution process, the parties must adopt one of the following methods of operation:

1.11.1.1 The spouses may agree in writing that one spouse is assigned all rights to the IBC, or all the owners of the Business Entity may agree in writing that a particular individual or Business Entity is assigned all rights to the IBC.

1.11.1.2 The parties may continue to operate the IBC on a “business-as-usual” basis, whereupon all compensation paid by us will be paid according to the status quo as it existed prior to the divorce or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above. Under no circumstances, will the IBC of divorcing spouses or a dissolving Business Entity be divided and no commissions and bonuses will be split between divorcing spouses and owners of a dissolving Business Entity.

1.11.1.3 If a former spouse had completely relinquished all rights in the IBC pursuant to a divorce, he or she is thereafter free to enroll under any sponsor without waiting six (6) calendar months as long as it is within the same line of sponsorship. In the case of Business Entity dissolution, those holding an ownership interest in the Business Entity must wait six (6) calendar months from the date of the final dissolution before re-enrolling as an Associate. In either case, however, the former spouse or equity owners shall have no right to any Associates in his, her or its former downline organization or to any former customer and must develop the new business in the same manner as would any other new Associate.

1.12. Changes in Ownership.

1.12.1. Associates may remove a spouse from the IBC provided a properly executed Co-Applicant Release Form is submitted to Compliance.

1.12.2. An Associate who is an individual may transfer his or her interest (and the spouse’s interest, if applicable) to a Business Entity that is 100% held by one or both spouses.

1.12.3. An Associate that is a Business Entity and 100% owned by an individual



and/or his spouse may transfer its interest to the individual and/or spouse.

1.12.4. To accomplish a transfer, the Associate must submit one of the following Transfer forms:

1.12.4.1 If adding a spouse, a completed Co-Applicant Form;

1.12.4.2 If removing a spouse, a completed Co- Applicant Release Form;

1.12.4.3 If transferring to a Business Entity, the documents set forth in Section 1.9 above; and

1.12.4.4 If transferring from a Business Entity to the individual and/or individual and spouse, authorizing resolutions signed by all equity owners and signed by the individual (and spouse, if applicable).

1.13. Changes in Form of Business Entity. An Associate that is a Business Entity and desires to change to another type of Business Entity may do so as long as the equity ownership in the Business Entity does not change. All equity holders of the former Legal Entity must confirm with a notarized or other form of authentication signature that they agree to the change. Also, a new Associate Agreement must be submitted by the new Business Entity. Members of the former Business Entity are jointly and severally liable for any indebtedness or other obligations to DynaMAXX. DynaMAXX will collect a Twenty-Five Dollar (US\$25.00) processing fee for any changes to an IBC. These changes include, but are not limited to, name changes; changes from individual to Business Entity and transfers/sales.

1.14. Sale, Transfer or Assignment of a DynaMAXX International Business. The Company discourages the sale of IBCs and the transfer of partial interests in IBCs, and prohibits the practice of partnering as a subterfuge for transferring interests in an IBC. If an Associate wishes to sell, transfer, or assign (hereinafter in this section “sell” if used as a verb and “sale” if used as a noun) his or her whole or partial interest in a DynaMAXX International IBC the following criteria must be met:

1.14.1. The IBC being sold must be an active IBC for a minimum of six (6) months immediately prior to the time the request for sale is made;

1.14.2. The acquiring Associate may not currently have a Beneficial Interest in an IBC or have had a Beneficial Interest in an IBC within the preceding six (6) months;

1.14.3. The selling Associate may not reapply to become an Associate under another sponsor for a period of not less than six (6) months;





- 1.14.4. The sale is subject to the Right of First Refusal rules set forth in Section 1.15.
- 1.15. Right of First Refusal. All offers for the sale of an IBC are subject to the right of first refusal as described herein. If an Associate receives a Good Faith Offer (as herein defined) to purchase his or her interests in an IBC, the Associate shall first offer to sell such interests to the Company on the same terms and conditions contained in the Good Faith Offer. The Associate shall deliver the Good Faith Offer in writing to the Company, and the Company shall have fifteen (15) business days in which to accept the offer. A "Good Faith Offer" is an arm's length written offer to purchase the IBC by a person that is not currently an Associate, which the Company, in its sole discretion, determines to be a legitimate offer. Evidence of a legitimate offer may include cash or other consideration deposited into an escrow account, evidence of a loan commitment, or other substantial steps taken for the sole purpose of purchasing such IBC. If the Company does not exercise its Right of First Refusal, the Associate may sell the IBC pursuant to the provisions of Section 1.14 and these Policies.
- 1.16. Line of Sponsorship. No changes in line of sponsorship can result from the sale or transfer of a DynaMAXX IBC.
- 1.17. Compliance Department Approval. Upon complete execution of the Transfer Form, the parties must submit copies of the same to DynaMAXX International's Compliance department for review and approval. DynaMAXX may request additional documentation that may be necessary to analyze the transaction between the buyer and seller.
- 1.18. Changes to the Agreement. Because laws and the business environment periodically change, DynaMAXX may find it necessary to amend the Agreement and its prices from time to time. Once the amendments are published, you may elect to accept the amendments or reject them. If you reject them and submit your rejection in writing, your Agreement will be terminated. Amendments shall be effective upon five (5) days prior to all Associates that the Agreement has been modified. Notification of amendments shall be published in one or more of the following: (1) posting on the Company's official web site, (2) electronic mail (e-mail), (3) inclusion with product orders or (4) special mailings. If you continue to sponsor and/or accept bonuses from us, purchase products for consumption or resale as an Associate, or enroll new Associates, such actions shall be deemed acceptance of the amendments.

## SECTION 2. OPERATING YOUR INDEPENDENT BUSINESS CENTER

- 2.1. Code of Ethics. We are a values-based company and pride ourselves on the quality and character of our Associates. The following Code of Ethics helps ensure a uniform standard of excellence throughout our organization. You agree to practice the following ethical behavior when operating your IBC. Each behavior part of the Code of Ethics is material to the Agreement.

- 2.1.1. I will actively work to establish and maintain a Customer base.
- 2.1.2. I will be respectful of every person I meet while operating my independent DynaMAXX IBC.
- 2.1.3. At all times I will conduct myself and my business in an ethical, moral, legal, and financially sound manner.
- 2.1.4. I will not engage in activities that may bring disrepute to DynaMAXX, any DynaMAXX corporate officer or employee, me or other Associates.
- 2.1.5. I will not make disparaging or discouraging claims towards other DynaMAXX Associates. I will ensure that in all DynaMAXX business dealings I will refrain from engaging in negative language and defamatory statements.
- 2.1.6. I will be truthful in my representations of DynaMAXX products and make no claims regarding the health benefits of DynaMAXX products that violate the law.
- 2.1.7. I will provide support and encouragement to my Customers to ensure that their experience with DynaMAXX is a successful one and will clearly state all terms of sale.
- 2.1.8. I will provide follow-up service and support to my downline organization as is reasonably necessary to assist them in building a Customer base and a downline organization.
- 2.1.9. I will correctly represent the Compensation Plan and the income potential represented therein. I understand I may not use my own income as an indication of others' potential success or use compensation earnings as marketing materials.
- 2.1.10. I shall make personal telephone contact with potential applicants and Customers in a reasonable manner and during reasonable hours to avoid intrusiveness.
- 2.1.11. When making sales presentations, I shall discontinue it immediately upon the request of the recipient.
- 2.1.12. I shall take appropriate steps to protect the private information of my Customers and downline.
- 2.1.13. I shall respect the lack of commercial experience of potential applicants and actual Customers and downline.
- 2.1.14. I shall not abuse the trust my Customers and downline place in me, nor shall I exploit their age, illness, lack of understanding or unfamiliarity



with language.

2.1.15. I will not make misleading comparisons of another company's direct selling opportunity, products or services.

2.1.16. I understand that all promotional literature, advertisements and mailings may not contain descriptions or other information that is false, deceptive or misleading. All literature must also contain the address and telephone number of the Company as well as my contact information.

2.1.17. I agree to abide by all of DynaMAXX's Policies and Procedures.

2.2. Independent Contractor Status. You are an independent contractor. You are not an agent, employee, partner, or joint venturer with the Company. You may not represent yourself as anything other than an independent contractor. You have no authority to bind DynaMAXX to any obligations.

