



Policies and Procedures

Corporate Policy



POLICIES AND PROCEDURES MANUAL

CODE OF ETHICS

O-Life has made a commitment to provide products of the finest quality backed with impeccable service. In turn, the company expects Independent O-Life Distributors to reflect that image in their relationships with Consumers and other Distributors.

As an Independent Distributor you are generally free to operate your business as you see fit but it is to our mutual, long-term advantage if you accord to the highest standards of integrity and fair practice in your role as an O-Life Distributor. The Code of Ethics, therefore, states:

As an Independent O-Life Distributor:

- ◆ I will conduct my business in an honest, ethical manner at all times.
- ◆ I will make no representations about the benefits and savings associated with O-Life products or services other than those contained in officially-approved corporate literature and videos.
- ◆ I will not use or attempt to register or sell any of O-Life's trade names, trademarks, logo, service names, service marks, product names, or any derivative thereof, for any internet domain name or email address.
- ◆ I will not utilize the company's name, trade names, trademarks, logo, service names, service marks, product names, or any derivative thereof, on any form of advertisement before it has been approved by the company in writing. Upon approval from headquarters; I understand that in the ad, I must state that the individual placing the ad is an "Independent Distributor." I also acknowledge that Independent Distributors are prohibited from answering the phone in any manner that would give callers reason to believe that they have reached the corporate offices of O-Life.
- ◆ I will provide support and encouragement to my customers to ensure that their experience with O-Life is a successful one. I understand that it is important to provide follow-up service and support to my downline.
- ◆ I will motivate and actively work with Distributors of my downline organization to help them build their O-Life business.



- ◆ I will refrain from exaggerating my personal income or the income potential in general and will stress to Distributor candidates the level of effort required to succeed in the business.
- ◆ I will not abuse the goodwill of my association with O-Life to further and promote other business interests (particularly those which may be competitive to O-Life) without the prior written consent of O-Life
- ◆ I will not make disparaging remarks about other products, services, Distributors, or companies; likewise, I will not willfully denigrate the activities or personalities of fellow O-Life Distributors.
- ◆ I will abide by all of the Policies and Procedures of O-Life as included herein, or as may be amended from time to time.

POLICIES AND PROCEDURES

Effective Date: January, 2010

Distributors are responsible to read, understand, and adhere to these Policies and all subsequent amendments as may be issued by the Company from time to time.

Company will issue all amendments at least 30 days before the new effective date.

1 - DISTRIBUTOR REQUIREMENTS

In order to become a Distributor the applicant must be the age of majority in the state in which he/she resides. To become a Distributor an applicant must have completed and signed an official O-Life Application and Agreement, paid the annual renewal and materials fee, and has been given a unique O-Life Distributor ID. The Application and Agreement must be accepted by the company at its home office and notice of its acceptance received by the applicant.

For corporations registering as an O-Life Distributor the Federal Employer's Identification Number (FEIN) shall be included on their application. O-Life reserves the right to accept or reject anyone as a Distributor.

Husband and wife may each have their own distributorship; however, under no circumstances may husband and wife be sponsored in different organizational lines. Either the husband or the wife must be the sponsor of the other. Any attempt at dual-



line sponsoring will be terminated by the company. If any information provided by the Distributor is false or inaccurate, the Company may immediately terminate the Distributorship. It is the obligation of the Distributor to report to the Company any changes which affect the accuracy of the contract.

This Agreement is valid for the period of one year from the sign up date and is renewed annually by the payment of the renewal and materials fee. The Distributor authorizes the Company to collect the annual membership fee using the credit card on file on behalf of the Distributor or withholding from commission. The fee must be paid by the renewal date or the Distributor will forfeit Distributor Rights and agrees that he/she may be converted to a customer under the current Sponsor, may lose participation to compensation plan, and may lose his/her current Downline Organization.

A Distributor may not offer or promote any non-Company plans, incentives, opportunities, or non-approved Sales Tools in conjunction with the promotion of Products.

The only purchases required to obtain and maintain a Distributorship is the annual renewal and materials fee. Product purchases are optional. Active Distributorships must also comply with the retail sales requirements.

Distributors cannot work as an employee of the company and cannot induce or attempt to induce any Company employee, distributor, consultant, or independent contractor to terminate or alter their relationship with the Company. This clause shall remain in effect during the term of this Agreement and for a period of one year after termination.

The Company may take photo, audio, or video recordings, or written or verbal statements of a Distributor at Company events. The Distributor grants the Company the absolute and irrevocable right and permission, to use, re-use, broadcast, rebroadcast, publish, or republish them. The use will be royalty free. The Distributor confirms the information he/she may give is true and accurate to the best of his or her knowledge. The Distributor waives the right to inspect or approve the collected information. The Distributor agrees that this information may not be used by the Distributor or any third parties to promote any business other than the Distributor Business.

A Distributor must conduct all activity in the best interests of the Company. Sponsors shall use their best efforts to resolve disputes in their Downline Organizations. Any personal disputes between Distributors must be resolved quickly, privately, and in the best interests of the Company.



All information provided by an Applicant on a Distributor Agreement will be used solely for the purposes of evaluating the Distributor Agreement and for related activities of the Distributor. A Distributor authorizes the company to disclose, in the Company's sole discretion, its contact information to the Distributors' Upline. Once a Distributor promotes to Branch Director position, the information (business phone number and e-mail address) will be released and visible to the Distributors of the immediate Downline Organization.

