

# wor(l)d Policies and Procedures

## SECTION 1 – Introduction

### 1.1- Policies and Compensation Plan Incorporated into Member Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of World Global Network (hereafter "wor(l)d" or the "Company"), are incorporated into, and form an integral part of, the wor(l)d Member Agreement. Throughout these Policies and Procedures, when the term "Agreement" is used, it collectively refers to the wor(l)d Member Application and Agreement, these Policies and Procedures, the wor(l)d Compensation Plan, wor(l)d Terms of Service, and wor(l)d Terms and Conditions and any other document established by the Company. These documents are incorporated by reference into the wor(l)d Member Agreement (all in their current form and as amended by wor(l)d). It is the responsibility of each member to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When sponsoring or enrolling a new member, it is the responsibility of the sponsoring member to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures, the wor(l)d Compensation Plan, wor(l)d Terms of Service, and wor(l)d Terms and Conditions prior to his or her execution of the member Agreement.

### 1.2 - Purpose of Policies

wor(l)d is a direct sales company that markets its products through Independent affiliates. It is important to understand that your success and the success of your fellow members depends on the integrity of the men and women who market our products and services. To clearly define the relationship that exists between members and wor(l)d, and to explicitly set a standard for acceptable business conduct, wor(l)d has established the Agreement and can establish documents contained the basic rules conduct. wor(l)d's members are required to comply with all of the Terms and Conditions set forth in the Agreement which wor(l)d may amend at its sole discretion from time to time, as well as all international, federal, state, and local laws governing their wor(l)d business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement and the documents contained the basic rules conduct. Please review the information in this manual carefully. It explains and governs the relationship between you, as an member and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from anyone in your upline or wor(l)d.

### 1.3 - Changes to the Agreement

Because international, federal, state, and local laws, as well as the business environment, periodically change, wor(l)d reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By accepting the terms of the member Agreement, an member agrees to abide by all amendments or modifications that wor(l)d elects to make.

Amendments shall be effective from the publication without upon notice to members that the Agreement has been modified. Notification of amendments shall be published in official wor(l)d

materials, or other ways that the Company deems appropriate.

The Company shall provide or make available to all members a complete copy of the amended provisions by one or more of the following methods: (1) posting on the Company's official web site; (2) electronic mail (e-mail) (3) inclusion in Company periodicals; (4) inclusion in Product orders or Bonus payments; or (5) special mailings. The continuation, also without any communication kind, of an member's wor(l)d business or an member's acceptance of Bonuses or Commissions constitutes acceptance of any and all amendments.

#### **1.4 - Delays**

wor(l)d shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, reasons of force majeure curtailment of a party's source of supply, or government decrees or orders.

#### **1.5 - Policies and Provisions Severable**

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid, or unenforceable provision never comprised a part of the Agreement.

#### **1.6 - Waiver**

The Company never gives up its right to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of wor(l)d to exercise any right or power under the Agreement or to insist upon strict compliance by an member with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of wor(l)d's right to demand exact compliance with the Agreement. Waiver by wor(l)d can be effectuated only in writing by an authorized officer of the Company. wor(l)d's waiver of any particular breach by an member shall not affect or impair wor(l)d's rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other member. Nor shall any delay or omission by wor(l)d to exercise any right arising from a breach affect or impair wor(l)d's rights as to that or any subsequent breach.

The existence of any claim or cause of action of an member against wor(l)d shall not constitute a defence to wor(l)d's enforcement of any term or provision of the Agreement.

## **SECTION 2 - Becoming an member**

### **2.1 - Requirements to Become a member**

To become a wor(l)d member, each applicant must:

- be of the age of majority in his or her country of residence;
- have a valid Government's Identification Card;
- submit a properly completed member Application in the established way by the Company and Agreement to wor(l)d;

- not report convictions and not have ongoing administrative or disciplinary proceedings which may restrict the free and proper exercise of the activities,
- obligations and rights, recognized within the scope of this document.

## 2.2 - Product Purchases

members are not required to purchase wor(l)d products or services to sell or refer our products.