2.2.1. As an independent contractor, you are responsible for paying your own self-employment taxes, income taxes and other taxes imposed by law upon an independent contractor and you shall indemnify us from any claims arising from your failure to pay such taxes.

2.2.2. Your work hours, business expenditures and business plans are not dictated by us and you shall make no printed or verbal representations that state or imply otherwise.

2.2.3. The Company is not responsible for payment or co-payment of any employee benefits. Associates are responsible for any liability, health, disability, workers' compensation and other insurance they choose to obtain.

2.2.4. It is your responsibility and you agree to comply with all federal, state and local laws and the Agreement in the operation of your IBC or the acquisition, receipt, holding, selling, distributing, or advertising of our product or opportunity.

2.2.5. You also agree to be fully responsible for all of your verbal and/or written statements made regarding the products, services, and the Compensation Plan which are not expressly contained in Official DynaMAXX International Materials. You must truthfully and fairly describe the Compensation Plan. No past, potential or actual income claims may be made to prospective Associates, nor may you use your own incomes as indications of the success assured to others. Commission checks may not be used as marketing materials. You may not guarantee commissions or estimate expenses to prospects. The





provisions of this section survive the termination of the Agreement.

2.3. Unfair Competition.

2.3.1. Non-solicitation During Agreement. Subject to the provisions of this Section 2.3, you are free to participate in other direct selling, multilevel, or network marketing business ventures or marketing opportunities (collectively "Network Marketing"). However during the term of the Associate Agreement, you shall not directly or indirectly solicit, recruit, or attempt to solicit or recruit other DynaMAXX Associates or Customers to any other Network Marketing business other than those Associates you have personally sponsored. If you participate in another Network Marketing business, you agree that you shall operate your DynaMAXX business entirely separate and apart from it. Accordingly, if participating in another Network Marketing business you agree that:

- 2.3.1.1 You shall not display any non-DynaMAXX network marketing products and sales aids with, or in the same location as DynaMAXX products or sales aids; and
- 2.3.1.2 You shall not offer any non-DynaMAXX program, opportunity, products, or services in conjunction with the DynaMAXX opportunity or products to prospective or existing Customers or Associates.

2.3.2. Non-solicitation after Termination. For a period of twelve (12) calendar months following termination of the Associate Agreement, with the exception of those Associates you personally sponsored, you may not, directly or indirectly, recruit or attempt to solicit or recruit any Associate or Customer for another Network Marketing business. You and we recognize that because Network Marketing is conducted through networks of independent contractors in many countries, and business is commonly conducted via the Internet and telephone, an effort to narrowly limit the geographic scope of the non-solicitation provisions herein, would render it wholly ineffective. Therefore, you and we agree that this non-solicitation provision shall apply to all markets in which DynaMAXX conducts business. This subsection shall survive termination of the Agreement.

2.3.3. No Use of Confidential Information. Notwithstanding any other provisions of this Agreement, during the term and after termination of the Associate Agreement, you may not use our trade secrets and Confidential Information to solicit, recruit, or attempt to solicit or recruit, whether directly or indirectly, other Associates or Customers to any other Network Marketing business.

2.3.4. Sale of Competing Goods or Services. While an Associate, you shall not

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market or sell, or attempt to market or sell any programs, products, or services to DynaMAXX Associates or Customers that compete with our products. Any program, product, or service, or Network Marketing opportunity in the same generic categories as our product is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.

- 2.3.5. Targeting Other Direct Sellers. You agree to refrain from systematically targeting members of another Network Marketing business to be an Associate. If any lawsuit, arbitration, or mediation is brought against you alleging that you engaged in such prohibited activity, you shall indemnify us against all claims, actions, suits, and demands arising from or related to the systematic targeting.
- 2.3.6. Disparagement.
- 2.3.6.1 You shall not demean, discredit, defame or make misleading comparisons with other companies, competitors of DynaMAXX, Associate organizations or systems, or Associates in an attempt to promote our products, or to entice another individual to become part of your marketing organization or to enroll in DynaMAXX.
- 2.3.6.2 You shall not use financial enticements or other incentives to persuade an Associate to change his or her line of sponsorship or business building system.
- 2.3.7. Line Switching, Cross Sponsoring and Enticement. You agree that maintaining the integrity of the line of sponsorship in an Associate organization is fundamental to network marketing. Accordingly, you agree not to engage in line switching, cross-sponsoring, and enticement. "Line switching" means applying for and becoming an Associate: (a) when already an Associate, (b) when holding a Beneficial Interest in another IBC; and/or (c) when less than six (6) months have passed since having been an Associate or having held a Beneficial Interest in another IBC. "Cross sponsoring" means the enrollment of another Associate (including an Associate whose Associate Agreement was terminated within the preceding six (6) months or who has sponsored or has purchased product in the preceding six (6) months to a different line of sponsorship). "Enticement" means soliciting, encouraging, offering benefits, or in any way aiding another Associate to line switch and/or cross-sponsor.
- 2.3.7.1 You shall not use a spouse's or relative's name, trade name, assumed or fictitious names, legal entities, false government issued identification numbers, or fictitious ID numbers to circumvent this policy.



2.3.7.2 Because line switching, cross-sponsoring, and enticement can be so detrimental to us and to the Associates involved, you have an affirmative obligation to notify the Compliance department as soon as is reasonably possible if you know of or have reasonable grounds to suspect another Associate has breached these covenants.

2.3.7.3 Should you or another Associate breach those covenants, we may take any or all of the following actions:

2.3.7.3.1 Terminate the Associate Agreement and related IBC in breach;

2.3.7.3.2 Terminate the Associates Agreement and related IBC created as a result of line switching (the "second in time IBC"); and leave the IBCs enrolled by the second in time IBC in place and not change sponsorship or placement unless extenuating circumstances and fairness compel otherwise. However, we are under no obligation to do so and any move and the ultimate disposition of the organization remains within the sole discretion of DynaMAXX.

2.3.7.3.3 You waive all claims against us that arise from or relate to the disposition of such IBC.

2.3.8. Unethical Activity. You agree to be ethical and professional at all times when operating your DynaMAXX IBC. Accordingly, you agree that you will not, nor will you encourage or in any way condone Associates in your downline to participate in unethical activity. Examples of unethical activities include, but are not limited to the following, some of which are further described in these P & Ps:

2.3.8.1 Making unapproved claims about the product;

2.3.8.2 Making unapproved income claims;

2.3.8.3 Making false statements or misrepresentations of any kind, including but not limited to, untruthful or misleading representations or sales offers relating to the quality, availability, grade, price, terms of payment, refund rights, guarantees, or performance of the products;

2.3.8.4 Making disparaging comments;

2.3.8.5 Promoting product sales in retail chain establishments;



- 2.3.8.6 Use of another Associate's credit card without express written permission;
- 2.3.8.7 Unauthorized use of confidential information;
- 2.3.8.8 Line switching, cross-sponsoring, or enticement;
- 2.3.8.9 Failure to comply with sales and promotional activity requirements;
- 2.3.8.10 Engaging in unauthorized premarket activity;
- 2.3.8.11 Violating the rules for conducting business in a Not for Resale market;
- 2.3.8.12 Personal conduct that discredits the Company and/or its Associates;
- 2.3.8.13 Violating the laws of your jurisdiction that pertain to your IBC;
- 2.3.8.14 Conducting any business activity in a country that is neither an Open Country or Not for Resale or On The Ground market;
- 2.3.8.15 Breaching the Code of Ethics; or
- 2.3.8.16 Breaching the Agreement.

- 2.4. Confidential Information. During the term of the Agreement, the Company may supply to you confidential information (collectively, "Confidential Information"), including, but not limited to Activity Reports, Customer lists and information, Associates lists, trade secrets manufacturer and supplier information, business reports, commission or sales reports and such other financial and business information which the Company may deem as confidential. All such information (whether in written or electronic form) is proprietary and confidential to the Company and is transmitted to you in strictest confidence on a "need to know" basis for use solely in your business with the Company. You must use your best efforts to keep such information confidential and must not disclose any such information to any third party, directly, or indirectly. You must not use the information to compete with the Company or for any purpose other than promoting the Company's program and its products and services. Upon expiration, nonrenewal or termination of the Associate Agreement, you must discontinue the use of such confidential information and promptly return any confidential information in their possession to the Company.