2 - PARTNERSHIP OR CORPORATION REQUIREMENTS

A partnership or corporation may hold a distributorship upon completion of the Distributor application form, and providing on that form in the appropriate space, a Federal tax ID number. However, an individual may not participate in more than one (1) Distributorship of any kind. A Distributor may change status under the same sponsor from individual to partnership or corporation or from partnership to corporation with proper and complete documentation. Documentation includes:

Corporation:

Include copy of its Articles of Incorporation and bylaws; contain the names and S.S# of the principal officers, members of the Board of Directors and shareholders.

Partnership:

Include copy of the official partnership agreement with each partner's SS# and signed by each individuals listed on the agreement.

Trusts:

A letter identifying the manager or trustee of the trust including the SS# of the trustee and the names of all persons having a beneficial interest in the Trust and a certified copy of the trust document.

The person signing the application on behalf of a partnership or corporation must have the authority of the partnership or corporation for entering into the transaction. In addition, by signing for a partnership or corporation, you certify that no person with an interest of debt or equity in the business has had an interest in a Distributorship in O-Life within six (6) months of the date of signature.



3 - SPONSORSHIP AND PLACEMENT

To act as a Sponsor, a Distributor must meet all requirements and accept all responsibilities as outlined in the Contract. All Distributors may sponsor others anywhere within the United States or other nations as they may from time to time be opened by O-Life, bearing in mind the need for personal contact. A Distributor agrees not to operate in any unauthorized market, and agrees not to ship or import products into a country that is not officially open by O-Life. Every person has the ultimate right to choose his/her own sponsor when they initially sign-up as a Distributor with O-Life.

Once the Distributor Agreement is accepted by the Company, the new Distributor is placed in the Sponsor's Downline Organization. A Sponsor may not place a new Distributor outside its Downline Organization. If two Distributors should claim to be the sponsors of the same new Distributor, O-Life shall acknowledge the first application received at corporate headquarters.

As a general rule, it is good practice to regard the first Distributor who meaningfully worked with a prospective Distributor or Customer as having first claim to sponsorship. Basic tenets of common sense and consideration should govern. Cross-sponsorship and cross-recruiting are strictly prohibited with the O-Life organization. This means that a Distributor may not solicit, interfere with, or otherwise circumvent the sponsor/downline relationship of any Distributor that they did not personally sponsor into any other program, or entice same to move their business activity to anyplace outside of their originally sponsored position.

In regard to any dispute, the company reserves the right to make the final decision.

4 - SPONSOR RESPONSIBILITIES

Any Distributor who sponsors other Distributors must fulfill the obligation of performing a bona fide supervisory and training function on behalf of those sponsored.

Distributors must have ongoing contact, communications, and management supervision with their sales organization. Examples of such supervision may include, but are not limited to the following: newsletters, written correspondence, personal meetings, telephone contact, training sessions, accompanying individuals to corporate events, or sharing genealogy information with those sponsored.

5 - NETWORKING COOPERATION



It is strongly recommended that Distributors belonging to different networks cooperate with each other for mutual success. There are many benefits which can be accrued from such cooperation.

6 - TRANSFERS OF SPONSORSHIP AND PLACEMENT

O-Life discourages transferring from one sponsorship to another. The integrity of the entire network is based on the strength of the structure with the network. However, the Company understands there are times of misplacements. A Distributor is permitted only one Sponsor change and one Placement change, subject to the limitations described below, and the respective change will be final. The Company has sole discretion in the approval of Sponsor/Placement change to maintain the integrity of Downline Organizations.

Sponsor Change:

A Distributor may change the sponsor if it is an error within 3 days of sign-up. He/She needs to submit the Sponsor Change Application with the signature and ID of the original Sponsor. The error also needs to be explained on the application and the approval will be evaluated by the Company. A non-refundable processing fee of \$34.99 will be collected even if the request is rejected. For any other reasons, the only way that a Distributor will be allowed to transfer lines is by written resignation to the company, at which time the Distributor may rejoin the network in six (6) months under a new sponsor. Distributor may not conduct any Distributor business during the month of inactivity. It is important to note, however, that the Distributor will not be allowed to transfer their downline or qualified position with them.

Placement Change:

A Distributor may apply to be moved to a new position in the Downline Organization of its immediate Placement if its Distributor obtains the written authorization of the original Sponsor and the Distributor itself, provided that 1) the move is within seven (7) days from the Date of Sign-Up, 2) Downline organization has not surpass 500pv in weekly Group Volume, and 3) the move is three (3) levels or less below its current placement. A non-refundable processing fee of \$34.99 will be collected even if the request is rejected. Distributor's Downline Organization can only be moved together if the Distributor is the Sponsor of these Distributors in the Downline Organization and each of them has to submit a placement change request to the Company.

7 - MARRIAGE, DIVORCE, DEATH OF DISTRIBUTOR



Marriage. A spouse is deemed to have a Beneficial Interest in a Distributorship and all acts and omissions of the spouse shall be imputed to the Distributor. If two Distributors marry, they may keep their Distributorships separate. However, all other conditions of the Beneficial Interest rules of the Contract apply to both Distributorships.