## 2.3 - Member Benefits

Once a member Application and Agreement has been accepted by wor(l)d, the benefits of the Compensation Plan and the member Agreement are available to the new member. These benefits include the right to:

- Sell wor(l)d Products and Services;
- Participate in the wor(l)d Compensation Plan (receive Bonuses and Commissions, if eligible);
- Sponsor other individuals as Customers or members into the wor(l)d business and thereby, build a marketing organization and progress through the wor(l)d Compensation Plan;
- Receive periodic wor(l)d literature and other wor(l)d communications;
- Participate in wor(l)d-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable;
- Participate in promotional and incentive contests and programs sponsored by wor(l)d for its members.
- Use names, images, trademarks and logos of the company only for purposes related to activities as member and within the limits established by the Company.

## SECTION 3 - Operating a wor(l)d Business

### 3.1 - Adherence to the wor(l)d Compensation Plan

Members must adhere to the terms of the wor(l)d Compensation Plan as set forth in official wor(l)d literature.

Members must conduct their business exclusively through one business account. The other possible accounts that have been registered under the same person will be immediately closed without the member can make any kind of claim with respect to orders, commissions or any type of benefit generated in these other accounts.

Members shall not offer the wor(l)d Opportunity through, or in combination with, any other system, program, or method of marketing or communication other than that specifically set forth in official wor(l)d literature. members shall not require or encourage other current or prospective Customers or members to participate in wor(l)d in any manner that varies from the program as set forth in official wor(l)d literature. members shall not require or encourage other current or prospective Customers or members to execute any agreement or contract other than official wor(l)d agreements and contracts in order to become a wor(l)d member. Similarly, members shall not require or encourage other current or prospective Customers or members to make any purchase from, or payment to, any individual or other entity to participate in the wor(l)d Compensation Plan other than those purchases or payments identified as recommended or required in official wor(l)d literature.

## **3.2 - Advertising**

### **3.2.1 - General**

All members shall safeguard and promote the good reputation of wor(l)d and its products and services. The marketing and promotion of wor(l)d, the wor(l)d Opportunity, the Compensation Plan, and wor(l)d products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and services, and the tremendous Opportunity wor(l)d offers, members may only use the sales aids and support materials produced by wor(l)d or materials that have received prior written approval from wor(l)d's compliance department.

wor(l)d members may not sell sales aids to other wor(l)d members. Therefore, members who receive authorization from wor(l)d to produce their own sales aids may make the sales aids available to other members free of charge, but may not sell such sales aids to any other wor(l)d member.

### **3.2.2 - Member Web Sites**

If an member desires to utilize an Internet web page to promote his or her business, he or she may do so only through an official wor(l)d "Captive" website and he have to respect the requirements and characteristics of them.

### **3.2.3 - Domain Names**

members may not use or attempt to register any of wor(l)d's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name.

### **3.2.4 - Trademarks and Copyrights**

wor(l)d will not allow the use of its trade names, trademarks, designs, or symbols by any person, including wor(l)d members, without its prior, concrete and explicit written permission. members may not produce for sale or distribution any recorded Company events and speeches without prior written explicit permission from wor(l)d nor may members reproduce for sale or for personal use any recording of Company produced audio or video tape presentations.

The member will not use the material which he has as member neither he will not use the information that has acquired with him activities, for the purpose of committing direct or indirect acts or omissions, that its may adversely affect the Company

### **3.2.5 - Media and Media Inquiries**

members must not attempt to respond to media inquiries regarding wor(l)d, its products or services, or their independent wor(l)d business. All inquiries by any type of media must be immediately referred to wor(l)d's Marketing Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

### **3.2.6 - Unsolicited Email**

wor(l)d does not permit members to send unsolicited commercial emails unless such emails strictly

comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act and Global and International regulations. The costumer agrees to be bound by this legislation.

Any email sent by an member that promotes wor(l)d, the wor(l)d Opportunity, or wor(l)d products and services must comply with the following:

- There must be a functioning return email address to the sender;
- There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice);
- The email must clearly and conspicuously disclose that the message is an advertisement or solicitation;
- The use of deceptive subject lines and/or false header information is prohibited;
- All opt-out requests, whether received by email or regular mail, must be honored. If an member receives an opt-out request from a recipient of an email, the member must forward the opt-out request to the Company.