- 2.5. Proprietary Marks and Intellectual Property. The Company's name, trademarks and service marks (the "Proprietary Marks"), copyrighted materials and trade secrets are proprietary to and owned or licensed by the Company or its affiliates. The use of the Proprietary Marks and copyrighted materials by you must be approved in writing by the Company prior to use and must be in strict compliance with these Policies and Procedures. You are not permitted to use the Company's Proprietary Marks in your business name, as a domain name or email address, on or in connection with any social or business networking site or in any other electronic media or transmission without the Company's prior written consent, which can be withheld in its sole discretion. Any right to use the Company's Proprietary Marks and other intellectual property by you is non-exclusive, and that the Company has the right and sole discretion to grant others the right to use such Proprietary Marks and other intellectual property. Any and all goodwill associated with the Proprietary Marks and other intellectual property (including goodwill arising from your use) inures directly and exclusively to the benefit of the Company and is the property of the Company. On expiration or termination of this Agreement, no monetary amount shall be attributable to any goodwill associated with your use of the Proprietary Marks and other intellectual property.
- 2.6. Activity Reports. We desire to protect you, other Associates and the Company from unfair and inappropriate competition. We provide you access and viewing of your personal organization through your DynaMAXX web site Virtual Office. The personal organization and any other Associate list, including but not limited to all Associates, organization lists, names, addresses; email addresses, and telephone numbers contained in the DynaMAXX database, in any form, including but not limited to, hard copies, electronic or digital media (collectively the "Activity Reports") are our confidential and proprietary property. We have derived, compiled, configured, and currently maintain the Activity Reports through the expenditure of considerable time, effort, and monetary resources. Activity Reports, in present and future forms and as amended from time to time, constitute commercially advantageous proprietary assets and trade secrets of the Company, which you shall hold confidential. You and we agree that – but for this agreement of confidentiality and nondisclosure – we would not provide Activity Reports to you. Your right to disclose the Activity Reports and information contained therein is expressly reserved by us and may be defined at our discretion.
- 2.6.1. Purpose. Activity Reports are made available to you for the sole purpose of assisting you in working with your downline organization in the development of your DynaMAXX business. You may use your Activity Reports to assist, motivate, and train your downline organization.
- 2.6.2. Limited Use. Your access to your Activity Reports is password protected. Activity Reports are provided to you in strictest confidence. Such Activity Reports shall not be disclosed by you to any third party or used for purposes other than in the performance of your obligations



under the Agreement and for our benefit without our prior written consent. Any unauthorized use or disclosure of Activity Report constitutes misuse, misappropriation and a violation of the Associate Agreement and may cause irreparable harm to us.

- 2.6.3. No Improper Disclosure. You shall not, on your own behalf, or on behalf of any other person, directly or indirectly, disclose the password or other access to your Activity Report; or recruit or solicit any Associate listed on any Activity Report or in any manner to influence or induce any Associate to alter his or he business relationship with the Company.
- 2.6.4. Breach. In the event you breach any of the covenants of this subsection, we may terminate your Associate Agreement and related IBC and we may seek injunctive relief to prevent irreparable harm to us or any of our Associates. We may also pursue all appropriate remedies under applicable law to protect our rights to Activity Reports; any failure to pursue such remedies will not constitute a waiver of those rights.
- 2.6.5. No Warranty of Information. All information provided to us, including but not limited to personal and group sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors – including, but not limited to the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders, denial of credit card and electronic check payments; returned product, credit card and electronic check chargeback's – the information is not guaranteed by us or any persons creating or transmitting the information. To the extent allowed by law, ALL PERSONAL AND GROUP SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON INFRINGEMENT. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, WE AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO YOU OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND GROUP SALES VOLUMES INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR BONUSES, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF INFORMATION), EVEN IF WE OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE COMPANY DOES NOT WARRANT THAT ITS PRODUCTS OR SERVICES WILL BE COMPATIBLE WITH ANY HARDWARE OR SOFTWARE SYSTEMS OR THAT ONLINE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. THE COMPANY



IS NOT RESPONSIBLE OR LIABLE FOR MAINTAINING ANY ASSOCIATE OR CUSTOMER DATA OR FOR THE DELETION, CORRUPTION, DESTRUCTION, DAMAGE, LOSS OR FAILURE OF ANY ASSOCIATE OR CUSTOMER DATA OR FOR ANY THIRD PARTY ACCESS TO ANY ASSOCIATE OR CUSTOMER DATA.

- 2.7. Identification. Upon enrolling, or at our discretion, you shall, if permitted by law, provide us your government-issued ID number and/or a copy thereof. Upon enrollment, we will provide you a unique IBC identification number. We will use this number to track all of your business with us.
- 2.8. Product Packaging and Liability. Under no circumstances shall you re-label, or in any way alter or repackage the products. Products are to be sold in their original packaging only.
- 2.9. Insurance. DynaMAXX International does not extend coverage under any of its policies to Associates. If you use your personal property (e.g. car or computer) or your home for business use, such property may not be covered for loss or damages and you release us from any claim arising from or related to the operation of your IBC.
- 2.10. Reporting Policy Violations. To assist us in maintaining a level playing field for all Associates and to maintain the integrity and longevity of the Company, you agree to report violations of the Policies and Procedures immediately to our Compliance department, complete with all supporting evidence and pertinent information. Our Compliance department can at times more effectively enforce the Policies and Procedures when disclosing the source of the allegations; however, the Compliance department will use its reasonable efforts to honor all requests for confidentiality.
- 2.11. Corporate Tours. In an effort to insure proper operational efficiency, you may visit DynaMAXX's corporate facility only by appointment made in advance.
- 2.12. Correct Information. We may periodically request that you update your account information, which you agree to do in a reasonable amount of time.
- 2.13. Authorization to Use Name and Likeness. By executing the Agreement, you grant to the Company and its affiliates and agents the absolute, perpetual and worldwide right and license to use, record, publish, reproduce, exhibit, advertise, display and sell in any manner for all purposes, your name, photograph, likeness, voice, testimony, biographical information and image and other information related to your business with the Company (collectively, the "Likeness"), in marketing, promotional advertising and training materials, whether in print, radio or television broadcasts, including cable and satellite transmissions), audio and videotapes on the Internet or in other media materials (the "Publicity Materials") for an unlimited number of times, in perpetuity throughout the universe, without compensation. You waive any right to inspect or approve any Publicity Materials including or accompanying his or her Likeness. You further release the Company from any liability or obligation that



may arise as a result of the use of your Likeness, including without limitation, claims for invasion of privacy, infringement of right of publicity and defamation (including libel and slander). You may withdraw your authorization of any use of your Likeness that has not already been publicized by providing written notice to the Company. You agree that any information given by you including any testimonial is true and accurate.

## SECTION 3. SPONSORSHIP

### 3.1. Sponsoring Associate Responsibilities.

3.1.1. Disclosure. You must provide the most current version of the Policies and Procedures, and Compensation Plan to potential applicants you are sponsoring before the applicant signs an Associate Agreement. Copies of the Policies and Procedures, and the Compensation Plan can be downloaded from your replicated web site.

3.1.2. Assistance. You may assist an applicant in the online enrollment process; however, the applicant must agree to the terms and conditions of the Agreement by clicking to submit the Associate Agreement.

### 3.2. Sponsor/Placement Change. We highly discourage sponsor or placement change. However, we recognize such changes are occasionally beneficial. Accordingly, we permit the following exceptions.

3.2.1. Change of Sponsor. To change your sponsor you must submit a Sponsor Change Request to our Compliance department within three (3) business days from the date of enrollment.

3.2.2. Change of Placement. As a sponsor, you may request a change of placement of an Associate you recently sponsored by submitting to our Compliance department a Change of Placement form within three (3) business days of enrollment. The recently enrolled Associate's placement may be moved only inside your organization and will be placed in the first available open bottom position on the date that the change is made. We will not change the placement if your Associate has earned bonuses or achieved rank.

3.2.3. Other Requests. We reserve the discretion to approve or deny any request for a change of sponsor or placement, which approval may not be unreasonably withheld.