Divorce:

When a married couple whose individual names appear as Distributors on the Distributor Agreement separate or divorce, the Company will continue paying earnings under the Compensation Plan in the same manner as prior to the separation or divorce until the Company is served with a legally binding certified copy of a divorce decree or other court order that provides direction on payment and/or disposition of the rights under the Contract. Where there is a change in ownership as ordered by the court, the spouse remaining as a Distributor must submit an amended Distributor Agreement. In no event will the Distributorship be partitioned.

Death and Inheritance:

In the case of a Distributor's death, the Contract will be assigned to the legal successor to the Distributorship (who can properly qualify according to the Contract) in accordance with applicable laws. The Company requires certified copies of the death certificate (or a doctor's statement) and a certified will, court order, or other appropriate legal documentation. Successors in interest must submit an amended Distributor Agreement. Upon notice of demise, the Company reserves the right to make payments to the estate of the deceased Distributor. If the legal successor wishes to terminate the account, a written, signed statement of request to terminate must be submitted along with appropriate legal proof of death. If the legal successor to the Distributorship is already an existing Distributor, the Company will allow the multiple Beneficial Interest through inheritance for up to six (6) months, by which time the existing Distributor must have sold or otherwise transferred either the existing or the inherited Distributorship.

8 - SALE OF DISTRIBUTORSHIP

As Independent Distributors you are free to sell or assign your Distributorship for the going market price. However, in order to protect the integrity of O-Life, any such sales agreements or transfers of interest must be approved by O-Life for substance and form prior to sale. There will be a nominal fee for this review process of \$100.00 per sales transaction.



A Distributor who sells or transfers his or her Distributorship may not reapply to become a Distributor under another Sponsor for a period of not less than six (6) months after the Company has approved the sale.

O-Life reserves the right to accept or reject the sales agreement and transfer based on the qualifications of the purchasers, any misrepresentations by the seller, or other material issues involving the sale that may have detrimental results for O-Life.

Right of First Refusal:

Distributorship transfers are subject to a Right of First Refusal (“RFR”) to the Company, followed by a RFR to the Qualified Direct Upline.

If a Distributor receives a Bona Fide Offer to purchase his or her Distributorship, the Distributor shall first offer to sell such Distributorship to the Company on the same terms and conditions contained in the Bona Fide Offer. The Distributor shall deliver the Bona Fide Offer in writing to the Company, and the Company shall have fifteen (15) business days in which to accept the offer. Evidence of a legitimate offer may include, but is not limited to, cash or securities deposited into an escrow account, evidence of a loan commitment, and other substantial steps taken for the sole purpose of purchasing such Distributorship.

1. If the Company fails to exercise its RFR within the fifteen (15) day time period, the Distributor shall extend the same offer to its Qualified Direct Upline on the same terms and conditions as those contained in the Bona Fide Offer. The Company shall convey the Bona Fide Offer by providing written notice of the same to the Distributor’s Qualified Direct Upline. The Qualified Direct Upline shall have ten (10) business days in which to accept or reject such offer. If the Qualified Direct Upline accepts the offer, he or she must provide written notice to the Company upon acceptance.
2. If the Qualified Direct Upline fails to exercise his or her RFR within the time allotted, the Distributor may transfer the Distributorship to the third party according to the same terms and conditions contained in the Bona Fide Offer, provided, however, that the Distributor complies with all other transferring procedures contained in this Section and as may be established from time to time by the Company.
3. The RFR shall apply to each new Bona Fide Offer received by the Distributor.



4. Each instance requires that an amended Distributor Agreement and Statement of Beneficial Interest be filed with the Company.
 - a. When the name of a Person who has a Beneficial Interest in the Distributorship is added to the Distributor Agreement (e.g., a wife adding her husband).
 - b. When the name of a Person who no longer has a Beneficial Interest in the Distributorship is removed from the Distributor Agreement (e.g., a minority member who is removed from a company; or a shareholder, not holding a controlling interest, sells his or her interest in a company.)
 - c. When the Distributor is an individual and is transferring his or her ownership rights to a legal entity in which only that Distributor has a Beneficial Interest (e.g., a husband and wife form a limited liability company to operate their Distributorship and are the only members/ managers).

Limitations on Sales and Transfers.

1. An existing Distributor may not purchase another Distributorship.
2. A Distributor who sells or transfers his or her Distributorship may not reapply to become a Distributor under another Sponsor for a period of not less than six (6) months after the Company has approved the sale.
3. A Person may not merge with, or acquire an interest in, a pre-existing Distributorship if the Person has engaged in Distributor Business within the past two (2) years.
4. Should a Distributor transfer his or her Distributorship to the Qualified Direct Upline, the Distributorship will be merged into the Qualified Direct Upline's existing Distributorship in accordance with the Distributorship transfer procedures.
5. If a Distributor sells or transfers his or her Distributorship and, within one year of the date of sale, he or she signs-up, joins or begins work for another direct selling, network marketing or multi-level marketing company, such action shall be considered a breach of the Contract and the Company reserves the right to terminate such transferred Distributorship pursuant to the termination provisions under the Contract. This provision shall survive the termination of the Contract.