### 3.2.7 - Unsolicited Faxes and e-mail

Except as provided in this section, members may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of their wor(l)d businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers. The terms "unsolicited faxes and e-mail" means the transmission via telephone facsimile or electronic mail, respectively, of any material or information advertising or promoting wor(l)d, its Products, its Compensation Plan or any other aspect of the company which is transmitted to any person, except that these terms do not include a fax or e-mail: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the member has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two way communication between an member and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding Products offered by such member; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

### 3.3 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an Independent member Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an member or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as members or Customers ("phantoms"); (d) Purchasing wor(l)d services on behalf of another member or Customer, or under another member's or Customer's I.D. number, to qualify for Commissions or Bonuses;

(e) purchasing excessive amounts of services that cannot reasonably be used (f) any other mechanism or artifice to qualify for rank advancement,

incentives, prizes, Commissions or Bonuses that is not driven by bona fide Product or Service purchases by end-user consumers.

### **3.4 - Change of Sponsor**

An member may legitimately change organizations only by voluntarily canceling his or her wor(l)d business and remaining inactive (i.e., no purchases of wor(l)d Products for resale, no sales of wor(l)d Products, no sponsoring, no attendance at any wor(l)d functions, participation in any other form of member activity, or operation of any other wor(l)d business) for six (6) full calendar months. Following the six month period of inactivity, the former member may reapply under a new Sponsor.

### **3.5 - Unauthorized Claims and Actions**

#### **3.5.1 - Indemnification**

An member is fully and exclusively responsible for all of his or her verbal and written statements made regarding wor(l)d Products, Services, and the Compensation Plan which are not expressly contained in official wor(l)d materials. members agree to indemnify wor(l)d and wor(l)d's directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by wor(l)d as a result of the member's unauthorized representations or actions. This provision shall survive the termination of the member Agreement.

#### **3.5.2 - Income Claims**

In their enthusiasm to enrol prospective members, some members are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counter productive because new members may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At wor(l)d, we firmly believe that the wor(l)d income potential is great enough to be highly attractive, without reporting the earnings of others.

Moreover, the Federal Trade Commission, several countries and states and other International Authorities have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While members may believe it beneficial to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact wor(l)d as well as the member making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because wor(l)d members do not have the data necessary to comply with the legal requirements for making income claims, an member, when presenting or discussing the wor(l)d Opportunity or Compensation Plan to a prospective member, may not make income projections, income claims, or disclose his or her wor(l)d income (including the showing of bank statements, or tax records).

Any action contrary to everything that is specified in this paragraph shall be the sole responsibility of the member.

### **3.6 - Trade Shows, Expositions and Other Sales Forums**

members may display and/or sell wor(l)d products or services at trade shows and professional expositions. Before submitting a deposit to the event promoter, members must contact the member Services department in writing for conditional approval, as wor(l)d's policy is to authorize only one wor(l)d business per event. Final approval will be granted to the first member who submits an official advertisement of the event, a copy of the contract signed by both the member and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Marketing Department. wor(l)d further, at its sole discretion, reserves the right to refuse authorization to participate at any function that it does not deem a suitable forum for the promotion of its Products, Services, or the wor(l)d Opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image wor(l)d wishes to portray.

### **3.7 - Conflicts of Interest**

#### **3.7.1 - Non solicitation**

wor(l)d members are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"), until their participation in other multilevel does not involve conflicts of interest with the development of the proper business in wor(l)d and if such participation does not bear damages, of any kind, to the Company.

In any case, without exception, users registered as frontlines of the Company or those users who have the rank of President Gold or superior, cannot absolutely participate to other direct selling business. However, during the term of this Agreement, members cannot directly or indirectly recruit other wor(l)d members or Customers for any other network marketing business.

If an member uses one of the prohibited acts described in the previous paragraphs, the Company, in its sole discretion and without prior notice, reserves the immediate cancellation of the position.

Furthermore, if the Independent Agreement of an member has been cancelled, the member will not be able to participate in the wor(l)d, he can only secure a new position 6 months after the cancellation of the existing position. An former member, is not allowed to recruit wor(l)d member.