### 3.3. Reapplication. If you are not in breach of the Agreement, you may change your sponsorship by voluntarily terminating your Associate Agreement. Following the six (6) month period of termination, you may reapply under a new sponsor. If your Associate Agreement was terminated by us for breach, you must wait eighteen (18) months to reapply.



## SECTION 4. PROMOTING THE PRODUCT AND OPPORTUNITY

Because many aspects of the DynaMAXX opportunity and the products are regulated, compliance with advertising law is important for the longevity of your business and ours. We make every effort to comply with advertising law and expect the same from you. This section describes product and opportunity claims that you may make, and the limitations. It also explains the type and methods of advertising you may use in building your DynaMAXX business.

### 4.1. Claims, Sales and Promotional Activity.

4.1.1. Product Claims. You may only make claims about the product that are in the Official DynaMAXX International Materials of the country for which it is approved. You shall not make claims about the products that are not in the Official DynaMAXX International Materials provided for Associate use. You make no representations that Company's products diagnose, cure, treat, kill or prevent any disease or illness.

4.1.2. Opportunity Claims. See Addendum A.

4.2. Advertising and Promotional Materials. Only the promotional and advertising materials produced by the Company or approved in advance in writing by the Company may be used to advertise or promote the Company's business or to sell products and services of the Company, whether written, recorded or online. The Company owns all copyrights in all promotional and advertising materials produced by the Company. The Company's literature and materials may not be duplicated or reprinted without the prior written permission of the Company.

4.3. Limitations on Offering. You shall not offer the DynaMAXX opportunity through or in combination with any other compensation plan or placement program, other than as specifically set forth in Official DynaMAXX International Materials. Further, you shall not require or encourage other current or prospective Associates to participate in DynaMAXX in any manner that varies from the programs set forth in Official DynaMAXX International Materials. Regardless of your rank, you shall not require or encourage other current or prospective Associates to execute any agreement, contract, or membership, other than those offered by the Company, in order to become a DynaMAXX Associate. Similarly, you shall not require or encourage other current or prospective Associates to make any purchase from, or payment to any individual or other entity to participate in the Compensation Plan other than those purchases or payments identified as recommended or required in the Official DynaMAXX International Materials.

### 4.4. Internet Advertising.

4.4.1. Associate Web Sites. If you desire to utilize an Internet web page to promote your DynaMAXX business, you may do so *only* through the DynaMAXX official web site, or through the Associate's approved



DynaMAXX replicating web site. You may not use personal or third-party web sites to promote your DynaMAXX business or any Proprietary Marks or other intellectual property of DynaMAXX. No reference to the above is allowed through third-party names or fictitious names to circumvent the policy.

- 4.4.2. Blogs, Chat Rooms, Social Networks, Online Auctions and other Online Forums. Except as otherwise indicated herein, you agree to not use any other web site, including but not limited to online blogs, chat rooms, social networks, online auction sites, video web sites, or any other online forum to market, sell, advertise, promote, or discuss DynaMAXX's products or services or the DynaMAXX opportunity, except to redirect others to your approved DynaMAXX replicated web site. You agree that this provision is material to the Agreement and if you breach it by advertising our products through an online auction, we may terminate the Associate Agreement without notice.
- 4.4.2.1 DynaMAXX Associates are permitted to use Social Networking sites, including without limitation: FaceBook, Twitter, MySpace, blog sites or any future developed social networking sites for promotion of their personal DynaMAXX Associate business. While using these types of Social Networking sites to promote the Dynamaxx products and opportunity, Associates must also abide by the following guidelines, in addition to the standard DynaMAXX Policies and Procedures. 1. The individual / Associates responsible for setting up the Fan Page, Page, Group or any other social Networking site is responsible for all content and posting on these sites and it is their responsibility to monitor and regulate these sites to ensure compliance with the current DynaMAXX Policies and Procedures so long as said social networking site is active. 2. Associates must register their Social Networking sites with the Compliance Department by sending an email to [compliance@dynamaxx.com](mailto:compliance@dynamaxx.com) providing the name of the Fan Page, Page, Group or any other Social Networking Site. 3. Associates must add DynaMAXX Compliance Department @ <http://www.facebook.com/profile.php?id=100003208227391> as an additional viewer to access to their Social Networking sites at the Company's discretion, in order that the DynaMAXX Compliance Department may review all site content to assure compliance.
- 4.4.3. Names and Email Addresses. You may not use or attempt to register or sell any of DynaMAXX's Proprietary Marks or any derivative thereof, for any Internet domain name or email address (e.g. [myDynaMAXXinternational.com](http://myDynaMAXXinternational.com), [yournameDynaMAXXinternational.com](mailto:yournameDynaMAXXinternational.com), [get \(name of DynaMAXX product\)@gmail.com](mailto:get(nameofDynaMAXXproduct@gmail.com)), etc.). As an Associate, you may not use any of the above, or any derivative or confusingly similar variation of its Proprietary Marks, in a manner that it is likely to cause confusion, mistakes or deception as to the source of the product or services advertised.



- 4.4.4. Internet Services or Forums. You may not use DynaMAXX Proprietary Marks or any derivative thereof (e.g. Dynamax, dynamicmax, dynamicallymax, etc) for an Internet search engine or “pay per click” service. You may not post DynaMAXX International or any derivative or confusingly similar variation thereof of any Internet forum, discussion group, news group or online auction. In addition you may not use the Proprietary Marks for domain or sub-domain names, web site text, meta-tag list, telephone number, or any other address.
- 4.4.5. Assignment. You agree to immediately reassign to DynaMAXX any registration of the Proprietary Marks or Internet domain names registered to reserve in violation of this policy. The provisions of this section survive the termination of the Associate Agreement. Failure to promptly reassign any registration will result in suspension, termination and possible legal proceedings against the Associate.
- 4.4.6. Electronic Advertising. You may not sell, market or promote the Company’s business, marketing plan, products or services on EBay, Facebook, MySpace, Craig’s List or any other business or social networking Internet site. You shall not make offers or solicitations in the guise of research, surveys or informal communication, when the real intent is to sell products or services or sponsor Associates. If you share personal information collected online, you must provide individual consumers with an opportunity to prohibit the dissemination of such information, and if any consumer requests that his or her personal information not be shared, you shall refrain from sharing such information. You shall provide individual consumers the option to terminate any further communication between you and the consumer and if any consumer requests that you cease communication, you shall immediately stop communicating upon such request. You must abide by all laws and regulations regarding electronic communications.
- 4.5. Other Sales Media. DynaMAXX products may not be sold or promoted through catalogs or other mass sales mediums such as magazines, infomercials, television, radio, or other related sales media, unless approved by the Company.
- 4.6. Retail Establishments. You may not sell or promote products through retail chain establishments. A retail establishment is any fixed location where the primary business is to sell products to the public and a retail chain is defined as a collection of retail establishments numbering more than five (5) locations with similar names or any common ownership. You may, however, sell products and sales tools through service establishments (spa, fitness centers, beauty salons, etc.). These service establishments must require a membership and/or appointment, and the service performed must be health and wellness or beauty/appearance related. Advertising in a service establishment is limited to Official DynaMAXX International Materials, which may be displayed only in the private membership and/or appointment area of the establishment.



- 4.7. Trade Shows, Expositions and other Sales Forums. DynaMAXX provides a Trade Show Request Form in the Virtual Office. Associates may display and/or sell ONLY DynaMAXX products at trade shows and professional expositions, with prior written approval from the Compliance department. Requests are approved on a first-submitted, first-served basis, and a maximum of one representation per event is allowed. Only one event per Associate is allowed at a time. At the completion of each event, an additional request may be made. DynaMAXX further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of the products or opportunity. Approval will not be given for swap meets, garage sales, flea markets, or farmer's markets as these events are not conducive to the professional image DynaMAXX wishes to portray.
- 4.8. Generic Business Advertisements. If you advertise in a newspaper or other advertising medium the following rules apply:
- 4.8.1. No advertisement may imply that a job, position, salary, or any type of employment is allowed.
- 4.8.2. No advertisement may promote, represent, or imply salaried positions, management positions, hourly wages, full or part-time employment, or guaranteed incomes. The DynaMAXX International opportunity is not employment, and may not be presented as such. Terms such as "manager trainee", "management position available", "travel provided", "call for interview," "position available," "now hiring," and other misleading statements are not allowed.
- 4.8.3. No specific income can be promised or implied and any reference to compensation must use the word "bonuses" to indicate the independent contractor status of Associates.
- 4.8.4. Advertisements may not contain references to DynaMAXX International or our products or the Proprietary Marks (i.e., no product mention, no use of DynaMAXX logo or product design or no health claims).
- 4.8.5. You may not use any of DynaMAXX's Proprietary Marks in any advertising.
- 4.9. Email Communication. DynaMAXX does not permit Associates to send unsolicited emails unless such emails strictly comply with applicable laws. Please use the Addendum for country-specified rules.
- 4.9.1. Requirements. Any email sent by you may not use any Proprietary Marks or other Intellectual Property rights of DynaMAXX. Spamming or the distribution of unsolicited emails to a person with whom you have had no prior or existing personal or business relationship, or the sending of chain letters or junk mail is not allowed. You must comply with all laws, rules and regulations regarding electronic



communications including, without limitation, the federal CAN SPAM Act.