Interpretation. The interpretation of these Policies & Procedures pertaining to the sale, assignment or transfer of a Distributorship will be made in a manner that considers and serves the best interests of the Company. The Company reserves the right to reject any transferee or buyer.

Merger. Two Distributorships may be merged into a single Distributorship if one is the Sponsor of the other. Every merger is final. To effectuate the merger, both Distributors



must submit an amended Distributor Agreement and obtain the Company's written consent.

Restrictions Against Multiple Beneficial Interests:

1. A Distributor is prohibited from having a Beneficial Interest in more than one Distributorship.
2. The Company's restrictions against multiple Beneficial Interests ensures that (i) all efforts by a Distributor to build his or her Distributor Business are focused on a single Distributorship and not diluted through the demands of multiple Distributorships; and (ii) the Upline receives the full benefit of the Distributor's efforts.

9 - REPRESENTATIONS BY DISTRIBUTORS

Distributors are independent contractors, fully responsible for their own business procedures and are not to be considered purchasers of a franchise or employees of O-Life. The agreement between O-Life and its Distributors do not create an employer/employee relationship, agency, partnership or joint venture between O-Life and the Distributors.

Distributors must not represent themselves in any way, orally or in writing, as being an agent or employee of the company. Distributors have no authority to bind O-Life to any obligation. Each Distributor shall hold O-Life harmless for any claims, damages or liabilities arising out of the Distributors own business practice. O-Life will take aggressive action to insure that Distributors that violate this policy will be terminated and reported to the proper authorities.

Distributors are responsible for any expenses which result from their business operations, including, but not limited to, advertising, taxes, fees, legal costs and telephone expenses. O-Life does not accept collect telephone calls.

The Distributor may not use the company name on any written forms or documents (e.g. stationery, bank accounts, business signs) without stating "Independent Distributor" and prior approval by the company.

10 - DISTRIBUTOR KIT/MATERIAL

Distributors may purchase a Distributor Kit at the time of submission of their Distributor Application and Agreement to O-Life. The kit purchase is sold at cost. This sum is not a service or franchising fee but rather is strictly to offset costs incurred by O-Life in the



production and distribution of the materials needed for an Independent Distributor of O-Life.

No additional product purchase is ever required to be a Distributor of O-Life. No commissions will be paid on the purchase of the Distributor kit or business materials or sales aids.

11 - COMMISSION

Commissions are paid to Distributors who qualify pursuant to the Compensation Plan and who are in compliance with the Contract. A Distributor's success is only achieved through the regular and repeated Retail Sale of Products and the regular and repeated Retail Sales by its Downline Organization. As the success of any Distributor depends largely on the personal efforts of that Distributor, the Company does not guarantee any level of profit or success, nor does it guarantee a Distributor a specific income. A Distributor does not receive compensation for sponsoring or recruiting other Distributors. The only way to earn Commissions is through the sale of Products.

Payments: The Company will pay Commissions to qualified Distributors on Product sales orders which: (i) are received by the Company before the end of the Commission period, and (ii) have been fully paid with appropriate payment. Commissions are paid in the name of the Business Entity listed on the Distributor Agreement. When no Business Entity is listed, Commissions are paid to the personal name of the first Person listed on the Distributor Agreement. If a Distributor believes that there is an error in the computation of Commissions and/or program qualifications, the error must promptly be brought to the attention of the Company. If such problems are not presented to the Company in writing within forty-five (45) days after the end of the relevant Commission period, the Distributor waives all recourse with respect to such alleged error.

Reissued Checks: In the event that a Commission check must be reissued to a Distributor, the Company will charge the Distributor a fee of fifteen dollars (\$15 USD or equivalent local currency). If a check must be reissued because of the Company's error, no additional charge will be applied.

Minimum Check Amount: The minimum amount for payment of commission and bonus checks is ten dollars (\$25 USD or equivalent local currency). Commissions and/or bonuses in an amount less than ten dollars (\$25 USD or equivalent local currency) for a pay period will accumulate until they equal or exceed ten dollars (\$25 USD or equivalent local currency).



Returned or Unclaimed Checks: The Company makes every effort to ensure that a Distributor receives its commission checks. However, if a commission check has been sent to a Distributor's last known address but is returned because the Distributor has moved without a forwarding address or the check is returned or not presented for payment for some other reason beyond the control of the Company, the check shall be voided and the amount may be credited to the Distributor's account 180 days after its date of issue, and the Distributor will be charged a processing fee of fifteen dollars (\$15 USD or equivalent local currency) and a bank cancellation/stop payment fee of ten dollars (\$10 USD or equivalent local currency). Thereafter, a monthly maintenance charge of ten dollars (\$10 USD or equivalent local currency) will be deducted from the Distributor's account.

No Manipulation: Manipulation of the Compensation Plan is not permitted and may result in disciplinary action. Manipulation of the Compensation Plan includes, but is not limited to, a Distributor purchasing, to qualify for various Ranks or Commissions, large quantities of Product that are not sold through the direct marketing channel, placing orders in his/her Downline Organization, and any other actions that may violate state, federal or foreign anti-pyramid scheme laws. Such manipulations may, in the discretion of the Company, result in the suspension of Commissions and termination of the Distributorship.