During the duration of the Independent member Agreement, the member position can be cancelled without prior notice and at the sole discretion of the Company, if this will be recruited, even by a former member to attend another mlm.

members and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, members and wor(l)d agree that this non-solicitation provision shall apply to all markets in which wor(l)d conducts business.

#### **3.7.2 - Sale and Promote of Competing Goods or Services**

members must not sell, or attempt to sell, any competing non-wor(l)d programs, products or services to wor(l)d Customers or members. Any program, Product or Service in the same

generic categories as wor(l)d products or services is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.

### **3.7.3 - member Participation in Other Direct Selling Programs**

If an member is engaged in other non-wor(l)d direct selling programs, it is the responsibility of the member to ensure that his or her wor(l)d business is operated entirely separate and apart from any other program. To this end, the following must be adhered to:

- members shall not display wor(l)d promotional material, sales aids, products or services with or in the same location as, any non-wor(l)d promotional material or sales aids, products or services.
- members shall not offer the wor(l)d Opportunity, products or services to prospective or existing Customers or members in conjunction with any non-wor(l)d program, Opportunity, Product or Service.

Members may not offer any non-wor(l)d opportunity, Products, Services or Opportunity at any wor(l)d-related meeting, seminar or convention, or within two hours and a five mile radius of the wor(l)d event. If the wor(l)d meeting is held telephonically or on the internet, any non-wor(l)d meeting must be at least two hours before or after the wor(l)d meeting, and on a different conference telephone number or internet web address from the wor(l)d meeting.

### **3.7.4 - Downline Activity (Genealogy) Reports**

Downline Activity Reports are available for member access in their official Back Office. member access to their Downline Activity Reports is password protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to wor(l)d. Downline Activity Reports are provided to members in strictest confidence and are made available to members for the sole purpose of assisting members in working with their respective Downline Organizations in the development of their wor(l)d business. members should use their Downline Activity Reports to assist, motivate, and train their downline members. The member and wor(l)d agree that, but for this agreement of confidentiality and nondisclosure, wor(l)d would not provide Downline Activity Reports to the member. An member shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any information contained in any Downline Activity
  - Report to any third party;
  - Directly or indirectly disclose the password or other access code to his or her
  - Downline Activity Report;
  - Use the information to compete with wor(l)d or for any purpose other than promoting his or her wor(l)d business;
  - Recruit or solicit any member or Customer of wor(l)d listed on any report, or in any manner attempt to influence or induce any member or Preferred Customer of wor(l)d, to alter their business relationship with wor(l)d, or
- 
- Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Downline Activity Report



Upon demand by the Company, any current or former member will return the original and all copies of Downline Activity Reports to the Company.

wor(l)d reserves the right, at its sole discretion, to pursue in the ways and times to be fixed each time according to the circumstances of the actual situation found, the violations described before.

### **3.8 - Targeting Other Direct Sellers**

wor(l)d does not condone members specifically or consciously targeting the sales force of another direct sales company to sell wor(l)d Products or to become members for wor(l)d, nor does wor(l)d condone members solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should members engage in such activity, they bear the risk of being sued by the other direct sales company.

If any lawsuit, arbitration or mediation is brought against an member alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, wor(l)d will not pay any of member's defence costs or legal fees, nor will wor(l)d indemnify the member for any judgement, award, or settlement.

### **3.9 - Cross-Sponsoring**

Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrolment of an individual who or entity that already has a current Customer or member Agreement on file with wor(l)d, or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy is prohibited. members shall not demean, discredit or defame other wor(l)d members in an attempt to entice another member to become part of the other member's marketing organization. This policy shall not prohibit the transfer of a wor(l)d business in accordance with Section 3.4.

If Cross Sponsoring is discovered, it must be brought to the Company's attention immediately. wor(l)d may take disciplinary action against the member that changed organizations and/or those members who encouraged or participated in the Cross Sponsoring. wor(l)d may also move all or part of the offending member's downline to his or her original downline organization if the Company deems it equitable and feasible to do so. However, wor(l)d is under no obligation to move the Cross Sponsored member's downline organization, and the ultimate disposition of the organization remains within the sole discretion of wor(l)d.

members waive all claims and causes of action against wor(l)d arising from or relating to the disposition of the Cross Sponsored member's downline organization.