4.9.1.1 We may periodically send commercial emails on behalf of Associates. By entering into the Agreement you agree that we may send such emails and that your physical and email addresses will be included in such emails as outlined above. You shall honor opt-out requests generated as a result of such emails sent by the Company.

4.9.2. No Unsolicited Fax and Phone Advertising. Except as provided in this section, you may not use or transmit unsolicited faxes or use automatic telephone dialing systems relative to the operation of your DynaMAXX business. You must comply with all federal, state and local laws governing the telephone solicitations and/or transmittal of faxes.

4.10. Telephone Use. You may not answer the telephone by saying “DynaMAXX International” or “DynaMAXX” or by any other manner that would lead the caller to believe that he or she had reached DynaMAXX’s corporate offices. You may only represent that you are a DynaMAXX International Independent Associate.

4.11. Correspondence. An Associate may only represent that he or she is a DynaMAXX International Independent Associate. All correspondence and approved business cards relating to or in connection with an Associate’s DynaMAXX business shall contain the Associate’s name followed by the term “Independent Associate”.

4.12. Media and Media Inquiries. You must not engage in any interaction with the media or attempt to respond to media inquiries regarding DynaMAXX, its products or services, or your independent DynaMAXX business. All inquiries by any type of media must be immediately referred to DynaMAXX’s Communications department. Additionally, you may not draft, publish, post on the Internet or otherwise disperse verbal or written DynaMAXX-related press release of statements to the media. This policy is designed to ensure that accurate and consistent information is provided to the public and to maintain the desired public image. You understand that DynaMAXX does not allow any audio and/or video recordings of any meetings whether conducted by corporate staff or Independent Associates without prior written approval from DynaMAXX. You may not record any audio and/or video of employees, Company representatives, speakers, Company functions, meetings, trainings, etc.

4.13. International Marketing. We own the worldwide distribution rights to the DynaMAXX products and opportunity. We may elect to open certain countries from time to time and will grant you limited rights to sponsor in those countries. You shall not sponsor outside of our Opened Countries. Also, you shall not distribute products in any country other than your home country of enrollment. Additionally, because of important business, legal, and tax considerations, you



shall not resell products to Customers and Associates outside of your home country of enrollment. Also, to preserve our rights, you may never secure or attempt to secure approval for our products or business practices; register or reserve the Company's Proprietary Marks or other intellectual property, or Internet domain names, or establish any kind of business or governmental contract on behalf of the Company.

4.13.1. Business Models. We operate under one of two (2) models in those countries in which we have chosen to do business:

4.13.1.1 On the Ground (OTG). This is a fully operational business model. Products are properly labeled and legalized for resale in the country. Product is purchased in local currency and bonuses are paid in local currency. Marketing material specific to the country is available for Associates residing in that country.

4.13.1.2 Not for Resale (NFR). This is a business model of limited activity. Residents of an approved NFR market may enroll to purchase product for personal consumption only. They may not sell, distribute, or gift the product in any way to persons outside their household. They purchase product from our U.S. or designated office and may receive bonuses in U.S. currency where allowable by law. They may furthermore sponsor and enroll other residents of an Opened Country, including both NFR and OTG countries.

4.13.2. Qualifications. To sponsor outside your home country of enrollment, your IBC must be in good standing: you must request, read, and comply with the Policies and Procedures and such other guides as we may have available for the Opened Country.

4.13.3. Sponsoring in an Opened Country. Your compliance with this section protects us, you, and our collective ability to conduct business in selected countries. Violation of these policies may result in governmental regulatory action, which may include severe fines, confiscating of property, closure of business operations, or even imprisonment.

Accordingly:

4.13.3.1 You shall not engage in blind prospecting without our prior written approval. Many countries have strict privacy laws that forbid blind solicitations. Also, many local laws forbid advertising for leads.

4.13.3.2 You may not advertise for leads without prior written consent of our designated officer or employee.



- 4.13.3.3 You shall not import any product into a market for which that product is not officially approved in writing by the Company. Products are labeled and sometimes formulated for specific countries.
- 4.13.3.4 You shall not distribute our sales tools not approved for the country in which it is intended. Promotional statements from one country's literature may not be appropriate or legal in another country.
- 4.13.3.5 You do not have the right to sell product in an Opened Country that is not your home country of enrollment. That right is reserved to Associates residing and enrolled in an Opened Country. To avoid adverse tax consequences and restitution requirements, you should refer product sales to your downline residing in the Opened Country.
- 4.13.3.6 You may not send any unauthorized products to another country. Products to be sold in an Opened Country must be obtained directly from that country's Company office or warehouse.
- 4.13.3.7 You may not seek or participate in media coverage of any kind without prior written approval from us.
- 4.13.3.8 You may not misrepresent products or the DynaMAXX opportunity in any country.
- 4.13.3.9 You may not make claims or guarantees of specific earnings potential. You may not make unlawful health claims about our products.
- 4.13.3.10 You must comply with the Policies and Procedures of both the country in which you enrolled and any country in which you desire to sponsor an Associate.
- 4.13.3.11 You must understand and comply with the laws of the Opened Country.
- 4.13.4. Pre-Market Activity in a Country Announced for OTG Operations. You may not engage in any business activity in an unopened country unless we authorize such activity in writing. Such written announcement will specify the limited business activities permissible in an unopened market, including the date when pre-market activity may commence and the scope of the pre-market activity. Non-compliance with covenants of this subsection or the limitations set forth in written announcements may result in termination of the Associate Agreement.
- 4.13.5. Sponsoring in a Not for Resale Country. Should the Company



implement an NFR program, we may permit persons to import products for personal consumption only. Accordingly, while these Policies and Procedures are inapplicable to sponsored persons residing in an NFR market, you agree to and shall not sell, offer to sell, distribute, import, or gift products in an NFR market, nor shall you encourage, aid or abet a person to do the same without expressed approval from DynaMAXX. Meetings must be limited to explaining the DynaMAXX opportunity and sponsoring pursuant to specific written guidelines for each NFR market.

4.13.6. Earnings. There may be specific withholding requirements in your home country; when required, we will deduct such withholdings from your earnings and remit them to the appropriate government agency.

4.13.7. Indemnification. You are fully responsible for statements you make which are not expressly contained in our Official DynaMAXX International Materials. You agree to indemnify DynaMAXX and its directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by DynaMAXX International as a result of your unauthorized representations or actions. This provision shall survive the termination of the Agreement.

4.14. Limitation of Product Warranties. ASSOCIATES MAY MAKE NO CLAIM, REPRESENTATION OR WARRANTY CONCERNING ANY PRODUCT OR SERVICE OF THE COMPANY, EXCEPT THOSE EXPRESSLY APPROVED IN WRITING BY THE COMPANY OR CONTAINED IN OFFICIAL DYNAMAXX INTERNATIONAL MATERIALS. EXCEPT AS EXPRESSLY STATED HEREIN, THE COMPANY MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WORKMANSHIP OR ANY OTHER WARRANTY ARISING BY LAW, STATUTE, USAGE OF TRADE OR COURSE OF DEALING CONCERNING ANY PRODUCT OR SERVICE PURCHASED FROM OR THROUGH THE COMPANY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL SUCH PRODUCTS AND SERVICES ARE PROVIDED "AS IS," "WITH ALL FAULTS," AND "AS AVAILABLE."