Deductions and Offsets: The Distributor authorizes the Company to deduct fees from its Commissions as deemed appropriate in accordance with Section 6 herein or any other term or condition of the Contract. Any fees will be assessed at the sole discretion of the Company.

12 - PRODUCT ORDERING

Products can be ordered by mail, facsimile, internet, or by will call at the Company's headquarters. Faxed, mailed, or personally delivered orders must be submitted using a current Distributor price list and a fully completed order form. The prices of the Company's Products are subject to change at the discretion of the Company. Payment must be the exact amount of the order and may be made by cashier's check, money order, credit card (Visa and MasterCard only), and cash. Personal check will not be accepted. Orders must be paid in full prior to pick -up or shipping. All shipping and handling costs are based on delivery location and the amount of Products ordered. Unauthorized use of another person's credit card is prohibited.

Will Call: A Distributor may pick up the order at the will call location during service



hours. Service hours will be posted on the Company's website and will be subject to change at the Company's discretion. If the Distributor does not pick up the will call order within thirty (30) business days, the Company may ship out the product at the Distributor's expense. The Company may use any payment method on file to collect the shipping fees.

Electronic Funds Transfer (EFT): This method of payment, also known as ACH, may be an option for the purchase of Products and payment of Commissions to Distributors in certain Authorized Countries. When a Distributor sets up an EFT method to purchase Product or receive Commissions, he or she is authorizing the Company to electronically debit or credit his or her bank account on a recurring basis for the amount of any designated purchase or payment, subject to the laws of the Authorized Country where the Distributor resides.

1. In order to establish EFT as a purchase or payment method, an eligible Distributor must submit the required forms to a Company customer service representative. The forms vary by country, and are located on the Company's website under the specific country link. There may be a waiting period for EFT implementation.
2. EFT may be available for orders of Product in some Authorized Countries; however, availability varies by country. For the first ninety (90) days or more, orders using EFT may be subject to a shipping hold of up to seven (7) calendar days in order to verify funds.
3. A Distributor's use of a bank account belonging to another person for EFT purchases requires written, notarized authorization by the owner of the account. Failure to obtain proper authorization constitutes a breach of Contract.

Payment Default: Any payment that is not supported by sufficient funds or that is returned uncollected constitutes a breach of the Contract. The Company will assess a handling fee of twenty dollars (\$20 USD or equivalent local currency) for all payments lacking sufficient funds. The Company reserves the right to restrict a Distributor's payment method.

1. When there are not sufficient funds, the Distributor is responsible for all bank charges plus the Company's handling fee. In the case of the EFT method, the Distributor understands that when the Company's first attempt to receive an EFT payment is unsuccessful, the bank may make a second attempt within three (3) days. The Distributor's bank may charge an insufficient funds fee for each



unsuccessful attempt. If there are insufficient funds, the Company will put a hold on the Product or cancel the shipment. If the Product has already been shipped, the Distributor will be expected to use an alternate means of payment for the Product. If payment is not received within a reasonable amount of time, the Company may proceed with collection measures, stop the future shipment of orders, and take any other recovery steps available to it under the Contract, including withholding Commissions.

2. Any uncollected amount may be deducted from the Distributor's present or future Commissions.
3. The Distributor understands that all Persons listed on the Distributor Agreement, or any Person having a Beneficial Interest in the Distributorship, will be held jointly and severally liable for the outstanding amount for unpaid Product and fees. It is expressly understood by the Distributor that this joint and several liability supersedes any limitations of liability otherwise available to the Distributorship or its Beneficial Interest holders.

Automatic Delivery Program (ADP): A Distributor may choose to participate in the Automatic Delivery Program (ADP). Sponsor may not setup an ADP order on behalf of their new personally sponsored Distributors without written permission from the enrolling Distributor. ADP may be established at any time through the submission of the ADP application at the Distributor's backend office or with a written request to the Company indicating the amount of Product to be shipped each month and the method of payment to be used. When instituting ADP at the time of enrollment, the Distributor Agreement serves as confirmation for the setup. An ADP account will be charged at a set time during the month, and the Product will be shipped at a set time thereafter. The Distributor may obtain tracking numbers from the Company after the Product is shipped. Payments will be verified prior to processing ADP orders. In the event authorization is declined, the Company may attempt to contact the Distributor and reattempt to obtain authorization. If authorization is not obtained by the end of the month, the order will be considered "unprocessed" and will not be included in Commission computation and processing. The Company will not be held responsible for Volume shortfalls due to unprocessed orders. To change or terminate the ADP, the Distributor can do so at the backend office or submit a written request (including the date, the Distributor's name, identification number and the authorizing signature of the Distributor whose information is to be changed) to the Company. Such request include, but are not limited to, changing the number of Products, shipping address, the payment method, etc.



13 - RETAIL SALES

Personal service and retail sales to the customer are the foundation of O-Life. The entire commission structure is based upon volume of retail sales and referrals by the individual Distributor as well as their entire organization.

O-Life referrals, products or services may only be sold or referred by registered Distributors.

The Company encourages retail Sales to at least 2 Customer a month. A Distributor is required to keep all records of Retail Sales for at least 4 four years. These records will be randomly monitored by the Company. Each Product purchased by non-Distributors or Customers is automatically counted on a monthly basis towards the Retail Sales requirement. Distributor may not sell the Products lower than the wholesale price of the Products plus reasonable shipping and the amount the Company charges for taxes, handling. Distributor cannot sell in flea market or swap shops and on websites where an auction is the mode of selling/buying.

