

# Vemma Affiliate Agreement

## Terms and Conditions

(Effective March 28, 2014)

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# Vemma Affiliate Agreement

## 1. Why do we ask you to agree to Vemma's Terms and Conditions?

Welcome to Vemma. We provide the products, the opportunity and the tools, you provide the hard work. Your success depends on your own efforts; however, we will be here to help you every step of the way. We want you to succeed. This Agreement (sometimes referred to as the Terms and Conditions) contains the terms and conditions that are part of your toolkit. This provides you the information you need to operate your business properly. They answer questions like:

- How do I join Vemma?
- Can I purchase products?
- How do I earn commissions?
- How do I introduce people to Vemma products?
- How do I advertise my business?
- What other "stuff" do I need to know?

## 2. These don't look like typical terms and conditions; do I need to get the real terms?

No. Even though they are in question and answer format, these are the Terms and Conditions that apply to you and your Vemma affiliate business. If more explanation is needed, we include Endnotes so you can read further details. The Endnotes are also part of the Vemma Terms and Conditions.

## 3. Where can I get more information about Vemma?

Vemma wants you to understand the business before you get involved, so we provide you with a Disclosure Statement, which is incorporated in these Terms and Conditions and are posted on Vemma's website. When you decide to join you click on "I Agree" or you sign a hard copy application stating that you have read and understood the Disclosure Statement.

## 4. How do I become a Vemma Affiliate?

You can become an Affiliate by enrolling a Customer/Affiliate or purchasing an Affiliate Pack and accepting the Affiliate agreement in the following ways.

- Online at the Vemma-hosted website of the person who introduced you to the business or the Vemma corporate website;
- By calling our Customer Service department at 1-800-577-0777 (you will need to sign the Agreement either online or by sending in a signed hard copy);
- By faxing your signed Agreement to our fax at 1-888-314-9827;
- By mailing your signed Agreement to our office at 1621 West Rio Salado Parkway, Tempe, AZ 85281; or
- By visiting the Vemma Home Office and signing the Agreement in person.

## 5. Do I need to buy Vemma products to become an Affiliate?

No, you do not need to purchase products to become an Affiliate. By personally enrolling a Customer/Affiliate you can upgrade to Affiliate status without the purchase of any products.

## 6. Do I have to give you my tax identification number?

You will only have to give us your tax identification number

(and other required forms) if your income during the year is higher than the amount set by your country's tax authorities (for example, in the US this amount is \$600). We need this because we must report this income to the tax authorities and may need to issue you a tax form. If you do not give us your tax identification number or any other required documents, your account is incomplete and you will not be eligible to earn commissions or bonuses until all requested information is provided to Vemma. If your account is incomplete for more than six months it will be terminated.

## 7. When do I become a Vemma Affiliate?

You become an Affiliate once you have either personally enrolled a Customer/Affiliate or purchased an Affiliate Pack and have accepted the Affiliate agreement. We will send you an e-mail to tell you have been accepted. If we don't send an e-mail to you within five business days, your application has been rejected.

## 8. Do I pay anything to become an Affiliate?

No, you pay nothing to become a Vemma Affiliate.

## 9. Can I be a Vemma Affiliate using a corporation?

Yes. You need to fill out and sign the Operating Under a Business Name form and mail it to the Compliance Department or e-mail it to [compliance@vemmagroup.com](mailto:compliance@vemmagroup.com). We have included a copy of this form in Appendix "A". You will need to send us your corporation's tax identification number. We need this since we must report this income to the tax authorities and may need to issue a tax form.

## 10. Can I become a Vemma Affiliate if I am younger than 18?

No. You must be 18 years of age or older to be a Vemma Affiliate. In some jurisdictions you must be 19 years of age or older to join.<sup>1</sup>

## 11. Can my spouse become a Vemma Affiliate too?

Yes, you and your spouse can join either as a single Affiliate or you each can become a separate Affiliate. If you and your spouse choose to be separate Affiliates, the affiliate businesses must (1) be in the same sales organization; and (2) you each must have the same enroller or one spouse must enroll the other.

## 12. May I change where I am placed in the sales organization?

You may change your placement only in exceptional circumstances (e.g. clerical error). You can change your placement if:

- The change request is made within 5 days of signing up;
- Vemma agrees with the change; and
- The \$50 processing fee is paid.

## 13. May I change my enroller?

Your enroller may be changed if:

- The change request is made by the current enroller;
- The request is made within 10 days of the entry date with the current enroller; and
- The \$50 processing fee is paid.

## 14. What are the benefits of being a Vemma Affiliate?

Active Affiliates in good standing can:

- Use your free Vemma Affiliate website and Vemma

Smart Phone App to advertise for customers and your Back Office to manage your business<sup>2</sup>

- Retail Vemma products for a profit
- Earn commissions, bonuses, and awards
- Introduce others to your sales organization
- Get product liability insurance (insurance in case someone claims the product injured them<sup>3</sup>)

## 15. Can I have more than one Vemma Affiliate business?

Generally, no, you can only have one Affiliate business; however there are a few exceptions if:

- You were an original founding Affiliate in Vemma
- Your New Vision business was "grandfathered" on January 1, 2011
- You acquire another Affiliate business through succession<sup>4</sup>
- You are the spouse of an Affiliate

## 16. Am I an employee of Vemma?

No. You are not an employee or a distributor of Vemma, you are an independent contractor. This means that you:

- Cannot enter into contracts in Vemma's name
- Pay your own income taxes and social security tax and are not considered an employee for the purposes of the Federal Insurance Contribution Act or federal or state tax.
- Set your own hours
- Supply your own equipment
- Decide how to sell Vemma products as long as you abide by these Terms and Conditions and applicable laws.

## 17. Can I sell or give away my Vemma Affiliate business?

Yes. If approved by Vemma, you can sell your Vemma Affiliate business if you are being paid as an Executive.<sup>5</sup> See the Sale of Affiliate Business Term Sheet attached in Appendix "B" for details of the sale requirements.

## 18. How do I cancel my Vemma Affiliate business?

You can cancel your Affiliate business at any time. This can be done in writing, by telephone, or e-mail sent to Vemma Customer Service. You will not be paid any commissions or bonuses for the volume period in which you cancel your Affiliate business.

## 19. Can I re-apply to Vemma after I cancel?

If you cancel your Affiliate business, you can re-apply at any time under the Affiliate who introduced you to Vemma. If you want to re-apply under someone else, you must wait 52 weeks. When you re-apply you will be placed at the bottom of the Affiliate organization.

## 20. Can Vemma cancel my Affiliate business?

Vemma may suspend or terminate your Affiliate business, or take other disciplinary action if you violate these Terms and Conditions; violate the law, or have no activity on your account for 24 consecutive weeks.

## 21. What happens if I am disciplined, suspended or terminated by Vemma?

- You will be notified in writing of the disciplinary action, suspension or termination.

- You will have an opportunity to appeal the disciplinary action, suspension or termination, in writing.
- We will review your appeal and take action depending on the violation.
- If you are suspended or terminated, you must stop all Affiliate activities. This includes activities by your family members who are in the Vemma business with you or living in your household.
- If you are suspended or terminated, your commission payments will stop, starting with the volume period in which the suspension or termination occurred.
- If you were paid anything after the date of suspension or termination, we can ask for this money back.
- You cannot re-apply to be an Affiliate if you are terminated, unless approved by Vemma.

## 22. May I purchase Vemma products?

Yes. You can order on Vemma.com, 24 hours a day, 7 days a week. You can also order by telephone. Orders are placed in the volume week at the time we receive them. The volume week runs from 12:00 AM (AZ time in North America) on Friday to 11:59 PM on Thursday.

## 23. Can someone else pay for my Vemma order?

Yes, but we will not accept payments from non-Affiliates.

## 24. What happens if payment for my Vemma products is returned unpaid?

If your check or bank draft payment is returned as unpaid by your bank, you will be charged \$15. If we receive a charge back on your credit card purchase, your account will be terminated if the charge back is not resolved. If a payment is rejected or otherwise unpaid by your financial institution, we may put you on payment restrictions.

## 25. Do I pay sales tax on my Vemma order?

Yes. Vemma charges tax on taxable products and pays the taxes to the appropriate taxing authorities. Some people may be eligible to use a tax exempt certificate. Contact Customer Service if you have a tax exemption certificate.

## 26. Do I need to have an inventory of Vemma product?

No. Since Vemma ships products directly to your customers, there is no need to have an inventory of products. You may want to keep a few products on hand if you provide samples to potential customers.

## 27. Should I keep Vemma product inventory on hand other than for samples?

You must not buy product inventories to qualify for commissions and bonuses ("Inventory Loading") or encourage others to do this. This practice is strictly prohibited by Vemma. In an effort to stop Inventory Loading, we call on random orders to verify that the products have been sold or consumed. Placing a new order is your certification that 70% of the products previously purchased have been sold to or consumed by end consumers. Vemma relies on this certification in paying your commissions and bonuses, and will recover commissions and bonuses paid to your upline based upon purchases considered to be Inventory Loading. We will not issue a refund for products certified as consumed by end consumers.

## 28. Can I order large quantities of Vemma products?

You can purchase some Vemma products in 40-Packs (Bulk Packs) if you meet certain criteria.<sup>6</sup> For more

information on the 40-Packs, contact Customer Service at info@vemma.com.

## 29. Can I pick up my Vemma order?

Yes, but only if your country office allows product pickup. If your will call order is not picked up within 2 weeks, we will ship the product and charge your credit card on file for standard shipping.

## 30. Can my customers and I set up a Vemma order that we get every month?

Yes. If you wish, you and your customer can design your own product order that will come to you every month. A verification e-mail is sent when the automatic monthly order is first set up. Payment will be automatically charged to a credit card on the date chosen. We may process an order a few days in advance of the chosen date due to holidays or corporate events.

## 31. How do I or my customers change or cancel an automatic monthly order from Vemma?

You can change or cancel your automatic monthly order online in your Back Office or by calling Customer Service. Your customer should call Customer Service to cancel his or her automatic monthly order. The monthly orders must be cancelled at least 3 days before the billing date. If the request is received after that date, it may not be processed in time to make the change or cancel the order for the current month.

## 32. Can my customers and I return Vemma product for a refund?

Yes. If you or your customers are not completely satisfied with the Vemma products, they can return the product, or any unused portion, to Vemma within 30 days of the purchase. You will not be reimbursed for shipping fees. If your customers return the product to you, you need to provide them with the refund and send the returned product to Vemma for replacement, refund, or credit to your account. You will need to contact Customer Service to obtain a Return Merchandise Authorization Number before shipping the returned product. The returned product must be shipped pre-paid. Keep in mind that the Vemma return policy was created to allow customers to try Vemma products. So if they get a case of product, they can try up to 3 cans or one bottle and return the empty cans or bottles and the rest of the unused case for a refund. They cannot drink the entire case and then decide to return all the empty cans or bottles.