## SECTION 5. RETAIL SALES AND ORDERING

5.1. Selling to End Consumers. The DynaMAXX opportunity is built on selling products to end consumers. Your primary opportunity as an Associate is to develop and maintain Customers. We also allow you to purchase products that you may use as a sales tool and that you and your family may consume. You agree to not purchase more product than what you can consume or resell to your Customers in a reasonable period of time.

5.2. Participation in the Compensation Plan. You must fulfill the following sales requirements to be eligible for participation in the Compensation Plan:

5.2.1. Each order you place must comply with the Seventy Percent rule as set



forth in Section 6.1.

- 5.2.2. It is understood that many individuals may choose to enroll as an Associate simply for the purpose of purchasing the DynaMAXX products at the lowest possible wholesale price purely for their personal consumption. The Company will view those individuals as wholesale Customers.
- 5.2.3. When making a sale directly to a Customer you must provide him or her with an official DynaMAXX sales receipt at or prior to the time of the initial sale and at every sale thereafter. These receipts may set forth any consumer rights afforded by law for retail sales. You must also verbally inform the Customer of his or her cancellation rights, as set forth on the official sales receipt.
- 5.2.4. When making the sale, you must complete the information required on the sales receipt, including the items ordered, the transaction amount and the Customer's name, address and telephone number.
- 5.2.5. You should keep copies of all retail sales receipts and other documentation with respect to your business. You are required to pay any applicable taxes if required by law. We will maintain documentation for orders placed online directly to the Company for your Customers.
- 5.2.6. As an Associate of DynaMAXX, you shall offer to each Customer a 100%, 30-day money-back guarantee for all product sales. You are required to honor the terms of the Customer satisfaction guarantee and the cancellation and refund policies stated on the retail customer receipt, which is set forth in Addendum B.

## SECTION 6. ORDERING

- 6.1. The Seventy Percent Rule. You shall personally sell, consume, or use in business building at least 70% of the product from every order placed with the Company prior to placing another order. You agree to validate to such uses if required by the Company or by any regulatory agency. No bonuses are paid to any Associate unless it is based on the sale of DynaMAXX products to end users.
- 6.2. Buying Rank Prohibited. Purchasing product for the purpose of achieving rank is prohibited. We retain the right to limit the amount of purchases you may make if we reasonably believe those purchases are being made solely for rank instead of for resale or business building. We may revoke a rank advancement if it was earned in violation of this policy.
- 6.3. Restricted Ordering Practices. You shall not order product through any IBC other than one in which you have Beneficial Interest unless you have prior written permission to do so from the Associate and us (which can be withheld in our



sole discretion); this written permission must be on file with us. If you violate the provisions of this section, we may restrict or deduct volume and bonuses paid to you and to all Associates who earned such bonuses. The deduction of volume and bonuses will occur in the month in which the related sales occur, and shall continue every commission period thereafter until all volume and bonuses are recovered from you and the Associates who received compensation from such sales.

6.4. Return of Product and Sales Aids. See Addendum B.

6.4.1 Montana Associates. Associates residing in Montana have the right to cancel the Agreement within fifteen days of execution and receive a refund of any monies paid to become an Associate.

6.5. Product Abandonment. An order transaction is considered complete only when the order has been paid for and delivery method has been satisfied. If these conditions are not met within ninety (90) days from the date of order, we reserve the right to determine the final outcome of the order and you release us from any further obligation or liability.

6.6. Restrictions on Third Party Use of Credit Cards and Checking Account Access. You may not facilitate any DynaMAXX purchase using a credit card or payment method other than your own.

6.7. Sales/Transaction Taxes. See Addendum A.

6.8. AutoShip. AutoShip is our automatic ordering program. While enrollment is optional, AutoShip ensures that you have (1) an adequate inventory with which to service your Customers, (2) adequate product for demonstration and sampling purposes; and (3) if desired, and adequate inventory for personal use. The AutoShip program eliminates the inconvenience of placing monthly orders manually.

6.8.1. Cycle. AutoShip orders run on a twenty-eight (28) day cycle. Your order will not be processed on the same day every month, but rather every twenty-eight (28) days.

6.8.2. AutoShip Status. You can modify, deactivate, or reactivate your AutoShip profile at any time. However, any modification or cancellation must be made at least three (3) business days prior to the established AutoShip date.

## SECTION 7. BONUSES

7.1. Bonus Qualifications. As an Associate, you are entitled to receive Bonuses from us pursuant to the then current Compensation Plan if you are in compliance with the terms of the Associate Agreement.



- 7.2. No Earnings Guarantee. You are neither guaranteed a specific income nor assured any level of profit or success. Your profit and success can come only through the successful retail sale, use, and consumption of our products and the retail sales, use and consumption of our products by other Associates in your downline.
- 7.3. Adjustments to Bonuses. When a product is returned to us for a refund, the Bonus attributable to the returned product(s) will be deducted from the commission period in which the refund is given, and continuing every pay period thereafter until the bonus is recovered from the Associates who received bonuses on the sales of the refunded products.\_
- 7.4. Errors or Questions. If you have questions about or believe any errors have been made regarding bonuses, personal organization, or charges, you must notify the Company within sixty (60) days of the date of shipment or incident in question. We will not be responsible for any errors, omissions, or problems not reported to the Company.
- 7.5. Minimum Check Amount: Commissions will be paid to the Associate in a minimum distribution amount of \$25. Commissions earned that are under the \$25 distribution amount will accumulate within the system till distribution amount is met.

## SECTION 8. BREACH OF CONTRACT AND REMEDIES

- 8.1. Remedies for Breach. In the event of a breach or failure to perform your obligations under the Associate Agreement, we have numerous remedies, including, but not limited to, recovery of any and all monies paid pursuant to the Associate Agreement and termination of the Associate Agreement. Nothing herein shall prevent us from seeking other available remedies.
- 8.2. Grievance and Complaints. When you have a grievance or complaint with another Associate regarding any practice or conduct in relationship to his or her IBC, you should try to resolve it with the other Associate. If the matter involves interpretation or violation of the Agreement by that Associate, you must report it in writing either through email, fax or postal delivery to the Compliance department, which will review the facts and attempt to resolve the matter.
- 8.3. Mediation. If you have a dispute with the Company, prior to instituting arbitration, you and we agree to meet in good faith and attempt to resolve such dispute arising from or relating to the Agreement through non-binding mediation. An individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its own attorney fees, costs, and individual expenses associated with conducting and attending the mediation.



- 8.4. Arbitration. If mediation is unsuccessful, except as set forth herein, any controversy or claim arising out of or relating to the Associate Agreement and/or your business shall be settled by arbitration.
- 8.4.1. Governing Law, Venue and Arbitration. The State of Texas is the place of origin of the Agreement and venue where the Company accepted the offer of an applicant to become an Associate. The Agreement is governed by and to be construed in accordance with the laws of the State of Texas without reference to the conflict of laws principles thereof, and the arbitration provisions herein are governed by the Commercial Arbitration Rules of the American Arbitration Association (the "Rules"), except as such requirements may be specifically varied and modified by the terms set forth herein. You submit to the arbitral jurisdiction set forth herein and, with respect to any matters not determined by or subject to arbitration, to the personal jurisdiction of the state and federal courts within Arlington, Texas.
- 8.4.2. Mandatory Arbitration. Except as set forth herein, any controversy or claim arising between the Company and you, including any controversy or claim arising out of or relating to the Agreement or the breach thereof shall be resolved by mandatory, binding arbitration in Arlington, Texas, in the United States of America, to be conducted in the English language. The arbitration shall be initiated by service of written demand for arbitration on the responding party. You hereby consent to service of such demand by mail to the address for you on file with the Company and waive all rights and defenses as to insufficiency of service of process as may be applicable under the laws of the United States or any other country.
- 8.4.3. Arbitrator. There shall be one (1) arbitrator, who shall be impartial, independent, and mutually agreed upon by both parties to the arbitration within thirty (30) days following receipt of the written demand for arbitration. If the parties do not reach agreement on a single arbitrator within such period, the parties shall obtain an arbitrator pursuant to the Rules.
- 8.4.4. Process and Power. The arbitration shall be conducted in accordance with these Policies and the Rules. The arbitration and all proceedings associated therein are private proceedings and not subject to any public right of access. The arbitrator shall have the authority to enter appropriate protective orders to preserve the confidentiality of the proceedings and information exchanged in discovery. The arbitrator shall have the authority, power, and jurisdiction to grant both legal and equitable relief, including temporary, preliminary, and permanent injunctive relief. The arbitrator shall also have authority to determine whether any particular issue is subject to arbitration under the Agreement. The decision of the arbitrator shall be final and binding on the parties and may, if need be, be reduced to a judgment in any



court of competent jurisdiction. At the request of any party, the arbitrator shall make and provide to the parties written findings of fact and conclusions of law. This agreement to arbitration shall survive any termination or expiration of the Agreement.