14 - RETAIL SALES IN STORES OR OTHER OUTLETS

Retail Establishments: Except as described herein, a Distributor may not sell Products or promote the business opportunity through Retail Establishments. A Distributor is also prohibited from selling Products to any Person who the Distributor knows, or has reason to suspect, will ultimately sell those Products through Retail Establishments. The display of Independent Distributor information within the premises of a Retail Establishment is acceptable if it complies with all the relevant advertising requirements of this Section and with the following:

1. The display may incorporate one of each Product per Retail Establishment, and/or several images of such Products, into a display for the sole purpose of advertising.
2. No Products, including the display, may be sold on the premises of the Retail Establishment.
3. No Retail Establishment shall display or advertise Company Product(s) or opportunities in a manner that is visible from outside the store.
4. The Company-designated disclaimer must be prominently posted near the displayed Products. The disclaimer may not be altered in size, color, content, etc. The disclaimer may be downloaded from the Company website and should state the following:

“Thank you for your interest. As a direct selling company, O-Life, products are distributed and sold by Independent Distributors and not in retail stores. Please



contact (Distributor's Name) at (Distributor's Contact Information) in order to purchase your O-Life, products.”

Service Establishments: A Distributor may conduct Distributor Business through Service-related Establishments, except that no Product banners or other Sales Tools may be displayed to the general public in a manner that would attract the public into the Service-related Establishment. The Company has sole discretion in determining whether an establishment is a Service-related Establishment and a proper place for the sale of Products.

15 - INDEPENDENT DISTRIBUTOR ETHICS

O-Life will not permit activity that is obviously unethical or unprofessional. Even though the line between aggressive professional marketing efforts and unethical behavior and harassment can be vague, O-Life will intercede when such behavior is evident, and reserves the right to use its sole judgment in deciding whether certain Distributor activities are inappropriate and, if determined to be so, to act accordingly.

16 - SEVENTY PERCENT (70%) RULE

O-Life will strictly adhere to the policy that prior to honoring an order for any product by a Distributor, the Distributor must certify that he/she has sold at retail at least 70% of all prior physical products inventory purchased. A Distributor will be allowed by O-Life to purchase a reasonable amount of product for personal use and enjoyment as well as to be used as sales samples. Such reasonable amount of product will not exceed \$500.00 without proof that the Distributor has sold 70% of their present inventory.

The company will monitor compliance with this rule, and any fraudulent information supplied by the Distributor will be grounds for termination of the Distributorship of the violating party. For this reason it is important that the Distributor keep accurate sales records.

It is company policy to strictly prohibit the purchase of products in unreasonable amounts solely for the purpose of qualifying for commissions or advancement within the compensation plan. All such forms of frontloading or stockpiling are strictly prohibited.

17 - SALES TAX

All O-Life's products are subject to the sales tax in the state, county, or city that levies such a tax and in which a sale occurs. This tax is calculated on the retail value of the



purchase. Unless the Distributor has filed a tax resale number with O-Life, O-Life will collect the appropriate tax.

18 - INDIVIDUAL TAXES

Each Distributor shall comply with all state and local taxes and regulations governing the sale of O-Life products. Additionally, each Distributor is required to provide on their Distributor application form either their Social Security number or Federal tax ID number. As the Distributor is a self-employed contractor, O-Life does not deduct any personal taxes from commission checks.

At the end of the calendar year, O-Life is obligated by law to provide the Independent Distributor and the Internal Revenue Service with a form 1099 reporting the Distributors annual income from O-Life. This is required for any Distributor with earnings in excess of \$600.00 for the calendar year.

19 - PROPRIETY NATURE OF DOWNLINE REPORTS

The company may from time to time supply data processing information and reports to O-Life Distributors concerning their downline organizations. The Distributor agrees that such information is proprietary and confidential to both the company and the individual Distributor and is transmitted to the Distributor in confidence.

The Distributor agrees that he/she will not disclose such information to any third party directly or indirectly, nor use the information to compete with the company directly or indirectly.

The Distributor and the company agree that, but for this agreement of confidentiality and nondisclosure, the company would not provide the above confidential information to the Distributor.

20 - AMENDMENTS

O-Life expressly reserves the right to alter or amend wholesale prices, product availability and/or formulation, policies and procedures, and compensation plan.

Such amendments are automatically incorporated as part of the agreement between O-Life and the Distributor when published in official company literature.

21 - SALES TOOLS



A distributor may use only Sales Tools that expressly approved in writing and advance by the Company. The Distributor agrees that if it uses a fulfillment house or other third party to sell or distribute Sales Tools, the Distributor will enter into a non-disclosure agreement (to be provided by the Company) with the fulfillment house or third party to ensure that all Distributor and Customer information is protected from disclosure and claims the sole property of the Company.

To apply for the approval of Sales Tools, a Distributor must submit all Sales Tools to the Company for approval prior to use. The Company has sole discretion whether to approve or reject a proposed Sales Tool. The approval process generally requires a minimum of two (2) weeks to complete. To comply with changing laws and regulations, the Company may rescind its prior approval of a Sales Tool, and may require the Distributor to remove from the market at its own cost and obligation a previously approved Sales Tool. If approved, the Company will issue to the Distributor a unique Sales Tool control number and logo and a written authorization from the Company specifically stating that the Sales Tool may be distributed.