## 33. Can I return Vemma products for a refund?

Yes. If you purchased products for personal consumption you enjoy the same return policy as your customers.

## 34. Where do we send the return Vemma products?

You send the returned product to the Vemma Returns Centers listed in the Endnotes.<sup>7</sup>

## 35. What happens to the commissions and bonuses earned on returned Vemma products?

All commissions, bonuses, advancements or awards earned upon the sale of the returned products will be reversed.

## 36. Can I return Vemma products if I cancel my Affiliate business?

Yes. If you cancel your Affiliate business, you can return marketable product that you purchased within 1 year of your cancellation for a 100% refund, less shipping and handling. Products are not marketable if they are unusable (shelf life has passed or product is opened or

damaged), or they were sold as seasonal, discontinued, or special promotion products. You must follow the same procedure for other returns, including calling Customer Service for a Return Merchandise Authorization Number before shipping the returned products.

## 37. How do I earn commissions from Vemma?

You earn commissions on purchases by the customers you introduce to Vemma. You can participate in Vemma's Compensation Plan, and you can also retail products for a profit as discussed below. The Compensation Plan is part of these Terms and Conditions and you agree to operate your business according to the terms of the Compensation Plan. For more details on the Plan, please see Endnotes.<sup>8</sup>

## 38. Do I have to purchase products to earn commissions?

No. As long as your Personal Volume ("PV") point requirement has been met you do not have to purchase products. Your QV point requirement can be met by your Customer's volume.

## 39. Do I need to be on auto-delivery to earn commissions?

No. There are a few special bonus programs that require you to be on auto-delivery, but these programs are optional.<sup>9</sup>

## 40. What are the requirements to earn commissions and bonuses?

To earn commission and bonuses you must:

- Be Qualified, which means you have at least 120 PV points. (Each product has volume attached to it)<sup>10</sup>; and
- Have 2 Active Customers or Affiliates, one on the Left Team and one on the Right Team in your sales organization. Active means they have at least 60 QV every month.

## 41. How long do I stay Active in the Compensation Plan?

You are active as long as you have you have 60 PV every month.

## 42. How are my Vemma earnings calculated?

The Compensation Plan pays out 50% of your Commissionable Volume ("CV"). Qualifying Volume and CV are equal in the Vemma Compensation plan. You can get details on the Compensation Plan found in the Endnotes.<sup>8</sup>

## 43. What happens if I do not cash my Vemma check?

If you do not cash your check within 90 days of the date we issued it, the earnings become null and void.

## 44. Can I retail Vemma products?

Yes. You can retail products. If you do, you must give your customer a Retail Receipt. A copy of the Retail Receipt form can be found in Appendix "C".

## 45. Where can I retail Vemma products?

You can retail Vemma products in:

- Tradeshows and expositions (no flea markets, swap meets, or garage sales);
- Private clubs in areas not in view of the public; and
- Professional offices that operate by appointment, such as doctors, dentists, chiropractors.

You cannot retail Vemma products in:

- Business / Retail outlet or office;

- Online, such as eBay and other online auction sites, Craigslist, Internet store fronts, other than your Affiliate site; and

- Home shopping networks such as HSN or QVC

#### **46. Can my customers purchase directly from Vemma?**

Yes. Your customers can sign up to purchase directly from Vemma. If your customer later chooses to become an Affiliate, they must keep the same Sponsor and Enroller.

#### **47. How do I introduce people to Vemma?**

As a Customer or an Affiliate in good standing, you can introduce someone to Vemma through your free marketing website, the Vemma smart phone app, or in person. They can join your sales organization online or by calling Customer Service.

#### **48. Who trains the people I introduce to Vemma?**

Vemma provides you with tools, information, and events to help you advertise and get customers, but you are responsible for training new Affiliates. This does not mean you are left on your own. Your upline leaders will help with the training, and Vemma provides training events to which you and your team will have access, if you wish. It is important to communicate regularly with your Affiliates, which should include telephone calls, e-mail, and attending meetings with them. You also need to be available to answer their questions, and to monitor their activities to ensure that they are operating by the rules.

#### **49. How do I advertise my Vemma business?**

Vemma provides you with advertising materials that are pre-approved. This includes printed materials, audio / video recordings, website content, banners, buttons, and blogs, etc. Your first choice should be to use these materials. If you want to create your own advertising or promotional materials, they must be approved by Vemma's Compliance department before using them.

#### **50. Can I advertise my Vemma business on social media?**

Yes, but the content must be pre-approved by Vemma's Compliance department.<sup>11</sup>

#### **51. Are there special rules for using social media for my Vemma business?**

Yes. We want everyone to be aware that you are a Vemma Affiliate and that you operate your business ethically and honestly, so you must comply with these social media guidelines:

- Use your own name on your Social Media Account. We do not want people thinking you are a Vemma employee;
- Do not list yourself as an employee of Vemma on your Social Media Account;
- Do not be offensive by using discriminatory, insulting, or offensive comments or materials;
- Do not post private information about others; and
- Do not use copyrighted music, images, videos, and other materials without permission.

#### **52. How do I use the Internet to advertise my Vemma business?**

Vemma provides you with an Affiliate website, Vemma smart phone Apps, and buttons, banners and online content, to advertise your business. If you want to advertise on the Internet other than on your Vemma website or the Vemma App, including display ads, all materials must be pre-approved content. This means

that you can only sell Vemma products online using the Vemma website, Vemma App, and other online tools we provide to you or approved by us.

#### **53. Can I create my own smart phone "app" for my Vemma business?**

Vemma provides smart phone apps to be used in your business. You can't create or promote any other type of app for use in a Vemma business.

#### **54. Can I create my own audio or video recordings to advertise my Vemma business?**

Only in rare circumstances will we approve the creation of audio or video recordings by Affiliates. You can't record speeches, conference calls, or other presentations by Vemma speakers, endorsers, corporate officers or employees.

#### **55. Can I use audio and video recordings produced by Vemma?**

Yes. If you are using YouTube, you must link to our site only as Vemma will often add and refresh videos to give you the most up-to-date information relating to our business.

#### **56. Can I use telemarketing to sell products or promote my Vemma business?**

No. You can't use telemarketing for your Vemma business, including automatic calling devices.<sup>12</sup>

#### **57. Can I list my Vemma business in the White Pages or Yellow Pages?**

Yes, but you must identify yourself or your business in the listing as a "Vemma Affiliate" or "Independent Vemma Affiliate." You must identify yourself or your business as an independent Affiliate whenever you operate your business.

#### **58. Can I use Vemma's Speakers or Celebrity Endorsers to sell products or promote my business?**

No. You cannot use the name, voice, photo, video, or description in any way or in any form, of any Vemma speaker or celebrity endorser to sell products or promote your business.

#### **59. I would like to contact the media about Vemma, can I do that?**

No. You can't contact the media about Vemma. If you are contacted by the media about Vemma, you must contact us at [media@vemmagroup.com](mailto:media@vemmagroup.com). You can't respond to media requests. This must be done by Vemma corporate.

#### **60. What claims can I make about Vemma products?**

We provide you with the claims that can be made about the Vemma products. No other claims can be made by you. Further, you can't claim that Vemma products can be used in the treatment, prevention, diagnosis, or cure of any disease. For example, you cannot claim that drinking Vemma will help treat diabetes, heart disease, cancer, or any other disease.

#### **61. Can I tell someone how much money I make in Vemma?**

Yes, but you must tell them to look at the Vemma Disclosure Statement.<sup>13</sup> These statistics provide information about earnings, including what a typical Affiliate earns. You must also tell them that there are no guarantees and their success depends on their own effort, hard work, and leadership skills. Showing someone your check, or the new car you got from your Vemma income, or telling them that you were able to quit

your job is the same as telling them how much money you make. Some US states will not allow you to make any income claims.<sup>14</sup>

#### **62. Can I use Vemma's trademarks in advertising my business or selling products?**

We give you limited permission to use certain trademarks, logos, product names and copyrighted material in relation to your Vemma business. You do not get any ownership rights in these trademarks, logos, product names or materials. You can't use our trademarks, trade names, service marks, logos, color schemes, or product names in a domain name or social media URL unless we authorize this in writing. This also does not change the fact that you may only use Vemma marketing materials provided by or approved by Vemma. If your Affiliate business is cancelled, you lose the limited permission to use our trademarks, logos, product names and copyrighted material.

#### **63. What laws apply to my Vemma business?**

There are various laws and regulations that apply to your business. You are responsible for knowing about and complying with these laws and regulations. If you violate a law or regulation in the operation of your business your Vemma membership may be terminated.

#### **64. Can I use the list of the Vemma Affiliates in my sales organization for other businesses?**

No. Your sales organization information is a trade secret of Vemma and confidential. You can only use this confidential information of Vemma to manage your Vemma business and you must not disclose this information. You must abide by the terms of the Confidentiality and Restrictive Covenant Agreement set out in the Endnotes.<sup>15</sup>

#### **65. Will Vemma send e-mail messages and text messages to me about my Vemma business?**

Yes. By agreeing to these Terms and Conditions, you consent to Vemma sending commercial electronic messages, including, e-mail and text messages related to your Vemma business. You can withdraw your consent at any time, but keep in mind that certain e-mails are required as part of your Vemma business.

#### **66. How does Vemma protect my privacy?**

You authorize Vemma to collect and use your personal information on the understanding that Vemma takes every step possible to protect the privacy of your personal information. Vemma may use your personal information for such things as billing issues, customer service, network management, promotions, and other uses to help you operate your business. For more details see the online Privacy Policy at [Vemma.com](http://Vemma.com). You can revoke your authorization for us to collect and use your personal information, but this may affect your ability to run your business.

#### **67. Can Vemma change these Terms and Conditions?**

Yes. Because the business environment changes from time to time, Vemma has the right to make changes to these Terms and Conditions. If you decide to continue to be an Affiliate after changes to the Terms and Conditions, you agree to these changes.

#### **68. How will I be notified of changes in the Vemma Terms and Conditions?**

We will post changes to the Terms and Conditions on [Vemma.com](http://Vemma.com), which means that you will need to check the website regularly. Vemma may send e-mails and

put notices in your Back Office for important changes. Changes to the Dispute Resolution Policy will not apply to a dispute we know about on the date of the change to the Dispute Policy. If we decide to terminate the Dispute Resolution Policy, this termination will not be effective until 10 days after notice on Vemma.com.