- 8.4.5. Costs. The parties shall equally share the assessed costs associated with the arbitration, including all arbitrator fees, providing however, that the prevailing party in any appeal to the Appeals Panel shall be entitled to recover its share of the costs of such appeal from the non-prevailing party. The parties shall each bear their own attorney fees in connection with the arbitration and any appeal, irrespective of which party prevails and any demand or request for such fees.
- 8.4.6. Actions Not Subject to Arbitration. Notwithstanding the foregoing, the arbitrator shall have no jurisdiction over disputes relating to the ownership, validity, use or registration of any Proprietary Marks or other intellectual property or Confidential Information of the Company without the Company's prior written consent. The Company may seek any applicable remedy in any applicable forum with respect to these disputes.
- 8.4.7. Limitation on Arbitration. Nothing contained herein shall be deemed to give the arbitrator any authority, power or right to alter, change, amend, modify, add to, or to subtract from any of the provisions of the Policies and Procedures, Compensation Plan or the Associate Agreement. Any modification of this arbitration section shall not apply retroactively to any dispute which arose or which the Company had notice of before the date of modification.
- 8.5. Other Remedies. Nothing in these Policies and Procedures shall prevent us from terminating the Associate Agreement or applying to and obtaining from any court having jurisdiction a writ attachment, a temporary injunction, preliminary injunction, permanent injunction, or other relief available to safeguard and protect our interest prior to, during or following the filing of any arbitration or other proceedings or pending the rendition of a decision or award in connection with any arbitration or other legal proceedings.
- 8.6. Non-Waiver Provisions. No failure of DynaMAXX to exercise any power under these Policies and Procedures or to insist on strict compliance by an Associate 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 DynaMAXX's right to demand exact compliance with these Policies and Procedures. Waiver by DynaMAXX can be affected only in writing by an authorized officer of DynaMAXX. DynaMAXX's waiver of any particular default by an Associate shall not affect or impair DynaMAXX's right with respect to any subsequent default, nor shall it affect in any way the right or obligation of any other Associate, nor shall any delay or omission by DynaMAXX to exercise any right arising from default affect or impair DynaMAXX's right as to that or any subsequent default.

- 8.7. **No Liability.** The Company is not responsible for interrupted, inaccessible or unavailable networks, servers, satellites, Internet service providers, web sites, or other connections; or for miscommunications, failed, jumbled, scrambled, delayed, or misdirected computer, telephone or cable transmissions; or for any technician malfunctions, failures or difficulties. TO THE EXTENT PERMITTED BY LAW, THE COMPANY SHALL NOT BE LIABLE FOR AND EACH ASSOCIATE RELEASES THE COMPANY FROM, AND WAIVES ALL CLAIMS FOR ANY LOSS OF PROFITS, INDIRECT, DIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OR ANY OTHER LOSS INCURRED OR SUFFERED BY AN ASSOCIATE AS A RESULT OF (A) THE BREACH BY AN ASSOCIATE OF THE ASSOCIATE AGREEMENT AND/OR THE TERMS AND CONDITIONS OF THE POLICIES AND PROCEDURES; (B) THE OPERATION OF THE ASSOCIATE'S BUSINESS; (C) ANY INCORRECT OR WRONG DATA OR INFORMATION PROVIDED BY THE ASSOCIATE; OR (D) THE FAILURE TO PROVIDE ANY INFORMATION OR DATA NECESSARY FOR THE COMPANY TO OPERATE ITS BUSINESS, INCLUDING, WITHOUT LIMITATION, THE ENROLLMENT AND ACCEPTANCE OF AN ASSOCIATE INTO THE COMPENSATION PLAN OR THE PAYMENT OF COMMISSIONS AND BONUSES.
- 8.8. **Force Majeure.** The Company shall not be responsible for delays or failure in performance caused by circumstances beyond a party's control, such as acts of terrorism, natural disasters, strikes, labor difficulties, fire, war, acts or omissions of third parties, disruptions in communication systems, government decrees or orders or curtailment of a party's usual source of supply.

## SECTION 9. DEFINITIONS

- 9.1. **ASSOCIATE.** An independent contractor whose Associate Agreement has been accepted by DynaMAXX.
- 9.2. **AUTOSHIP.** A program in which we automatically ship products to you.
- 9.3. **BENEFICIAL INTEREST.** The equity or other ownership or profits interest in an IBC.
- 9.4. **BONUSES.** Monies earned by you, as determined by the Personal Sales Volume of products retailed or purchased by you and the Group Volume of your downline, as set forth by the Compensation Plan.
- 9.5. **BUSINESS ENTITY.** A corporation, partnership, limited liability company, trust or



other legal entity.

- 9.6. COMPENSATION PLAN. The method by which you generate bonuses and are compensated for retail sales and sales volume within your downline. The Compensation Plan is described in the Company's literature.
- 9.7. CUSTOMER. Retail end consumers of the product.
- 9.8. GROUP VOLUME (GV). The total point value of products sold through the Associate's IBCs in your downline Dual Team Placement Tree.
- 9.9. IBC. Independent Business Center (IBC) and the collective rights arising from the Agreement granted to you through your IBC to purchase, sell, distribute, and promote the DynaMAXX products and DynaMAXX income opportunity.
- 9.10. OFFICIAL DYNAMAXX INTERNATIONAL MATERIAL. Literature, audio or video tapes, and other materials developed, printed, published and distributed by DynaMAXX to Associates.
- 9.11. OPENED COUNTRY. A country that DynaMAXX has officially opened for business using an OTG or NFR model.
- 9.12. PERSONAL ENROLLMENT TREE. Your downline organization of Associates you personally sponsored and those Associates that they personally sponsor.

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- 9.13. PERSONAL SALES VOLUME (PSV). The point value of products you personally purchase or your customers purchase.
- 9.14. PERSONALLY ENROLLED ACTIVITY REPORT (PEAR). A report generated by DynaMAXX that provides information relating to the identities of Associates, sales information, and sponsoring activity of Associates in your Personal Enrollment Tree. This report contains confidential and trade secret information which is proprietary to the Company.
- 9.15. PLACEMENT. Your position inside your sponsor's Placement Tree.
- 9.16. PLACEMENT TREE. The structure of your downline sales organization.
- 9.17. RESALABLE. Product shall be deemed "resalable" if each of the following elements is satisfied: (1) they are unopened and unused, (2) original packaging and labeling has not been altered or damaged, (3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price, and (4) the product contains current DynaMAXX labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as seasonal item, shall not be resalable.
- 9.18. SALES TOOLS. Any audio or visual device used to promote the DynaMAXX products and/or opportunity. It may be printed, electronic; a logo used on clothing, decals, or in any other form.
- 9.19. SPONSOR. An Associate who introduces an applicant to the Company and is listed as the sponsor on the Associate Agreement.
- 9.20. VOLUME or COMMISSIONABLE VOLUME (CV). The point value assigned to product sold for purposes of calculating bonuses under the Compensation Plan.

## ADDENDUM A. UNITED STATES

- A.1. ADVERTISED PRICE. Associates may not advertise any DynaMAXX products at a price less than the highest company-published, established retail price of one (1) unit or one (1) case of the DynaMAXX product plus shipping and applicable taxes. No special enticement advertising is permitted. This includes but is not limited to offers of free membership, free shipping, or other such offers that grant advantage beyond those available through the Company.
- A.2. SALES PROMOTION AND SPONSOR TRAINING. Regardless of an Associate's level of achievement, he or she has an ongoing obligation to continue to personally promote sales through the generation of new Customers and through servicing existing Customers. Associates are also responsible to motivate and train his or her new downline in product knowledge, effective sales techniques, the Compensation Plan, and compliance with these Policies and Procedures.