### **3.10 - Errors or Questions**

If an member has questions about or believes any errors have been made regarding Commissions,

Bonuses, Downline Activity Reports, or charges, the member must notify wor(l)d in writing within 60 days of the date of the purported error or incident in question. The member can not claim anything to wor(l)d, beyond the limits in this documents have been established.

wor(l)d will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

members should demonstrate that He had sent on time the communications of alleged error or accident.

Once wor(l) receives the notice of the alleged error or accident, the Company will make, on necessary time, the appropriate checks and the Company will give communication about the result of them to member timely. Not be taken into account communications about errors or accidents that are received by the Company on behalf of third parties.

### **3.11 - Governmental Approval or Endorsement**

Neither international, federal nor state regulatory agencies or officials approve or endorse any direct selling or network marketing companies or programs. Therefore, members shall not represent or imply that wor(l)d or its Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

### **3.12 - Identification**

All members are required to provide a Government's ID Number to wor(l)d on the member application, in their enrolment and Agreement. Upon enrolment, wor(l)d will provide a unique member Nickname to the member by which he or she will be identified. This nickname will be used to place orders, and track Commissions and Bonuses.

Also addition, the member is required to submit, in a manner determined by the Company, a valid passport or identity document, an invoice and any other document that wor(l)d will require each time to him or her.

The member agrees and acknowledges that no credit will be paid by the company to him if the documents requested above have not been facilitated by the member as requested by the Company.

### **3.13 - Income Taxes**

Each member is responsible for paying local, state, and federal taxes on any income generated as an Independent member. If a wor(l)d business is tax exempt, the Federal tax identification number must be provided to wor(l)d.

### **3.14 - Member Status**

Members are independent contractors, and are not purchasers of a business opportunity. The agreement between wor(l)d and its members does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the member. members shall not be treated as an employee for his or her services or for Federal or State tax purposes. All members are responsible for paying local, state, and federal taxes due from all compensation earned as an member of the Company.

The member has no authority (expressed or implied), to bind the Company to any obligation. Each member shall establish his or her own goals, hours, and methods of sale, so long as he or she

complies with the terms of the member Agreement, these Policies and Procedures, and applicable laws.

The name of wor(l)d and other names as may be adopted by wor(l)d are proprietary trade names, trademarks and service marks of wor(l)d, protected by applicable law.

As such, these marks are of great value to wor(l)d and are supplied to members for their use only in an expressly authorized manner. Use of wor(l)d name on any item not produced by the Company is prohibited except as follows:

member's Name

Independent wor(l)d member

All members may list themselves as an "Independent wor(l)d member" in the white or yellow pages of the telephone directory under their own name. No member may place telephone directory display ads using wor(l)d's name or logo. members may not answer the telephone by saying "wor(l)d", "wor(l)d Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of wor(l)d, not even signing emails with "wor(l)d" or "wor(l)d Incorporated".

### **3.15 - Insurance**

You may wish to arrange insurance coverage for your business. Your home owner's insurance policy does not cover business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple "Business Pursuit" endorsement attached to your present home owner's policy.

### **3.16 - Adherence to Laws and Ordinances**

members shall comply with all international, federal, state, and local laws and regulations in the conduct of their businesses. Many cities, counties and countries have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to members because of the nature of their business. However, members must obey those laws that do apply to them.

member agrees that the responsibility for the completely respect of these laws and rules it is sole and exclusive of him.

If a city or county official tells an member that an ordinance applies to him or her, the member shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of wor(l)d. In most cases there are exceptions to the ordinance that may apply to wor(l)d members.

Because of critical legal and tax considerations, wor(l)d must limit the sale of its Products and the presentation of our business Opportunity to prospective customers and members within jurisdictions where such activities may be lawfully undertaken. Accordingly you may not sell or market the wor(l)d Product or promote the business Opportunity in countries or territories that have not been officially opened by wor(l)d. You may contact [legaloffice@worldgn.com](mailto:legaloffice@worldgn.com) if you have questions about which countries you may sell in.

### **3.17 - Minors**

A person who is recognized as a minor in his/her country of residence may not be a wor(l)d

member. members shall not enroll or recruit minors into the wor(l)d program.