#### 69. Will Vemma make exceptions to these Terms and Conditions?

There may be times when we will want to make an exception to the Terms and Conditions, but that does not mean we lose the right to require you to comply with the Terms and Conditions in the future. Whether to make an exception is solely the decision of Vemma, and any exception must be in writing and signed by an officer of Vemma.

#### 70. How do I know that other Vemma Affiliates will be ethical when running their business?

Vemma is a family-oriented company, which means we expect Affiliates to run their business honestly, ethically, and with integrity. Every person who is accepted by Vemma as an Affiliate confirms they have not been convicted of a felony, charged with a crime against morality, or violated a court order. If an Affiliate's conduct reflects negatively on Vemma or is a danger to other Affiliates or Customers, we must be told of this immediately.

#### 71. I heard an Affiliate saying bad things about Vemma, what should I do?

You should report this immediately to Vemma. All Affiliates agree that they will not disparage Vemma, other Affiliates, Vemma products, services, Compensation Plan or Vemma employees or officers. "Disparage" means making statements, whether true or false that:

- hurt the reputation of Vemma, Vemma Affiliates, or Vemma employees or officers;
- discredit Vemma products, services, or Compensation Plan; or
- present Vemma, Vemma Affiliates, and Vemma employees, products, services or Compensation Plan in a negative light.

Also, if an Affiliate does something illegal, is guilty of disparagement, is discourteous, deceptive, misleading, unethical, or immoral, not only does the Affiliate violate these Terms and Conditions, but they will also have to pay us for any loss or damage that Vemma might suffer. We can deduct the loss and expenses, including legal fees, arising out of such conduct from the Affiliate's commissions and bonuses.

#### 72. What happens if I violate the Vemma rules?

If you violate the Vemma Terms and Conditions, you may be contacted by the Compliance department for an explanation. We will try to resolve the problem informally with you either on the phone or in writing, but if that does not work, you or Vemma can ask to have a mediator help us work out the problem. If either of us chooses not to mediate or the mediation fails, then we will submit the matter to an arbitrator, not the courts. This means that there will not be a trial by a judge and jury. We both agree that our disputes will not be tried as a class action. We will use Arizona law for this matter and the arbitration will take place in Maricopa County, Arizona. If it turns out that a policy is not valid, the invalid parts of the policy will be deleted and the remaining portion will still be effective as if the invalid portion never existed. For the full details of the dispute resolution process, see the Endnotes.<sup>16</sup>

## ENDNOTES

### 1. Age of Majority – Canadian Provinces and Territories.

The age of majority is 19 in the following provinces and territories:

- British Columbia
- Newfoundland and Labrador
- Northwest Territories
- Nova Scotia
- Nunavut
- Yukon

2. **Your Account (Back Office).** When your application is accepted by Vemma, you will be issued a Vemma Identification Number ("VID"). Once you have a VID you can set up a user name and password to access your Back Office. To access your Back Office, go to Vemma.com and click on "Account Login" and insert your user name and password. You will then be in your Back Office where you can do things like check your order history, look at the Compensation Plan, start a home event, etc. Explore your Back Office; it is a powerful tool to help you build your business.

3. **Product Liability Insurance.** There is an annual Administrative Fee of \$125 for the product liability insurance. If you decide to get the insurance, you will get a Certificate of Liability Insurance showing you are covered. You should talk to your insurance agent about your insurance needs. For more details regarding this program, please send an e-mail to [productliabilityinsurance@vemmagroup.com](mailto:productliabilityinsurance@vemmagroup.com)

4. **Succession.** If an Affiliate dies, his or her rights and obligations pass to his or her heir(s). The heir(s) must send Vemma an application, along with any documentation we need. The successor can be an existing Affiliate.

5. **Assignment of Affiliate Business.** Assigning, pledging, encumbering, or otherwise transferring your Vemma Affiliate business is prohibited unless approved in writing by Vemma.

6. **40-Packs or Bulk Packs.** If you wish to purchase a 40-Pack (Bulk Pack) you must meet the following requirements:

- All Bulk Pack purchases must be authorized by your upline ("paid as" Presidential rank or higher). Authorizations must be submitted to Customer Service by e-mail, facsimile and/or phone and must include the Affiliate's VID and contact information as well as the authorizing upline VID and contact information.
- Retailing in big box stores or through food distributors is prohibited.
- Store owners of retail establishments must be an active Affiliate of Vemma in order to retail the product
- Verve Energy Drinks (regular, zero-sugar, Bold and ParTea), Verve Energy Shots and Vemma Renew are available for individual resale and must be sold at the suggested retail price of \$3 or higher.
- Verve Energy Shots are available for individual resale and must be accompanied by a sheet or card that includes the supplement facts panel, other ingredients, usage instructions, warnings, and storage instructions at the time of purchase.
- Damaged and/or incomplete orders should be reported to Customer Service immediately.

· All Bulk Pack purchases are final. No returns will be accepted.

7. **Return Centers.** For the United States: Vemma Returns, 455 West Diamond Drive, Suite 106, Tempe, Arizona 85283 USA. For Canada, Vemma Returns Centre, c/o Direct Distribution Centres, 1615 Clark Boulevard, Brampton, ON L6T 4W1 and Vemma Returns Centre, c/o Direct Distribution Centre, 121-5555-69th Avenue S.E., Calgary, AB T2C 4Y7.

8. **Compensation Plan.** For the United States, go to <http://www.vemmagroup.com/Backoffice/pdf/compensationPlan.pdf>. For Canada, go to <http://www.vemmagroup.com/backoffice/pdf/compensationPlan-ca.pdf>. The Vemma Compensation Plan summary is also attached in Appendix D and is incorporated by reference into this Agreement.

9. **Auto-delivery Programs.** Balanced Team Bonus: You must be active and qualified with a 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month; personally enroll one active Customer or Affiliate on each team. For more information on the various Balanced Team Bonus ranks, please see Endnote 8.

Double Frenzy: You must be active and qualified with a 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month; purchased an Affiliate Pack; enrolled three new Affiliates who purchased an Affiliate Pack and signed up for a minimum 120 point Auto-delivery in the same volume week of enrollment.

Customer Referral Program: Eligibility is based on having an active 30 point minimum Auto-delivery order on file and a minimum of three (3) personally enrolled customers who purchase a certain amount of product in a calendar month. The free product is given only as an Auto-delivery order. One-time orders will not be free. Affiliates and Customers are responsible for applicable shipping charges and sales tax. For more information on the Customer Referral Program, please see Endnote 8.

10. **New Customer Bonus.** You can also earn a New Customer Bonus ("NCB") if you are Active, which means that you have 60 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month. For Platinum and above Affiliates, it is 120 PV every month. If eligible you will receive the NCB on the first order of those Customers or Affiliates whom you personally enrolled. Each first sale will contribute half of the order's normal Commissionable Volume. The NCB is subject to compression, which means that if the Enroller is inactive, then the first eligible upline Enroller will receive the NCB. You can get details on the Compensation Plan at Endnote 8.

11. **Social Media.** Social Media includes social networks such as Facebook, Twitter, and Google +; image services such as Instagram, Pinterest, and Flickr; video sites such as YouTube, Vine, and Snapchat; and blogging sites such as Blogger, Livejournal, Wordpress, and Tumblr.

12. **Telemarketing—Telephone/Fax/Computer Solicitation.** Affiliates must comply with the Telephone Customer Protection Act (TCPA), including but not limited to the Federal Communications Commission ("FCC") prohibition against unsolicited telephone marketing calls, faxes, and text messages. Federal and

state laws severely restrict, and in some cases prohibit, certain types of telemarketing, including the initiation of telephone calls or messages to encourage the purchase of goods or services. The law prohibits or restricts live calls, prerecorded or artificial voice messages, and the use of automatic telephone and fax dialing machines ("autodialers"). In this regard, the following must be followed:

- a. Autodialers. Affiliates may not use autodialers to offer Vemma products, or the earnings opportunity.
- b. Prerecorded or artificial voice messages. Affiliates may not use prerecorded or artificial voice messages to offer Vemma products, or the earnings opportunity, unless: (a) you have an established business relationship with the recipient, or (b) you have obtained the prior express consent of the recipient to the use of such prerecorded or artificial voice messages.
- c. Unsolicited faxes & unsolicited e-mail messages. Affiliates may not send a fax message, an e-mail message or text message to anyone with whom you do not have an established business relationship, or who has not given you prior express permission to send them a fax or text message.
- d. Do Not Call Lists. Affiliates may not contact, either by telephone or by fax, any person or entity whose telephone number is on any government sponsored "Do Not Call" list, unless one of the FCC's exemptions is applicable to the specific person or entity. You must also maintain your own "Do Not Call" list that records the number(s) of any person or entity that requests that they not be contacted by you. Furthermore, you must maintain a written policy governing the "Do Not Call" list, and all personnel engaged in telephone solicitation on your behalf must be trained in the existence and use of the list. It is your responsibility to consult with your attorney to determine the requirements of federal and any state laws relating to "Do Not Call" lists, and to comply with those requirements.
- e. Further restrictions. Federal law requires that any person or entity making a telephone solicitation must, at the beginning of the message, provide the called party with the name of the individual caller and the name of the person or entity on whose behalf the call is being made. The person or entity on whose behalf the call is made must also provide a telephone number or address at which such person or entity may be contacted. In addition, no calls may be made before 8:00 a.m. or after 9:00 p.m. (local time at the called party's location).
- f. Electronic Communications. The CAN-SPAM Act of 2003, a federal law that governs the use of email messages to advertise or promote a commercial product or service, including content on an Internet website operated for commercial purposes, applies to all Affiliates who promote the sale of Vemma products or the earnings opportunity by sending email, regardless of whether the Affiliate has a pre-existing business or personal relationship with the recipient. Failure to obey the requirements of the CAN-SPAM Act could result in criminal and civil enforcement actions, imprisonment and severe financial penalties. Affiliates may not send unsolicited commercial email or unsolicited bulk email (spam). Affiliates are prohibited from sending messages unless the Affiliate has a prior existing business or personal relationship with the recipient; or the recipient has provided prior affirmative consent

to receive the message. "Prior existing business relationship" means a relationship formed by a voluntary, two-way communication between the Affiliate and the recipient based on the recipient's prior purchase, transaction, or inquiry. "Personal relationship" means a relationship based on the recipient's status as a family member, friend or acquaintance with respect to the Affiliate. "Affirmative consent" means that the recipient has expressly consented to receive the message, either in response to the Affiliate's clear and conspicuous request for such consent or at the recipient's own initiative. Consent must specifically address receipt of messages regarding Vemma products or the earnings opportunity. It is the Affiliate's responsibility to ensure his or her compliance with all laws and regulations.