22 - PRODUCT AND INCOME CLAIMS

O-Life Distributors agree to make no false or fraudulent representations about the company, its products, services, the compensation plan or earnings potential.

The Distributor must not make any claims for O-Life's products which are not supported by facts contained in official company literature.

Distributor also shall not re-label, alter, or repackage any Products. No Distributor may imply that the promotion, operation, or organization of the Company has been approved, sanctioned, or endorsed by any governmental regulatory authority.

23 - ANNUAL RENEWAL FEE

Independent Distributors are required to renew their agreements on the anniversary of the date they became Independent Distributors. The annual renewal fee is to be \$34.99. Renewal forms will be distributed by O-Life two months prior to the anniversary date of the individual Distributors. Failure to return the renewal fee and agreement by the anniversary date will be construed as a resignation and all agreements between the company and the Distributor will be considered null and void. Distributors failing to renew will be inactive and follow the inactivity termination rule as described in this contract.



24 - DISTRIBUTOR CHANGE OF ADDRESS

Independent Distributors must report any change of address by sending written notice to O-Life office.

25 - RESIGNATION OF A DISTRIBUTOR

A Distributor has the right to terminate their agreement at any time and for any reason without reason without penalty by giving seven (7) days written notice to the company at its principal place of business.

At the end of the seven (7) day notice period, all rights to commissions, position, and wholesale purchases cease, and the Distributor is no longer entitled to advertise, sell, or promote O-Life products. The former Distributor's downline shall be transferred to his/her sponsor.

The resigning Distributor is not eligible to be sponsored into O-Life again for a period of six (6) months following the date of termination. The resigning Distributor also will lose its previous held title and Downline Organization after responsorship. The responsored Distributor will be unable to go back to the same position before the resignation.

26 - BREACH OF CONTRACT

Conditional Obligations: The Company's obligations to a Distributor are conditioned upon the Distributor's faithful performance of the terms and conditions of the Contract. The Company, in its sole discretion, will determine if a Distributor is in breach of the Contract and may elect any or all available remedies.

Remedies: In the event of breach, the Company may elect to take no action or to exercise some or all contractual remedies and remedies at law or in equity, including, but not limited to:

1. Notify the Distributor either in writing or verbally of the breach and providing a notice to cure the breach;
2. Require from the Distributor additional assurances of future compliance;
3. Withhold or deny recognition and attendant perks;
4. Assess damages and withhold them from commission payments;
5. Suspend Distributor Rights temporarily or permanently;
6. Seek injunctive relief;
7. Terminate the Contract; and



8. Seek damages and associated costs.

Reporting Contract Breaches: If a Distributor observes or is aware of another Distributor's violation of any term or condition of the Contract, the observing Distributor shall submit a written complaint to the Company's Distributor Education & Conduct Department on the applicable form provided by such department. Because of the difficulties of investigating and asserting appropriate remedies for stale claims, any complaint for breach of the terms and conditions of the Contract other than Cross-Company Recruiting must be brought to the Company's attention for review within eighteen (18) months of the start of the alleged violation; Cross-Company Recruiting violations must be brought to the Company's attention within six (6) months of the alleged violation. Failure to report a violation within that time period may result in the Company not pursuing the allegations in order to prevent the Distributor Business from being disrupted due to stale claims. However, this policy does not waive the Company's right to investigate and discipline Distributors found guilty of the stale claims.

Circumvention of the Contract: The Contract is designed to protect Distributors and the Company from the adverse consequences of their violation. Distributors who intentionally circumvent the Contract to accomplish indirectly what is prohibited directly will be disciplined as if the applicable policy or rule had been broken directly. In such circumstances, all of the available remedies as stated above will be available to the Company. The Contract is not intended to give a Distributor the right to enforce the Contract against another Distributor directly, or to take any legal action against another Distributor.

27 - TERMINATION BY INACTIVITY

Inactivity can be resulting from failure to comply with the sales maintenance requirement of the compensation plan or failure to renew the annual renewal and materials fee. After six (6) months of consecutive inactivity, a Distributor will be deleted from the commission structure. The deleted Distributor will, however, be eligible for immediate responsorship.

28 - TERMINATION OF DISTRIBUTORSHIP

The company reserves the right to terminate any distributorship at any time, or suspend said Distributor for a probationary period, when it is determined that the Distributor has violated the provisions of the Distributor Agreement, including the provisions of these Policies and Procedures as they now exist or may be amended, or the provisions of applicable laws and standards of fair dealing.



Upon such a termination, the company shall notify the Distributor by certified mail at the latest address listed with the company.

The terminated Distributor agrees to immediately cease representing himself/herself as a Distributor, and will not be allowed to ever return to the position of Distributor with O-Life. Where applicable state law on termination of a Distributor is inconsistent with company policy, such state law termination procedures shall be in force.

If the Distributor wishes to appeal the termination, O-Life must receive the appeal, in writing, within fifteen (15) days from the date of mailing of the company's termination letter. If the appeal is not received with the 15-day period, the termination will be automatically deemed final. If the Distributor files a timely appeal of termination, O-Life will review and reconsider the termination, consider any other appropriate action and notify the Distributor of its decision. The decision of the company will be final and subject to no further review.