### **3.18 - Actions of Household Members or Member Individuals**

If any member of an Member wor(l)d's immediate household engages in any activity which, if performed by the member, would violate any provision of the Agreement, such activity will be deemed a violation by the member and wor(l)d, at its sole discretion, may take any kind of action pursuant to the Statement of Policies and Procedures against the member. Similarly, if any individual member in any way with a corporation, partnership, trust or other entity (collectively "memberd individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and wor(l)d may take disciplinary action against the entity.

### **3.19 - Sale, Transfer or Assignment of wor(l)d Business**

Although a wor(l)d business is a privately owned, independently operated business, the sale, transfer or assignment of a wor(l)d business is subject to certain limitations. If an member wishes to sell his or her wor(l)d business, the following criteria must be met:

1. Protection of the existing line of sponsorship must always be maintained so that the wor(l)d business continues to be operated in that line of sponsorship.
2. The buyer or transferee must become a qualified wor(l)d member. If the buyer is an active wor(l)d member, he or she must first terminate his or her wor(l)d business and wait six calendar months before acquiring any interest in the new wor(l)d business.
3. Before the sale, transfer or assignment can be finalized and approved by wor(l)d, any debt obligations the selling member has with wor(l)d must be satisfied.
4. The selling member must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a wor(l)d business;
5. member must return any material used during the term of this agreement;
6. member agrees not to take action, direct or indirect, which may harm the good image and good name of the company.

Prior to selling a wor(l)d business, the selling member must notify wor(l)d's Marketing Department of his or her intent to sell the wor(l)d business. No changes in line of sponsorship can result from the sale or transfer of a wor(l)d business. An member may not sell, transfer or assign individual business centers; if a business is sold, transferred or assigned, all business centers must be included in the transaction.

### **3.20 - Separation of a wor(l)d Business**

wor(l)d members sometimes operate their wor(l)d businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership or trust (the latter three entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other members and the Company in a timely fashion, wor(l)d will involuntarily terminate the member Agreement.

wor(l)d recognizes the possibility that two people, for example, husband and wife can share the same position. In this case, the member acknowledges that any privilege (serve as an example, but

not only limited to what is specified here, promotions, bonuses, etc..) or rights, will be recognized and attributed to only one of them.

In this sense, is the sole responsibility of the two people who share the same position, organize and share the responsibilities, rights and privileges that arise from their work.

Both persons are compromised to not expect and not claim anything to wor(l)d in any case.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

**3.20.1.** One of the parties may, with consent of the other(s), operate the wor(l)d business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize wor(l)d to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.

**3.20.2.** The parties may continue to operate the wor(l)d business jointly on a "business- as-usual" basis, whereupon all compensation paid by wor(l)d will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings.

This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the Downline Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will wor(l)d split Commissions between divorcing spouses or members of dissolving entities. wor(l)d will recognize only one Downline Organization and will issue only one Commission per wor(l)d business per Commission Cycle. Commissions shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of Commissions and Ownership of the business in a timely fashion as determined by the Company, the member Agreement shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in the original wor(l)d business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity member who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a member. In either case, however, the former spouse or business member shall have no rights to any members in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new member.

### **3.21 - Sponsoring**

All active members in good standing have the right to sponsor and enrol others into wor(l)d, as indicated in the documents, policies and procedures of the Company. Each prospective Customer or member has the ultimate right to choose his or her own Sponsor. If two members claim to be the Sponsor of the same new member or customer, the Company shall regard the first application received by the Company as controlling.

The member and customer must not be sponsored by two different sponsors.

### **3.22 - Succession**

Upon the death or incapacitation of a member, his or her business may be passed to his or her

heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a member should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a wor(l)d business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all Bonuses and Commissions of the deceased member's marketing organization provided the following qualifications are met. The successor(s)/nominee must:

- Execute a member Agreement;
- Comply with terms and provisions of the Agreement; and
- Meet all of the qualifications for the deceased member's status.
- Bonus and Commission of a wor(l)d business transferred pursuant to this section will be paid in a single transaction jointly to the devisees. The devisees must
- provide wor(l)d with an "address of record" to which all Bonus and Commissions will be sent;
- If the business is bequeathed to joint devisees, they must form a business entity
- and acquire any required Business Identification number. wor(l)d will issue all Bonus and Commissions to the business entity.