13. **Disclosure Statement.** For the United States: <http://www.vemma.com/backoffice/pdf/income-disclosure.pdf>. For Canada: <http://www.vemma.com/backoffice/pdf/income-disclosure-ca.pdf>.

14. **Income Claim Restrictions.** Massachusetts and Wyoming do not allow Affiliates to make any income claims.

15. **Confidentiality and Restrictive Covenant Agreement.**

a. CONFIDENTIAL INFORMATION

1. Sales organization reports and all other reports, including, but not limited to, sales organization information and commission recap statements, which are also trade secrets of Vemma; and
2. Information, including a formula, pattern, compilation, program, device, method, technique or process, that:
  - i. Derives independent economic value, actual or potential, from not being generally known to other persons who can obtain economic value from its disclosure or use; and
  - ii. Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b. USE AND DISCLOSURE OF CONFIDENTIAL INFORMATION

1. Whenever Vemma makes available to the Affiliate Confidential Information, it shall be for the sole purpose of conducting Vemma business.
2. You shall not use, disclose, duplicate or otherwise make any Confidential Information available to anyone other than Vemma Affiliates, without the prior written consent of Vemma.
3. You shall not directly or indirectly use, capitalize upon or exploit any Confidential Information for your own benefit, or for the benefit of anyone else, other than for the purpose of conducting your business for Vemma.
4. You shall maintain the confidentiality and security of the Confidential Information in your possession and protect against disclosure, misuse, misappropriation or any other action inconsistent with Vemma's rights.

c. FURTHER RESTRICTIVE COVENANTS

In consideration to Vemma for the receipt of Confidential Information, you further agree you shall not take or encourage any action, the purpose or effect of which

would be to circumvent, breach, interfere with or diminish the value or benefit of Vemma's contractual relationships with any Vemma Affiliate or Customer.

1. Without limiting the generality of the foregoing, you agree not to:

- i. Directly or indirectly, contact, solicit, persuade, introduce, or accept any Vemma Affiliate, Vemma Customer or anyone who has been a Vemma Affiliate or Customer for the last six months, into, or to encourage any such person in any way to promote opportunities in marketing programs of any direct sales company. This includes, but is not limited to, soliciting Vemma Affiliates or Customers to sell or purchase products or services other than the Company products or services, regardless of what type of product is sold by the other direct sales company or network marketing company.
- ii. Directly or indirectly engage in cross-line recruiting. "Cross-line recruiting" is defined as contacting, soliciting, or persuading an individual or entity that is already a customer or Affiliate of Vemma to enroll with a different enroller. The use of a spouse or relative's name, trade name, d.b.a., assumed name, corporation, partnership, trust, Federal ID Number or fictitious ID number, or any other device or contrivance to circumvent this policy is strictly prohibited. An Affiliate shall not demean, discredit, or defame other Vemma Affiliates in an attempt to entice another customer, Affiliate or prospective Affiliate to become part of his or her organization.
- iii. While a Vemma Affiliate, appear in, be referenced in, or allow your name or likeness to be featured or referenced in any promotional, solicitation materials for any direct sales company other than Vemma. This includes, but is not limited to, maintaining a Web site or Social Media site, or participating in conference calls or other recruiting, field or company-related events or activities for any direct sales company other than Vemma.

2. In addition, any action taken by an Affiliate while building their sales organization that is found to be detrimental to Vemma will be subject to disciplinary action, up to and including suspension and/or termination of his or her Membership. This type of action includes, but not limited to, compensation plan manipulations and placement manipulation.

3. Violation of any provision of this Confidentiality and Restrictive Covenant Agreement ("Confidentiality Agreement") constitutes an Affiliate's voluntary resignation and cancellation of his or her membership, effective as of the date of the violation. Since the violating Affiliate has resigned, all commissions or bonuses paid for and after the calendar month in which the violation occurred must be returned to Vemma.

4. In addition to being entitled to a refund of bonuses and commissions after the date of resignation or termination and to any damages arising hereunder, in the event a person or entity violates this Confidentiality Agreement, Vemma

and any Affiliate that experiences an adverse financial impact as a result of such person's or entity's violation of this Confidentiality Agreement shall be entitled to an accounting and repayment of all compensation, financial or other benefits which the person or entity directly or indirectly received and/or may receive as a result of, arising out of, or in connection with any violation of this Confidentiality Agreement. Such remedy shall be in addition to and not a limitation on any damages, injunctive relief or other rights or remedies to which Vemma is or may be entitled to at law or in equity.

5. Violations of this Confidentiality Agreement are especially detrimental to the growth and success of other Vemma Affiliates' businesses. In addition to relief sought by harmed Affiliates, Vemma may also seek and obtain from the violating Affiliate damages for violations of this Confidentiality Agreement. If litigation or arbitration is undertaken to recover commissions or damages as specified herein, the prevailing party shall be entitled to an award of legal fees and expenses.

#### d. TERM

The agreements contained in this Confidentiality Agreement of the Vemma Terms and Conditions shall remain forever and in perpetuity, except that the agreements contained in section c. 1. i "Further Restrictive Covenants" shall remain in full force and effect during the term of the previously executed Agreement between Vemma and you, and thereafter until the latter of one (1) year from your latest receipt of any Confidential Information or nine (9) months after the expiration, resignation or termination of such Agreement and the agreements in section c. 1. ii shall remain in full force and effect during the term of the Affiliate's Agreement.

#### e. RETURN OF INFORMATION

Upon termination of the Agreement between Vemma and you, you shall return all copies of the Confidential Information in the Affiliate's possession or control. Upon request by Vemma, you shall certify to Vemma, by sworn affidavit that you have returned all copies of the Confidential Information in your possession or control and that no other copies of the Confidential Information exist in your possession or control.

#### f. BREACH AND REMEDIES

You acknowledge that Vemma would suffer irreparable harm as a result of any unauthorized disclosure or use of the Confidential Information and that monetary damages are insufficient to compensate Vemma for such harm. Therefore, if you are in breach of these Terms and Conditions, Vemma is entitled to a temporary restraining order or injunction, without notice to you, restraining any unauthorized disclosure or use of the Confidential Information in addition to any other available remedy, including damages. In any such action, if Vemma prevails, you agree you are to reimburse Vemma for its costs and reasonable attorneys' fees incurred in connection with taking the legal action.

16. Dispute Resolution / Waiver of Jury Trial. If a dispute arises relating to any relationship between or among Vemma, its Affiliates, officers, employees, distributors or vendors, or arising out of any products or services sold by Vemma, the parties agree to attempt in good faith to resolve any such dispute in an amicable and mutually satisfactory matter.

In the event such efforts are unsuccessful, either Party may serve a Notice of Mediation/Arbitration on the other Party. Notice of Mediation/Arbitration shall be personally delivered or sent by prepaid registered airmail or air courier, and shall be effective upon receipt thereof by the Party to whom it is addressed. Proof of receipt shall be a receipt signed by an officer or responsible official of the Party to whom it is addressed. The Notice of Mediation/Arbitration shall be dated, and without prejudice to any right under the applicable rules permitting subsequent modifications, it shall specify the claims or issues that are to be addressed in the mediation/arbitration. The Parties shall thereafter schedule a mediation to occur in Maricopa County, Arizona, within forty-five (45) days of receipt of the Notice of Mediation/Arbitration.

If the dispute cannot be resolved by mediation, or a party chooses not to mediate a dispute, the Parties agree that in order to promote to the fullest extent reasonably possible a mutually amicable resolution of the dispute in a timely, efficient and cost-effective manner, they will waive their respective rights to a trial by jury and settle their dispute by submitting the controversy to binding arbitration in accordance with the commercial rules of the American Arbitration Association ("A.A.A.") then in effect, except that all Parties shall be entitled to all discovery rights allowed under the Federal Rules of Civil Procedure. The A.A.A. rules are available at <http://www.adr.org/sp.asp?id=22440>, or by contacting Vemma's Customer Service Department and request to have the A.A.A. Rules mailed to you. Notwithstanding the foregoing and the A.A.A. Rules, the following shall apply to all arbitration proceedings:

- All Parties shall be entitled to all discovery rights allowed under the Federal Rules of Civil Procedure as those rules exist in the United States Federal Court for the District of Arizona;
- The United States Federal Rules of Evidence shall be strictly applied to all arbitration proceedings;
- The parties shall also be entitled to bring motions pursuant to Rules 12 and/or 56 of the Federal Rules of Civil Procedure; and
- If a claim is for less than \$1,000, the arbitration hearing may be held telephonically if the Affiliate wishes to do so. If the Affiliate does not wish to hold the arbitration hearing telephonically, or if the claim is for \$1,000 or more, the arbitration hearing shall not be held telephonically, but rather, shall be held in-person in Phoenix, Arizona.

The Parties shall attempt to select a mutually agreeable mediator/arbitrator. If no agreement on a mediator/arbitrator can be reached within fourteen (14) days of the first written notice of intent to mediate/arbitrate, and the parties do not mutually agree to waive this provision, a mediator/arbitrator shall be selected in accordance with the Commercial Rules of the A.A.A. from A.A.A.'s panel of mediators/arbitrators. Either Party may elect to participate in the mediation and/or arbitration telephonically.

This Agreement and the rights of the parties hereunder shall be governed and construed in accordance with the laws of the State of Arizona, exclusive of its conflict or choice of law rules. The parties acknowledge that this Agreement evidences a transaction involving interstate commerce. Notwithstanding the foregoing provision with respect to the applicable substantive law, any arbitration conducted pursuant to the terms of this agreement shall be governed by the Federal Arbitration Act, 9 U.S.C. 1,

et. seq. and the judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The arbitration shall be conducted on an individual, not class-wide basis, and any proceeding between the parties may not be consolidated with another proceeding between one of the parties and any other entity or person.

The Parties further expressly agree: (i) the arbitrator shall only reach his decision by applying strict rules of law to the facts, (ii) the arbitration shall be conducted in the English language, (iii) the sole and exclusive jurisdiction and venue for the arbitration shall be in Maricopa County, Arizona, (iv) the Party in whose favor the arbitration award is rendered shall be entitled to recover costs and expenses of the arbitration including, but not limited to, attorneys' fees and the cost and expense of administering the arbitration proceedings, as well as any costs and attorneys' fees incurred in executing or enforcing the arbitration award; and (v) the arbitral award shall be issued in Maricopa County, Arizona, USA. Except as provided in the following sentences, no Party shall be entitled to commence or maintain any action in a court of law upon any matter in dispute until such matter has been submitted and determined as provided herein and then only for the enforcement of such arbitration award. Provided that, notwithstanding this dispute resolution policy, either Party may apply to a court of competent jurisdiction in Maricopa County, Arizona, to seek injunctive relief before or after the pendency of any arbitration proceeding. The institution of any action for injunctive relief shall not constitute a waiver of the right or obligation of any Party to submit any claim seeking relief, other than injunctive relief, to arbitration. Judgment upon the award may be entered by the United States District Court or Maricopa County Superior Court located in the State of Arizona, or application may be made to such court for the judicial acceptance of the award and order of enforcement, as the case may be if the arbitrator's award or decision is not complied with within seven (7) days of the issuance of the arbitrator's award or decision. Arbitration shall be the sole and exclusive procedure for resolution of disputes between the parties, including any disputes that might arise after termination of this agreement.