In the event that the termination is not rescinded, the termination will be effective as of the date of the company's original termination notice.

Upon termination of a distributorship, all rights to commissions, position, and wholesale purchase rights cease. The terminated Distributor's organization shall be transferred to his/her sponsor. The terminated Distributor will not be eligible for future sponsorship. When a Distributor is terminated by the Company as a result of breaching the contract, the terminated Distributor may not apply for responsorship until one (1) year after the termination date. However, the Company withholds the right to reject the application. The Distributor cannot obtain the same position before the termination after the responsorship. When a Distributor is terminated voluntarily or due to inactivity, he/she may be reinstated at their former level with the approval of the first upline Branch Director.

29 - DISTRIBUTOR ADVERTISING

Because Independent Distributors are independent contractors they may promote their business in any legal and ethical manner.

Any advertisement which utilizes the O-Life's company name, trade names, trademarks, logo, service names, service marks, product names, or any derivative thereof, there



must be an approval by the company in writing prior to any advertisement. The ad must also state that the individual placing the ad is an “Independent Distributor”.

Independent Distributors are prohibited from answering the phone in any manner that would give callers reason to believe that they have reached the corporate offices of O-Life.

The company strictly prohibits Distributors from utilizing unapproved web sites with company logos to advertise or promote the products or opportunity, other than the official company sponsored and maintained web site. The website shall not be altered, nor linked to other websites which may contain information or statements regarding O-Life’s products which in themselves would be a violation of these Policies and Procedures.

Mass e-mail distribution and unsolicited faxes are not allowed, except that a fax or e-mail may be sent to any person with that person’s prior permission or to any person with whom the Distributor has an established relationship.

Telephone solicitations or telemarketing, as broadly defined under the law, are not allowed. A Distributors inadvertent action of calling someone who is on the Federal “do not call” registry could subject the Distributor to an \$11,000.00 fine. Therefore, Distributors must not place calls to induce the purchase of a product or service offered by the company or to recruit individuals or entities for Distributorship in the O-Life organization. Exceptions to this policy include, 1) if the Distributor has an established business relationship with the prospect, or has had a financial transaction with the prospect within the 18 months prior to the call, 2) if the prospect had made personal inquiry or application regarding Distributorship or the product or service, 3) if the Distributor had received written permission from the prospect authorizing the call, or 4) if calling family Distributors, personal friends or, occasionally, calling acquaintances.

Internet Advertising:

Distributors may use only a Company Licensed Website to promote Products or the business opportunity over the Internet. Promoting Products or the business opportunity through an unlicensed Internet website is strictly prohibited.

Mass Communications:



For purposes of this Section, “Mass Communications” are defined as communications intended to reach fifty (50) or more Distributors in the sender’s Down line Organization or at least three Distributors who are cross-line, within a seven (7) day period. The following rules apply to all Mass Communications issued by a Distributor:

1. Distributors targeted to receive the Mass Communications must have knowingly “opted in” to hear or receive the Mass Communication
 - a. through registration (if the Mass Communication will be received at an event or webinar); and/or
 - b. through an affirmative request if the Mass Communication is delivered through an email or on a website.
2. If by e-mail, there must be an “opt out” feature prominently displayed in the Mass Communication.
3. The Mass Communication must comply with the terms of this Section.

30 - WAIVER

The company never gives up its right to insist on compliance with these rules or with the applicable laws governing the conduct of a business. This is true in all cases, both specifically expressed and implied, unless an officer of the company who is authorized to bind the company in contracts or agreements specifies in writing that the company waives any of these provisions.

31 - GOVERNING LAWS

These rules are reasonably related to the laws of the State of California and shall be governed in all respects thereby. The parties agree that jurisdiction and venue shall lie with the place of acceptance of the Distributor application, which shall in all cases be the County of Los Angeles in the State of California.

32 - INVALIDITY OF ANY PARAGRAPH

Should any portion of these policies and procedures, of the Distributor’s Application and Agreement, or any other instruments referred to herein or issued by the company be declared invalid by a court of competent jurisdiction, the balance of such rules, applications, or instruments shall remain in full force and effect.



33 - SANCTIONS AND ENFORCEMENT ACTION

Sanctions will not be employed lightly, nor will the company be arbitrary or unfair in their use. It is important to remember, however, that a Distributor who violates these policies and procedures jeopardizes the integrity and standing of all Distributors.

The company reserves the right to revoke the status of Distributors or place violators on probation for a period which may delay their eligibility for advancement in the marketing plan. It is for the benefit of everyone that every Distributor abides by the letter and spirit of these policies and procedures.

34 - NOTICES TO O-LIFE

Any notice to O-Life should be sent to the corporate office at:

980 Cienega Avenue, San Dimas, CA 91773

35 - CHARGE BACKS

If commissions have been paid to a Distributor and subsequent returns on products occur which cause refunds to be issued to the purchaser, the commissions overpaid will be charged back against the Distributors next check, or first check with available commissions to cover the refunds.

WELCOME TO O-LIFE!!!

O-Life looks forward to a long and successful future with each and every one of you. Welcome to the team.