If after the death of a member or dissolution of a company, no person, natural or juridical, had applied for a transfer of rights and obligations generated by the died member or by the dissolved company, these rights and obligations will be handled directly by the Company. The period of six months (6) is peremptory.

### **3.22.1 - Transfer Upon Death of a member**

To effect a testamentary transfer of a wor(l)d business, the successor/nominee must provide the following to wor(l)d: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor/nominee's right to the wor(l)d business; and (3) a completed and executed member Agreement, or the successor/nominee must have been noted to the company in the application process and proper matching identification must be provided.

### **3.22.2 - Transfer Upon Incapacitation of a member**

To effectuate a transfer of a wor(l)d business because of incapacity, the successor/nominee must provide the following to wor(l)d: (1) a notarized copy of an appointment as trustee; (2) a notarized copy of the trust document or other documentation establishing the trustee's right to administer the wor(l)d business; and (3) a completed member Agreement executed by the trustee.

The required documents must be presented in ways and time that wor(l)d every time establish.

### **3.23 - Telemarketing Techniques**

The Federal Trade Commission, the Federal Communications Commission and any Authority have laws that restrict telemarketing practices.

These authorities have "do not call" regulations as part of their telemarketing laws. Although wor(l)d does not consider members to be "telemarketers" in the traditional sense of the word, these

government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to 11,000.00 UD\$ per violation). Therefore, members must not engage in telemarketing in the operation of their wor(l)d businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a wor(l)d Product or Service, or to recruit them for the wor(l)d Opportunity. "Cold calls" made to prospective customers or members that promote either wor(l)d's products or services or the wor(l)d Opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or member (a "prospect") is permissible under the following situations:

**3.23.1.** If the member has an established business relationship with the prospect. An "established business relationship" is a relationship between an member and a prospect based on the prospect's purchase, rental, or lease of goods or services from the member, or a financial transaction between the prospect and the member, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a Product or Service.

**3.23.2.** The prospect's personal inquiry or application regarding a Product or Service offered by the member, within the three (3) months immediately preceding the date of such a call.

**3.23.3.** If the member receives written and signed permission from the prospect authorizing the member to call. The authorization must specify the telephone number(s) which the member is authorized to call.

**3.23.4.** You may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, that if you make a habit of "card collecting" with everyone you meet and subsequently calling them, the competent authority may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling "acquaintances," you must make such calls on an occasional basis only and not make this a routine practice.

In addition, members shall not use automatic telephone dialing systems relative to the operation of their wor(l)d businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

## **SECTION 4 - RESPONSIBILITIES OF MEMBERS**

### **4.1 - Change of Address, Telephone, and E-Mail Address**

To ensure timely delivery of any correspondence support materials, and Commissions, it is critically important that the wor(l)d's files are current. members planning to change their e-mail address or move must send their new e-mail address, physical address and telephone numbers to [info@worldgn.com](mailto:info@worldgn.com) To guarantee proper delivery, two weeks advance notice must be provided to wor(l)d on all changes.

### **4.2 - Continuing Development Obligations**

#### **4.2.1 - Ongoing Training**

Any member who sponsors another member into wor(l)d must perform a bona fide assistance with honesty and transparency and training function to ensure that his or her downline is properly operating his or her wor(l)d business. members must have ongoing contact and communication with the members in their Downline Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline members to wor(l)d meetings, training sessions, and other functions. Upline members are also responsible to motivate and train new members in wor(l)d product knowledge, effective sales techniques, the wor(l)d Compensation Plan, and compliance with Company Policies and Procedures. Communication with and the training of downline members must not, however, violate Section 3.2 (regarding the development of member-produced sales aids and promotional materials).

Members must monitor the members in their Downline Organizations to ensure that downline members do not make improper product or business claims, or engage in any illegal or inappropriate conduct. Upon request, every member should be able to provide documented evidence to wor(l)d of his or her ongoing fulfillment of the responsibilities of a Sponsor.

#### **4.2.2 - Increased Training Responsibilities**

As members progress through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the wor(l)d program. They will be called upon to share this knowledge with lesser experienced members within their organization.