The Parties acknowledge and understand that they would have had a right to litigate disputes through the courts, but have agreed to resolve disputes through arbitration, including an agreement that no claim shall be adjudicated, in arbitration or in any judicial proceeding, as a class action, and that no arbitration conducted pursuant to the Agreement terms and/or Terms and Conditions shall allow class claims, or consolidation or joinder of claims or parties. If you do not wish to be bound by the arbitration provisions herein, you must notify Vemma in writing 30 days from the date of acceptance of the agreement, or revision of this Dispute Resolution Agreement, by email at [compliance@vemmma.com](mailto:compliance@vemmma.com). By opting out, your membership will be changed from an Affiliate to a Customer, which will still allow you to purchase Vemma's products.

If a current or former Affiliate breaches any of his/her/its obligations contained in the Terms and Conditions, the applicable post-cancellation restrictions will be extended by and tolled for the length of time that the current or former Affiliate is in breach.

**U.S. OPERATING UNDER  
A BUSINESS NAME**

1621 W. Rio Salado Parkway

Tempe, AZ 85281

PH. 1-800-577-0777

FAX 1-888-314-9827

To operate your Vemma Membership under a business name in the U.S., you must complete and return this document.

**AFFILIATE INFORMATION**

First Name	Last Name	Middle Initial
Business Name _____		
Address _____		
City _____	State _____	Zip Code _____
Day Telephone (    ) _____	Evening Telephone (    ) _____	
Fax (    ) _____	E-mail _____	

**BUSINESS INFORMATION**

State Business is Registered in \_\_\_\_\_ Date Business was Registered \_\_\_\_\_

**TYPE OF BUSINESS**
 Corporation     Partnership     Sole Proprietorship     Limited Liability Corp. (LLC)

Please list all officers, directors, shareholders, Affiliates, managers, partners and individuals for the above-mentioned business. None of these entities may be in the form of a trust.

Full Name	Title	Address
_____	_____	_____
Full Name	Title	Address
_____	_____	_____
Full Name	Title	Address
_____	_____	_____
Full Name	Title	Address
_____	_____	_____
Full Name	Title	Address
_____	_____	_____

**SIGNATURE AND AGREEMENT**

I certify that the operation of this Vemma Membership under the above-mentioned business name is authorized by all applicable laws whether federal, state, county or local and that all the relevant and necessary procedures, filings, declarations, etc. to use such a name have been properly followed and/or filed with the proper authorities.

All individuals in the above-mentioned business agree to be bound by the policies and procedures of Vemma.

I certify that the information provided in this document is accurate and complete and that I am obligated to notify Vemma within two (2) weeks of any changes and/or amendments to the information contained herein.

I hereby declare that I have read the terms of the Application Form and that I fully understand and agree to abide by all said terms contained therein and that I am duly authorized to execute this document. I also understand that all commissions earned will be issued under the business name.

I will provide a completed W-9 Form and submit the W-9 Form with the Operating Under a Business Name Form.

Signature \_\_\_\_\_ Date \_\_\_\_\_  
Signature of Authorized Officer (same as applicant)

Print Name and Title \_\_\_\_\_

**PLEASE EMAIL TO COMPLIANCE@VEMMA.COM, FAX TO 888-314-9827 OR MAIL TO VEMMA AT THE ABOVE ADDRESS.**

# CANADA OPERATING UNDER A BUSINESS NAME



1621 W. Rio Salado Parkway  
 Tempe, AZ 85281  
 PH. 1-800-577-0777  
 FAX 1-888-314-9827

To operate your Vemma Membership under a business name in the Canada, you must complete and return this document.

## AFFILIATE INFORMATION

First Name	Last Name	Middle Initial
Business Name		
Business Number		
Address		
City	Province	Postal Code
Day Telephone (    )	Evening Telephone (    )	
Fax (    )	E-mail	

## BUSINESS INFORMATION

Province Business is Registered in \_\_\_\_\_ Date Business was Registered \_\_\_\_\_

## TYPE OF BUSINESS

- Corporation   
  Partnership   
  Limited Partnership   
  Sole Proprietorship

Please list all officers, directors, shareholders, Affiliates, managers, partners and individuals for the above-mentioned business.\* None of these entities may be in the form of a trust.

Full Name	Title	Address

## SIGNATURE AND AGREEMENT

I certify that the operation of this Vemma Membership under the above-mentioned business name is authorized by all applicable laws whether federal, provincial or local and that all the relevant and necessary procedures, filings, declarations, etc. to use such a name have been properly followed and/or filed with the proper authorities.

\*All individuals in the above-mentioned business agree to be bound by the policies and procedures of Vemma.

I certify that the information provided in this document is accurate and complete and that I am obligated to notify Vemma within two (2) weeks of any changes and/or amendments to the information contained herein.

I hereby declare that I have read the terms of the Application Form and that I fully understand and agree to abide by all said terms contained therein and that I am duly authorized to execute this document. I also understand that all commissions earned will be issued under the business name.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature of Authorized Officer (same as applicant)

Print Name and Title

**PLEASE EMAIL TO COMPLIANCE@VEMMA.COM, FAX TO 888-314-9827 OR MAIL TO VEMMA AT THE ABOVE ADDRESS.**

# SALE OF MEMBERSHIP TERM SHEET



1621 W. Rio Salado Parkway

Tempe, AZ 85281

PH. 1-800-577-0777

FAX 1-888-314-9827

## AFFILIATE INFORMATION

### SELLER INFORMATION:

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone (     ) \_\_\_\_\_

E-mail \_\_\_\_\_

Seller's VID \_\_\_\_\_

Purchase Price \_\_\_\_\_

Terms of Sale \_\_\_\_\_

Reason for Sale \_\_\_\_\_

### BUYER INFORMATION:

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone (     ) \_\_\_\_\_

E-mail \_\_\_\_\_

Buyers's VID \_\_\_\_\_

## SALE OF MEMBERSHIP TERMS

The Vemma membership considered for sale must be "paid as" an Executive rank or above.

The Seller must first offer, in writing, to sell their Vemma membership to his or her direct upline sponsor.

If the upline sponsor declines the offer, the Seller may offer the Vemma membership to other parties under the following conditions:

- The Buyer is not an existing Vemma Affiliate or Customer;
- If the Buyer is an existing Affiliate or Customer, the Affiliate or Customer must be in good standing and in the same downline organization of the Vemma membership being sold; or
- The existing Affiliate or Customer is directly enrolled and sponsored by the Seller.

Existing Affiliates who purchase another membership must agree to relinquish their current Vemma membership, including all volume and personally enrolled. Existing Affiliates must provide a statement acknowledging that they are giving up all volume and personally enrolled.

The Buyer will assume the Cycle Earnings Level of the position purchased. Each Affiliate is solely responsible to meet any bonus eligibility requirements.

The Buyer will assume the Seller's accrued Cycle Volume and is subject to applicable volume flush policies based upon the Seller's account history.

The Buyer acknowledges that by purchasing the membership, it is an "as-is" purchase and qualifications cannot be transferred from an existing account to a purchased account.

Seller shall not be eligible to re-apply as an Affiliate for a period of twelve months from the sale date.

Both parties acknowledge that Vemma will, in its sole and absolute discretion, approve or reject the sale as being in the best interest for all parties involved.

### ADDITIONAL POLICIES:

Before an Affiliate may sell his or her membership, all of the following requirements must be met:

1. The Seller must submit a written request to the Compliance Department requesting to sell their membership. The request must include the reason for the sale.
2. The Seller must obtain written approval from his or her Enroller regarding the sale of the membership. In addition, if the Buyer is an existing Affiliate, they must obtain written approval from his or her Enroller as well.

3. Vemma will charge a \$150.00 processing fee. Payment method must be provided with the submission of paperwork.
4. This Term Sheet must be filled out and returned to Vemma's Compliance Department. Once Vemma's Compliance Department has reviewed and approved this Term Sheet, Vemma will require the following documents in order to complete the Sale of Membership process: (i) a purchase and sales agreement, and (ii) an Affiliate Application Form executed by the Buyer. Vemma reserves the right to request additional documents and information regarding the proposed transaction.
5. Once Vemma reviews and approves the sale of the membership, Vemma will notify the Buyer that the sale has been completed. At that time, the new Affiliate will be able to access and customize their vemma.com website. In addition, the new Affiliate will also have the opportunity to receive weekly bonuses.

Seller \_\_\_\_\_ Buyer \_\_\_\_\_

Date \_\_\_\_\_ Date \_\_\_\_\_

**THIS TERM SHEET IS A NON-BINDING DOCUMENT AND INTENDED FOR DISCUSSION PURPOSES ONLY.  
NEITHER PARTY WILL BE OBLIGATED TO THE OTHER UNTIL A DEFINITIVE AGREEMENT IS NEGOTIATED AND APPROVED  
BY VEMMA NUTRITION COMPANY.**



# VEMMA COMPENSATION PLAN

## GLOSSARY OF TERMS

### CV/QV – POINTS

Equal in the **Vemma Compensation Plan**, both Commissionable Volume (CV) and Qualifying Volume (QV) are also known as “points.” This is the value associated with the specific product that allows you to build cycles and earn income.

### ENROLLER

When you introduce a new person to Vemma and sign them up, you are their personal Enroller. Your Enroller is the person who introduced you to Vemma.

### SPONSOR

The term Sponsor refers to the person immediately above you in the Vemma structure. You are the Sponsor of the two (2) Customers or Affiliates immediately below you, one (1) on your left team and one (1) on your right team.

### QUALIFY

Each sales organization must be qualified to earn commissions and bonuses. You qualify your sales organization by being active with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month, along with one (1) personally enrolled Customer/Affiliate on your left team and one (1) personally enrolled Customer/Affiliate on your right team, each meeting the active requirements based on individual rank.

### ACTIVE

In order to be considered active, you must have 60 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month. Affiliates with the rank of Platinum or higher are considered active if they have 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month. Either amount of personal volume (60 or 120) will activate your account for four (4) volume periods, including the volume week in which the volume is placed, plus one (1) volume week grace period. As an active Affiliate, you can accrue volume from sales that occur under you in your power team.