Additionally, Associates must provide bona fide assistance and training to Associates he or she sponsors to ensure that downline Associates are properly operating their DynaMAXX businesses.

- A.3. **OPPORTUNITY CLAIMS.** The terms that an Associate uses when discussing the DynaMAXX program are critical. Improper use of terms or the use of improper terms can create a situation that is in violation of regulatory standards when in fact the proper discussion of the program reflects the full and complete compliance with all standards. It is the responsibility of all Associates to fully understand these differences to avoid suspension or termination for false representation or operation of their IBC. The following examples are intended to highlight the most common situations.
- A.3.a. **Business Opportunity Specific Claims.** Associates may not use the term “business opportunity.” Instead they may use the term “income opportunity”, “Associate opportunity,” “financial opportunity,” or “home-based opportunity” to properly describe the DynaMAXX opportunity. When discussing the DynaMAXX opportunity, Associates must mention that the purchase of tools is optional. The word “fee” should never be used to describe DynaMAXX products – regardless of how they are obtained. The only “fee” is for the registration and enrollment as an Associate which is non-commissionable and includes the receipt of a fully replicated web site and business management Virtual Office for an entire year. There is no fee for products, but rather a purchase price properly set to reflect the true wholesale and retail value of the product.
- A.3.b. **AutoShip.** Position AutoShip as a great way to ensure that you never run out of product to service customers, to share with prospects, and to personally consume. Do not position the AutoShip as a way to remain active or qualify for compensation. Example: “Neither a product order nor participation in the AutoShip program are required to become an Associate, activate, or remain active. Both are optional.” Associates must indicate that AutoShip is optional for becoming an Associate and for earning compensation.
- A.3.c. **Purchasing Requirements.** Associates may not impose personal purchase requirements. They may not require a new Associate to purchase a minimum amount of product. Associates may say that an Associate must generate a certain amount of personal sales volume to qualify for earnings under the DynaMAXX Compensation Plan. Personal Sales Volume is clearly defined in the Compensation Plan as the purchase volume of both the Associate and his or her customers.



A.3.d. Income Claims. No income claims may be made. It is important to avoid financially specific words such as “millions”. They may use terms such as “income-creating”, rather than “wealth-creating”. Associates may not use the term “passive income” but rather “residual income”. Return is dependent upon effort and you do not know what level of effort another will expend and therefore cannot project result.

A.3.e. Compensation Plan.

A.3.e.1. When describing how PSV is acquired, it should be indicated that Associate product purchases if made, though not required, should be only for personal consumption or resale to others. Terms such as “generated” are preferred. Words such as “Build teams that duplicate by helping your personally-sponsored Associates build their businesses, and you will earn a Bonus,” are preferred.

A.3.e.2. Regarding Rank Advancement, either is acceptable:

A.3.e.2.a. To qualify for the following rank one must be active with (25 CV or 50 CV) or more of personally generated points during the qualifying week.

A.3.e.2.b. Be active with (25 CV or 50 CV) or more personally generated points during the qualifying period.

A.3.e.2.c. Avoid words such as “investment” or “to invest”. It is acceptable to speak about investing time or effort – but not money. There is not a registered security involved and therefore there is no “investment” of money. There is only the “enrollment” of the IBC and the “purchase or sale” of products.

A.4. TAXES.

A.4.a. The Company will collect and remit sales tax based on the suggested retail price of products purchased by Associates unless otherwise required by law. The sales tax is based upon the tax rate in the jurisdiction in which the product is shipped. For retail sales, if Associates submit to DynaMAXX a current Sales Tax Exemption Certificate (STEC) from his or her resident state, the Company will not charge or collect sales tax on orders shipped to that state unless prohibited by law. Associates will be responsible for tracking and reporting all sales and sales taxes due for retail sales. Sales tax on orders placed before DynaMAXX receives the STEC will not be reimbursed. If Associates provide a STEC, they agree to indemnify and hold DynaMAXX harmless from any liability that DynaMAXX incurs as a result of the Associates failure to collect or remit sales



taxes. If a DynaMAXX Associate business is tax exempt, the Federal tax identification number must be provided to DynaMAXX.

- A.4.b. Every year, DynaMAXX International will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each non-corporate U.S. resident who: (1) had earnings over \$600 in the previous calendar year or (2) made purchases during the previous calendar year in excess of \$5,000.

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- A.5. GOVERNMENTAL APPROVAL OR ENDORSEMENT. Neither government agencies nor their officials approve or endorse any network marketing companies or products. Therefore, Associates shall not represent or imply that DynaMAXX, its products, or its Compensation Plan have been approved, endorsed, or otherwise sanctioned by any government agency or official.
- A.6. BREACH OF CONTRACT ADDITIONAL PROVISIONS. DynaMAXX may take the following actions against you, the Associate, and/or your IBC if you breach the Agreement:
- A.6.a. We may issue a written warning or admonition.
  - A.6.b. We may require immediate corrective measures.
  - A.6.c. We may suspend payment of all or part of your Compensation Plan earnings during the period that we investigate your conduct.
  - A.6.d. We may suspend your right to operate your IBC for one or more pay periods.
  - A.6.e. We may involuntarily terminate your Associate Agreement.
  - A.6.f. We may institute legal proceedings for monetary and/or equitable relief.
  - A.6.g. We may transfer or reassign some or all of your downline organization to another Associate's downline organization.
  - A.6.h. We may take any other measures expressly allowed within any provision of the Agreement or which we deem practicable to implement and appropriate to resolve damages caused partially or exclusively by your policy violation or contractual breach.

## **ADDENDUM B. RETURN POLICY AND CANCELLATION NOTICE**

- B.1. RETURN OF PRODUCT UPON TERMINATION. If you voluntarily terminate the Associate Agreement, you may return Currently Marketable products in your inventory for a refund. You may only return products that you personally purchased from DynaMAXX for resale (purchases from third parties are not subject to refund). "Currently Marketable" means that the products are returned within twelve (12) months of purchase and are in resalable condition; however, products shall not be Currently Marketable if returned for repurchase after the product's commercially reasonable usable or shelf life period has passed; nor shall products be considered Currently Marketable if we clearly disclose to you prior to purchase that the products are seasonal, discontinued, or special promotion products and are not subject to the repurchase obligations. You must request an RMA number in order to return inventory and that RMA number must clearly be visible on the exterior of any package



sent to DynaMAXX for reimbursement calculations. Upon receipt of Currently Marketable products, we will reimburse you 90% of the net cost of the last purchase price(s) and 30% of all other orders returned in accordance to the Seventy Percent Rule (details listed in Section 6.1) or as otherwise required by law. Shipping and handling charges incurred by you when the products were purchased will not be refunded. Enrollment fee is non-refundable.

- B.2. **REFUND OF PRODUCT – NO TERMINATION.** If you are not 100% satisfied without products, you may return them for a refund if neither you nor we have terminated the Associate Agreement and the products were purchased within thirty (30) days and are in resalable condition. The refund shall be at 90% of the last purchase price shipping and handling charges incurred by you when the products were purchased will not be refunded. If more than one order is returned within a six (6) month period the company may consider this an act of voluntary termination and terminate your associate agreement.
- B.3. **REFUSED PRODUCT.** If you order products and then refuse delivery, your order will be subject to the restocking fee and other procedures for return therein, and we may charge you for the return shipping costs. If more than one order is refused within a six (6) month period the Company may consider this an act of voluntary termination and terminate your Associate Agreement.
- B.4. **REFUND PROCEDURES.** To receive a refund, you must comply with the following:
- B.4.a. Obtain a Return Merchandise Authorization (RMA) number by contacting our customer service department. This RMA number must be written on the exterior of each carton returned. RMAs are valid for thirty (30) days from the date of issue.
- B.4.b. Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement. All returns must be shipped to DynaMAXX pre-paid. DynaMAXX does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be borne by you. If returned product is not received by the Company's distribution center, it is your responsibility to trace the shipment.
- B.4.c. If you are sending product that was returned to you by your Customer, the product must be received by us within ten (10) days from the date on which your Customer returned the product to you and it must be accompanied by a copy of the sales receipt you gave to the Customer at the time of sale.
- B.5. **REFUND TO CUSTOMERS.** If you resell product directly to your Customer, you must provide the Customer a full refund of all monies paid if the Customer