### ENROLLMENT LINE

Those who are connected by being personally enrolled. For example, your personally enrolled Customers/Affiliates and their personally enrolled Customers/Affiliates are part of an enrollment line.

### ENROLLERSHIP VOLUME

This refers to all volume that originates from your activity of enrolling a Customer or Affiliate. Any spillover or banked volume is excluded from this type of volume for the purpose of the Balanced Team Bonus.

### PV – PERSONAL VOLUME

Volume that is associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchases. Either form of product purchase can be the sole source or a portion for qualification purposes.

### AUTO-DELIVERY

Auto-delivery is a recurring monthly order that you can choose to have delivered to you each month, saving you the trouble of having to call in or go online.

## THE VEMMA COMPENSATION PLAN

Our business model is designed to reward those people that promote the Vemma brand products. This is accomplished by devoting almost our entire marketing budget to fund the **Vemma Compensation Plan**. This plan is based on the simple two team-building concept – a left team and a right team. Since there are just two teams to build, this creates excitement as new Customers and Affiliates join, one after the other, down team lines, helping more people benefit from the products and the volume and creating greater leverage within the plan.

When you become an Affiliate and activate your account, you will receive full access to the Vemma back office information and a free marketing website. When you encounter someone who wants to become a Customer or Affiliate, you can enroll them through this marketing website.

As soon as you qualify your sales organization by enrolling at least one (1) active Customer or Affiliate on each of your left and right team (active is defined as having an active 60 PV every month), you are then eligible to earn income.

Best yet, the **Vemma Compensation Plan** pays out a true fifty percent (50%) of the Commissionable Volume (CV) weekly, so you have the opportunity to get paid every week! Each purchase will activate your account for four (4) weeks, including the volume week in which the volume is placed, plus a one (1) week grace period.

## NEW CUSTOMER BONUS

**Qualifications:** Active with 60 PV (volume associated with the products purchased on your account and/or half the QV from each of your personally enrolled Customer(s) purchase) every month. Affiliates with the rank of Platinum and above are considered active with 120 PV every month. Eligible Enrollers will receive the New Customer Bonus on the first order of those Customers or Affiliates whom they personally enrolled. It will also pay out on the first purchase of an Affiliate Pack if placed within the first 60 days of enrollment. To fund the New Customer Bonus, each first sale will contribute half of the order's normal points.

New Customer Bonus is subject to compression. If the Enroller is inactive, then the first eligible upline Enroller will receive the New Customer Bonus. Customers who receive the New Customer Bonus will receive the bonus as a credit towards their future web order.^

For three (3) months during each calendar year, Vemma will donate a portion of the proceeds from every purchase of Vemma NEXT® to the Children's Miracle Network Hospitals®. The three (3) month period designated for donations to Children's Miracle Network Hospitals will be determined by Vemma (United States only).

For New Customer Bonus and cycle volume information, please refer to the Cycle Credit Chart on page 6.

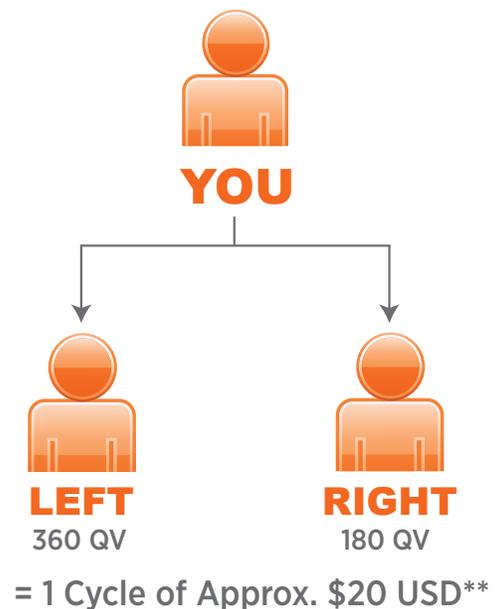
^ Max Customer Product Credit received is 20 points per eligible order.

## CYCLE COMMISSION

**Qualifications:** Active Affiliates with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month, along with two (2) personally enrolled active Customers/Affiliates, one (1) on each team.

At the end of each volume period (week), Vemma's computers search down Affiliates' left and right teams, and whenever 180 points on one team and 360 points on the opposite team occur (teams can switch back and forth), Affiliates are eligible to earn a Cycle Commission of approximately \$20 USD.\*\* The weekly cycle value will be determined each week based upon total sales divided by the amount of qualified cycles.

For cycle volume information associated with products, please refer to the Cycle Credit Chart on page 6.



\*\*All Vemma bonuses will be calculated in USD and paid in local currency. Vemma will evaluate and modify when necessary the exchange rates on a monthly basis.

# CYCLE CREDIT CHART

Vemma® Product Purchase**	New Customer Bonus Earned	New Customer Bonus Points	Subsequent Order Points
Vemma 1-Pack	\$10 USD	30	60
Vemma 2-Pack	\$20 USD	60	120
Vemma 4-Pack	\$40 USD	120	240
Vemma 10-Pack	\$80 USD	240	420
V2 Fridge Brick®	\$10 USD	30	60
V2 Fridge Brick 2-Pack	\$20 USD	60	120
V2 Fridge Brick 4-Pack	\$40 USD	120	240
V2 Fridge Brick 10-Pack	\$80 USD	240	420
Verve® Energy Drink ½-Pack	\$5 USD	15	30
Verve Energy Drink 1-Pack	\$10 USD	30	60
Verve Energy Drink 2-Pack	\$20 USD	60	120
Verve Energy Drink 10-Pack	\$70 USD	200	400
Verve Energy Shot 1-Pack	\$10 USD	30	60
Verve Energy Shot 2-Pack	\$20 USD	60	120
Verve Energy Shot 4-Pack	\$40 USD	120	240
Verve Energy Shot 10-Pack	\$70 USD	210	420
Bod•ē™ Shake 1 Bag	\$5 USD	15	30
Bod•ē Shake 1 Box	\$5 USD	15	30
Bod•ē Shake 2 Bags	\$10 USD	30	60
Bod•ē Shake 2 Boxes	\$10 USD	30	60
Bod•ē Shake 4 Bags	\$20 USD	60	120
Bod•ē Shake 4 Boxes	\$20 USD	60	120
Bod•ē Shake 10 Bags	\$40 USD	125	250
Bod•ē Shake 10 Boxes	\$40 USD	125	250
Bod•ē Transformation Pack	\$10 USD	38	75
Bod•ē Extreme Transformation Pack	\$20 USD	70	140
Bod•ē Turbo 10 Pack	\$25 USD	80	160
Bod•ē Shake Sampler 10-Pack	\$0 USD	20	20
Bod•ē Burn 1-Pack	\$10 USD	30	60
Bod•ē Burn 2-Pack	\$20 USD	60	120
Bod•ē Burn 10-Pack	\$70 USD	210	420
Bod•ē Cleanse 1-Pack	\$0 USD	20	20
Bod•ē Cleanse 2-Pack	\$0 USD	40	40
Bod•ē Burn 3 oz 8-Pack	\$0 USD	20	20
Bod•ē Burn 3 oz 24-Pack	\$10 USD	30	60
Bod•ē Burn zero caffeine 3 oz 8-Pack	\$0 USD	20	20
Bod•ē Burn zero caffeine 3 oz 24-Pack	\$10 USD	30	60
Bod•ē Rest zero caffeine 3 oz 8-Pack	\$0 USD	20	20
Bod•ē Rest zero caffeine 3 oz 24-Pack	\$10 USD	30	60
Bod•ē Thirst 3 oz 24-Pack	\$5 USD	15	30
Bod•ē Thirst 3 oz 48-Pack	\$10 USD	30	60

\*\*Some products available in the United States may not be available for purchase in Canada.

# CYCLE CREDIT CHART

<b>Vemma Product Purchase**</b>	<b>New Customer Bonus Earned</b>	<b>New Customer Bonus Points</b>	<b>Subsequent Order Points</b>
Vemma NEXT® 1-Pack	\$5 USD*	15	30
Vemma NEXT Fridge Brick	\$5 USD*	15	30
Bod•ē Shake Affiliate Pack	\$100 USD	185	370
\$500 Vemma Affiliate Pack	\$100 USD	250	500
\$500 Verve Affiliate Pack	\$100 USD	250	500

## CYCLE EARNINGS LEVELS

The cycle earnings levels only apply to the Cycle Commission and do not affect any other areas of income in the Vemma Compensation Plan. Once the Affiliate reaches the maximum cycle level earnings on that position for four (4) consecutive weeks, the Affiliate will be given one (1) new position above his or her maxed position. That position will have the same earning level limit, unless the Affiliate rank advances to the higher rank, as specified below. Up to two (2) positions maximum are allowed per Affiliate, four (4) individual positions per married couple.

### EARNINGS LEVEL<sup>†</sup> UP TO/AFFILIATE RANK:

\$25,000 per week/\$1,300,000 USD per year  
Affiliate—Royal Ambassador

\$30,000 per week/\$1,560,000 USD per year  
Star Royal Ambassador

\$35,000 per week/\$1,820,000 USD per year  
Pinnacle Leader

Affiliates will not be eligible to receive some bonuses until they have qualified their sales organization by having 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month, one (1) active Vemma Customer/Affiliate on their left team and one (1) active Vemma Customer/Affiliate on their right team whom they personally enrolled. Affiliates will be able to accrue volume on both, profit (team with the least amount of volume in the given volume week) and power (team with the higher amount of volume in the given volume week), teams if they are qualified. However, if an active Affiliate has four (4) consecutive weeks of non-qualification, the volume in their profit team will flush. For every consecutive week after the four (4) week flush that an Affiliate does not qualify, no volume will accumulate on the profit team. Any sales that they have in the power team of their sales organization will remain there until they have qualified their sales organization, as long as they are active. Affiliates can accumulate or bank a maximum of 2,000,000 points in their power team.

Affiliates below the rank of Platinum are considered active if they have 60 PV every month. Platinum and above Affiliates are considered active if they have a 120 PV every month.

If an Affiliate has four (4) consecutive volume periods\* in which they are not active, all accumulated volume in both teams will flush.

At the end of every corporate 52-week period, all power team volume in excess of fifteen (15) times the total amount of the Affiliate's most recent four (4) week profit team volume will be flushed, if that Affiliate was enrolled prior to week 27. Affiliates enrolled during or after week 27 will not flush until the following year. At the start of week 1, all power team volume exceeding the set threshold will be flushed. The threshold is equal to 150,000 points or fifteen (15) times the profit team volume generated during weeks 49 through 52, whichever is greater. The most recent four (4) week profit team volume is defined as any and all generated volume that occurs in an Affiliate's profit team during weeks 49 through 52.

After twenty-four (24) consecutive weeks without activity, the account will be terminated.

## MATCHING COMMISSION

**Qualifications:** Active and qualified with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month in addition to four (4) personally enrolled active Customers/Affiliates, one (1) on the Affiliate's left team and one (1) on the right team, two (2) anywhere else on their team.

The Matching Commission pays the Enroller ten percent (10%) on all of their personally enrolled Affiliates' Cycle Commission earned amounts. If an Affiliate does not meet the eligibility requirements to earn it, the Matching Commission will compress to the first eligible upline Enroller.

An Affiliate cannot earn both Matching Commission and the Second Tier Matching Commission on the same downline Affiliate. In the case of compression of the Matching Commission due to the direct Enroller's ineligibility, the Second Tier Matching Commission will compress as well.

## SECOND TIER MATCHING COMMISSION

**Qualifications:** Active and qualified with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month in addition to six (6) personally enrolled active Customers/Affiliates, one (1) on the Affiliate's left team and one (1) on the right team, four (4) anywhere else on their team.

Affiliates earn on the people that they personally enrolled, plus they are eligible to earn a ten percent (10%) Matching Commission on all of their personal enrollees' personally enrolled Affiliates' Cycle Commission earned amounts. If an Affiliate does not meet the eligibility requirements to earn it, the Second Tier Matching Commission will compress to the first eligible upline Enroller.

In the case of compression of the Matching Commission due to the direct Enroller's ineligibility, the Second Tier Matching Commission will compress as well.

## TIER MATCHING COMMISSION CAP

Earnings of the Matching Commission and Second Tier Matching Commission up to \$5,000 USD<sup>†</sup> in a four (4) week rank advancement period will not require specific structure or rank qualifications. To be eligible to earn the Matching Commission and Second Tier Matching Commission in excess of \$5,000 USD<sup>†</sup> in a four (4) week rank advancement period, an Affiliate must earn and maintain the "Paid As" rank of Platinum or higher.

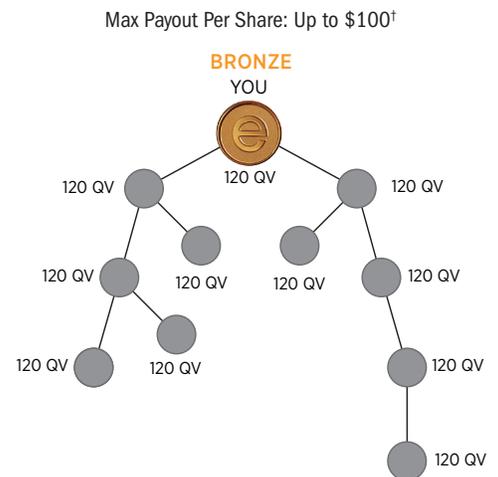
## BALANCED TEAM BONUS

**Qualifications:** Active and qualified with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month along with two (2) personally enrolled active Customers/Affiliates, one (1) on each team. Additional requirements are shown in the tables on pages 4 and 5.

This bonus pays out at the end of each four (4) week rank advancement period based upon the paid ranks achieved during the current or previous rank advancement period. Balanced Team Bonus is prorated amongst all qualified participants based upon "Paid As" rank. The Balanced Team Bonus Pool encompasses approximately three percent (3%) of the sales generated from countries that participate in the Balanced Team Bonus. Balanced Team Volume accumulated in a four (4) week rank advancement period does not roll over to the next four (4) week period. The payout at each level may vary from period to period. Affiliates can participate in the pools at each Balanced Team level for a period of no longer than twelve (12) months from the date they first achieve that Balanced Team level. Affiliates who do not meet the requirements for their current paid level may participate in a lower pool for which they meet the requirements. ^ All Affiliates who reach the rank of Diamond or above and have a "Paid As" Gold on each team in their enrollment line will transition from the Balanced Team Bonus to the Premier Club. Affiliates who earn the Balanced Team Bonus cannot also earn the Premier Club Bonus in the same 4-week rank advancement period.

### Balanced Team Bonus "Paid As" Rank: Bronze

500 points consisting of Auto-Delivery, Customer, and/or Affiliate Pack orders from enrollership volume on their left team and their right team.



\*Volume period is defined as a Vemma business period beginning on Friday at 12:00 a.m. and ending at 11:59 p.m. on Thursday night.

^Affiliates with a "Paid As" rank of Diamond and Platinum are eligible to earn the Balanced Team Bonus at the Bronze through Gold levels. Affiliates who reach the rank of Star Platinum or above are no longer eligible to earn the Balanced Team Bonus.

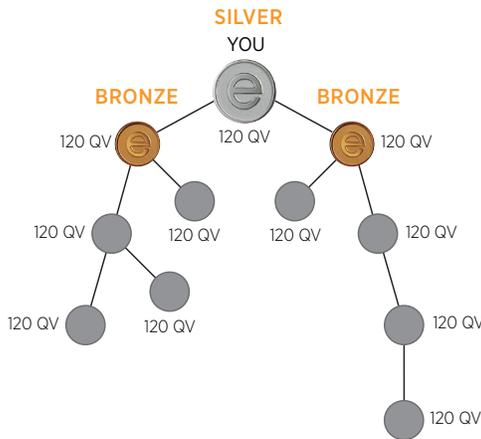
†Your success is dependent on your efforts and leadership abilities. The company has generally expected results which can be obtained by visiting the Opportunity section of vemma.com.

**Balanced Team Bonus**

**“Paid As” Rank: Silver**

Bronze\* on each team in the enrollment line and 500 points consisting of Auto-Delivery, Customer, and/or Affiliate Pack orders from enrollment volume on their left team and their right team.

Max Payout Per Share: Up to \$200<sup>†</sup>

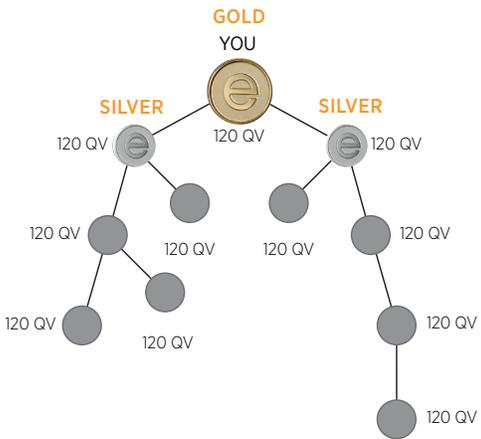


**Balanced Team Bonus**

**“Paid As” Rank: GOLD**

Silver\* on each team in the enrollment line and 500 points consisting of Auto-Delivery, Customer, and/or Affiliate Pack orders from enrollment volume on their left team and their right team.

Max Payout Per Share: Up to \$300<sup>†</sup>



**BALANCED TEAM BONUS AFFILIATE PACK FLAG**

**Qualifications:** Must be active and qualified with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month, one (1) personally enrolled active Customer/Affiliate on each team, and the purchase of an Affiliate Pack. This Affiliate Pack Flag will be honored at the purchased level for 90 days from the day the Affiliate enrolls with Vemma, provided the Affiliate achieves Balanced Team Bonus qualifications.

**For example:** An Affiliate purchases a \$500 Affiliate Pack. Once they are qualified with 500 points consisting of Auto-delivery Customer and/or Affiliate Pack orders from enrollment volume on their left team and their right team<sup>1</sup>, they would be paid at the Silver level (up to \$200)<sup>†</sup> instead of the Bronze level (up to \$100). Once the 90-day Flag ends, the Affiliate would be paid normally as qualified.

**PREMIER CLUB**

**Qualifications:** Active and qualified with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month. Affiliates must have purchased an Affiliate Pack in order to be eligible.

Affiliates are required to be “Paid As” Diamond or above and have a “Paid As” Gold on each team in the enrollment line and 500 points consisting of Auto-delivery, Customer, and/or Affiliate Pack orders from enrollment volume on their left team and their right team in a four (4) week rank advancement period.

Once an Affiliate is qualified for the Premier Club, they will be eligible for payout each time they meet the requirement in a four (4) week rank advancement period.

Once qualified for this program, Affiliates will be eligible to earn the Premier Club Car Bonus or the Premier Club College Bonus. With the Premier Club Car Bonus, vehicle requirements must be met and approved by Vemma.<sup>2</sup> With the Premier Club College Bonus, all requirements must be met and approved by Vemma.<sup>3</sup>

If an Affiliate chooses to opt out of the Premier Club Car or College Bonus option, the Affiliate will receive the Cash Bonus option, which is 50% of the Premier Club Car or College Bonus, dependent on your rank.

**Vehicle requirements:**

- Any vehicle that is valued at \$30,000 or more.<sup>4</sup>
- New or used, must be no older than 3 years
- Color MUST be black, silver, white, orange or red exterior

**PREMIER CLUB**

**“Paid As” Rank: DIAMOND**

Gold\* on each team in the enrollment line and 500 points consisting of Auto-delivery, Customer and/or Affiliate Pack orders from enrollment volume on their left team and their right team.

\*The downline Affiliate’s “Paid As” rank must be achieved and maintained by earning a certain number of cycles in a four (4) week rank advancement period as defined in the Rank Advancement section on page 15 of the Vemma Compensation Plan. Affiliates who purchased an Affiliate Pack(s) in order to achieve the Affiliate Pack Flag will not count toward the rank required in both teams.

^Affiliates with a “Paid As” rank of Diamond and Platinum are eligible to earn the Balanced Team Bonus at the Bronze through Gold levels. Affiliates who reach the rank of Star Platinum or above are no longer eligible to earn the Balanced Team Bonus.

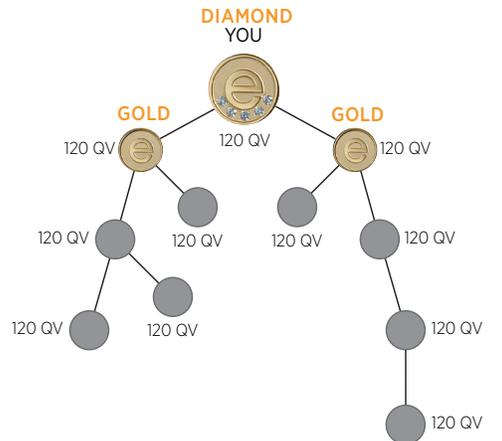
<sup>†</sup>Your success is dependent on your efforts and leadership abilities. The company has generally expected results which can be obtained by visiting the Opportunity section of vemma.com.

<sup>1</sup> Balanced Team Bonus structure requirements are waived during the Affiliate Pack Flag period.

<sup>2</sup> A qualified Affiliate must contact Vemma for vehicle requirements, documentation, and approval before a vehicle is purchased or leased to ensure vehicle requirements are met. Visit premierclub.vemma.com for details.

<sup>3</sup> A qualified Affiliate must provide proof of current college enrollment or a copy of their latest student loan statement.

<sup>4</sup> Value will be based on the final purchase or lease price or the current retail car value listed at KBB.com (Kelley Blue Book). The vehicle must represent the integrity of Vemma’s Brand Standards.



**FULL COLLEGE BONUS<sup>†</sup> CASH BONUS<sup>†</sup>**

“PAID AS” LEVEL	FULL CAR BONUS <sup>†</sup>	FULL COLLEGE BONUS <sup>†</sup>	CASH BONUS <sup>†</sup>
Diamond			
Platinum			
Star Platinum	\$400	\$400	\$200
Executive			
Star Executive			
Presidential	\$600	\$600	\$300
Star Presidential	\$600	\$600	\$300
Ambassador	\$800	\$800	\$400
Star Ambassador	\$800	\$800	\$400
Royal Ambassador	\$1,200	\$1,200	\$600
Star Royal Ambassador	\$1,800	\$1,800	\$900
Pinnacle	\$2,500	\$2,500	\$1,250

## FRENZY BONUS

**Qualifications:** Active and qualified with 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month. Affiliates must have purchased an Affiliate Pack in order to be eligible.

Affiliates are required to enroll three (3) new Customers and/or Affiliates who purchased a minimum 120 point purchase within the same volume week (Friday through Thursday) they signed up for Vemma.

The bonus will pay out up to \$200 USD per share.\* The amount of each share is dependent upon the number of people participating.

## DOUBLE FRENZY

**Qualifications:** Active and qualified with a 120 PV (volume associated with the products purchased on your account and/or half the QV from your personally enrolled Customer(s) purchase) every month. Affiliates must have purchased an Affiliate Pack in order to be eligible.

Affiliates are required to enroll three (3) new Customers and/or Affiliates who purchased a \$500 Affiliate Pack or more within the same volume week. The 10-Pack will be calculated as an Affiliate Pack for this bonus. Each of the three (3) new Customers or Affiliates must also enroll with an Auto-delivery for a minimum of 120 points within the same volume week (Friday through Thursday) they signed up for Vemma ("new qualifying volume").

The bonus will pay out up to \$400 USD per share.\* The amount of each share is dependent upon the number of people participating.

\*Affiliates can earn up to a maximum of two (2) shares total of the Frenzy and Double Frenzy combined in a single volume week.

## CUSTOMER REFERRAL PROGRAM

Eligibility is based on having an active 30 point minimum Auto-delivery order on file and a minimum of three (3) personally enrolled Customers (enrolled January 1, 2014, or later) who purchase product in a calendar month. The total QV of the Customer product orders must be three (3) times that of the Auto-delivery order on file of the listed enroller. The free product is given only as an Auto-delivery order. One-time orders will not be free. Affiliates and Customers are responsible for applicable shipping charges and tax.

Customers who also are qualified to get their product free do NOT count as one (1) of the three (3) required Customers. Customers must be in the same region of the enrolling Affiliate or Customer.

For example, a United States Affiliate or Customer who enrolls a Canadian Customer is eligible for the free product offer; however, a United States Affiliate or Customer who enrolls a European Customer is not.

Customers enrolled prior to January 1, 2014, are eligible to earn free product but do not count as one (1) of the three (3) required Customers for their Enroller\*\*.

Customers enrolled on or after January 1, 2014, are eligible to earn free product and will be eligible to count as one (1) of the three (3) required Customers for their Enroller.

Customers with an active 30 point minimum Auto-delivery order on file will be provided with a branded referral website.

There is a limit of one (1) free Auto-delivery order per account, per month – maximum 120 QV.

\*\*Grandfathered: Customers enrolled before January 1, 2014 can only be grandfathered in if their listed enroller has qualified for Customer Referral Program in the months of January, February, or March of 2014.

## GLOBAL BONUS POOL

These 12-week bonus pools encourage team building and cross-line cooperation by rewarding leaders with a bonus that encompasses two and one quarter percent (2.25%) of overall Vemma sales. To qualify for a pool of this bonus, an Affiliate must maintain all requirements, all 4-week periods in a Global Bonus payout timeframe. An Affiliate must have both the "Paid As" and the Balanced Building requirements met each of the 4-week periods. Each level of this bonus Affiliates qualify for is considered 1 share. They can also earn a share of any lower bonus pool up to a share of all eleven (11) pools. The last 4-week period of the year will be considered a "**Bonus Pool**" that will pay out only if the Affiliate has earned the Global Bonus Pool all 4 periods in a year. The Affiliates lowest common rank achieved in all 4 periods is what will determine your bonus pool rank for the "**Bonus Pool**".

\*Your success is dependent on your efforts and leadership abilities. The Company has generally expected results which can be obtained by visiting the Opportunity section of vemma.com.

Global Bonus Pools "Paid As"	Total Percentage of Platinum – Star Royal Pool	Balanced Building Requirements: "Paid As" Affiliate on each team of the enrollment line
Platinum Pool	1.5%	Gold or above
Star Platinum Pool		Diamond or above
Executive Pool		Platinum or above
Star Executive Pool		Platinum or above
Presidential Pool		Star Platinum or above
Star Presidential Pool		Star Platinum or above
Ambassador Pool		Star Executive or above
Star Ambassador Pool		Presidential or above
	Total Percentage of Royal – Star Royal Pool	
Royal Pool	.75%	Presidential or above
Star Royal Pool		2 Presidential or above
Pinnacle Pool		3 Presidential or above

## ONE-TIME RANK ADVANCEMENT REWARDS†

After qualifying at a new rank (Silver through Star Executive) for two (2) consecutive four (4) week rank advancement periods, a one-time bonus will pay out.

Two Four (4) Week Periods	
Silver	\$100 USD
Gold	\$250 USD
Diamond	\$500 USD
Platinum	\$750 USD
Star Platinum	\$1,000 USD
Executive	\$1,500 USD
Star Executive	\$2,000 USD

After qualifying at a new rank (Presidential through Pinnacle) for six (6) consecutive four (4) week rank advancement periods, a one-time bonus will pay out for those Affiliates who maintain a minimum of one "Paid As" Star Platinum in their personally enrolled downline on each team of their business.

Six Consecutive Four (4) Week Periods	
Presidential	\$3,000 USD
Star Presidential	\$5,000 USD
Ambassador	\$10,000 USD
Star Ambassador	\$15,000 USD
Royal Ambassador	\$25,000 USD
Star Royal Ambassador	\$100,000 USD
Pinnacle Leader	\$250,000 USD

## RANK ADVANCEMENT AWARD LEVELS

Rank Advancement and other recognition will be based on four (4) week periods and calculated when bonuses are run for the last week of the four (4) week period. This recognition will be posted in your Vemma Back Office approximately two (2) weeks after the bonus run.

By earning a certain number of cycles in a four (4) week period, Affiliates can achieve various ranks and be recognized as a Leader!

Leader Rank	Qualifications	Number of cycles in a four (4) week period
	Bronze	1
	Silver	5
	Gold	10
	Diamond	20
	Platinum	50
	Star Platinum	75
	Executive	100
	Star Executive	175
<b>Elite Rankings</b>		
	Presidential	250
	Star Presidential	375
	Ambassador	500
	Star Ambassador	1,000
	Royal Ambassador	2,000
	*Star Royal Ambassador	4,000
	**Pinnacle Leader	6,000

Vemma values recognition. Affiliates are eligible to earn special awards at each level. Achieve each rank two (2) consecutive four (4) week periods to qualify for Silver through Star Ambassador awards, and six (6) consecutive four (4) week periods to qualify for Royal Ambassador and above awards.

\*In addition to earning 4,000 cycles in a four (4) week rank advancement period, to be "Paid As" a Star Royal Ambassador, you must have two (2) Presidential enroller teams on your left team and your right team.

\*\*In addition to earning 6,000 cycles in a four (4) week rank advancement period, to be "Paid As" a Pinnacle Leader, you must have three (3) Presidential enroller teams on your left team and your right team.

## TWO TEAM REQUIREMENTS

### Vemma Balanced Building Requirements

Balanced Building requirements apply to Vemma Affiliates who are "Paid As" Platinum rank or above. Eligible Affiliates will be required to maintain a specific minimum structure (as shown on page 18) within their personally enrolled downline on both teams of their organization to continue to receive one hundred percent (100%) of their Cycle Commission and Global Bonus Pools share earnings. All contributions from each week are used to increase the company-wide cycle point value in future weeks.

### Vemma Balanced Building Requirements

Affiliate "Paid As" Rank	Personally Enrolled Downline Rank* requirement for each team	Grace period in which to meet requirement after rank achieved	% of Cycle Commission/Global Bonus Pools Earnings withheld if not met**
Platinum	Gold or Above	12 Weeks	5%
Star Platinum	Diamond or Above	12 Weeks	
Executive Star Executive	Platinum or Above Platinum or Above	12 Weeks	
Presidential Star Presidential	Star Platinum or Above Star Platinum or Above	12 Weeks	10%
Ambassador Star Ambassador	Star Executive or Above Presidential or Above	24 Weeks 24 Weeks	20%
Royal	Presidential or Above		

\*\*The maximum percentage withheld is twenty percent (20%). If you do not meet the Balanced Building requirements for your "Paid As" rank and you do not meet the requirements for the lower ranks, the contribution will be the combined percentages up to a max of 20%. For example, if someone is "Paid As" Ambassador and does not meet Balanced Building requirements for Ambassador and Presidential ranks by their grace period, the total percentage withheld will be twenty percent (20%). Those Affiliates "Paid As" Ambassador and higher who meet the Presidential rank requirements, but not the Ambassador rank requirements, will contribute ten percent (10%) of their Cycle Commission earnings.

These requirements are individual and not cumulative. For example, if someone is growing quickly and reaches Presidential and then advances to the Ambassador rank the next four (4) week qualifying cycle, that does NOT waive the twelve (12) weeks to develop a Star Platinum. Additionally, the clock will start for the Ambassador requirement twenty-four (24) weeks from that rank advancement date.

PLEASE NOTE: Maintaining the leader ranks in both teams means that although an Affiliate may meet the highest achieved pin rank requirement, if the qualified "Paid As" rank is not MAINTAINED on a monthly basis, the Affiliate will be treated as if the level was not attained and forfeit the corresponding portion of their Cycle Commission income until it becomes qualified again.