#### **4.2.3 - Ongoing Sales Responsibilities**

Regardless of their level of achievement, members have an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers.

### **4.3 – Non disparagement**

wor(l)d wants to provide its Independent members with the best Products, Compensation Plan, and Service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to our customer care. Remember, to best serve you, we must hear from you!



While wor(l)d welcomes constructive input, negative comments and remarks made in the field by members about the Company, its Products, or Compensation Plan serve no purpose other than to sour the enthusiasm of other wor(l)d members. For this reason, and to set the proper example for their downline, members must not disparage, demean, or make negative remarks about wor(l)d, other wor(l)d members, wor(l)d's Products/Services, the Compensation Plan, or wor(l)d's Directors, Officers, or Employees.

#### **4.4 - Providing Documentation to Applicants**

members must provide the most current version of the wor(l)d Statement of Policies and Procedures, wor(l)d Terms and Conditions, wor(l)d Compensation Plan and wor(l)d Terms of Service to individuals whom they are sponsoring to become members before the applicant signs a member Agreement. Additional copies of Policies and Procedures can be downloaded from wor(l)d's website.

#### **4.5 - Reporting Policy Violations**

members observing a Policy violation by another member should submit a written report of the violation directly to the attention of the wor(l)d Compliance Department, at [legaloffice@worldgn.com](mailto:legaloffice@worldgn.com). Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

To safeguard the common interests of all users world, the company reserves the right, in its sole discretion, the right to apply the relevant measures to be proportionate in any case to any reported violation.

## **SECTION 5 - SALES REQUIREMENTS**

### **5.1 - Product/Service Sales**

The wor(l)d Compensation Plan is based on the sale of wor(l)d Products and Services to end consumers. Members must full fill personal and Downline Organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for Bonuses, Commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for members to be eligible for Commissions:

**5.1.1** - members must satisfy the Personal Sales Volume requirements to fulfill the requirements memberd with their rank as specified in the wor(l)d Compensation Plan. "Personal Sales Volume" includes purchases made by the member and purchases made by the member's personal customers.

### **5.2 - No Territory Restrictions**

There are no exclusive territories granted to anyone.

## **SECTION 6 - BONUSES AND COMMISSIONS**

### **6.1 - Bonus and Commission Qualifications**

wor(l)d reserves the right to establish the activation requirements each time.

These requirements will be communicated through wor(l)d's communication channels.

So long as an member complies with the terms established by the company, wor(l)d shall pay Commissions to such member in accordance with the Compensation Plan.

### **6.2 - Adjustment to Bonuses and Commissions**

#### **6.2.1 - Adjustments for Cancelled Services**

members receive Bonuses and Commissions based on the actual sales of Products and Services to end consumers. When wor(l)d issues a refund for cancelled Services, the Bonuses and Commissions attributable to the refunded services will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the Commission is recovered, from the members who received Bonuses and Commissions on the sales of the refunded services.

### **6.3 - Reports**

All information provided by wor(l)d in downline activity reports, including but not limited to personal sales volume (or any part thereof), and downline sponsoring activity is believed to be accurate and reliable. Nevertheless, due to various factors including but not limited to the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card payments; returned products; credit card and charge-backs; the information is not guaranteed by wor(l)d or any persons creating or transmitting the information.

ALL PERSONAL SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, wor(l)d AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY DISTRIBUTOR OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND TEAM SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF wor(l)d OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, wor(l)d OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR

OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of wor(l)d's reporting services and your reliance upon such information is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to wor(l)d' reporting services and your reliance upon the information.

## **SECTION 7 - SATISFACTION GUARANTEES, RETURNS AND INVENTORY REPURCHASE**

### **7.1 - Satisfaction Guarantee**

If any Independent member or Customer is unsatisfied with any service or products, wor(l)d Global offers a 100% fourteen (14) day money-back guarantee (unless otherwise required by law) from the date the service is activated or from the delivery of products. Please note that shipping charges, wire transfer fees and sales and service taxes are not refundable.

Returns of the purchase price constitute an member's voluntary request to cancel. All refunds will be processed within 15 business days.

### **7.2 - Return of Sales Aids by members Upon Cancellation**

Upon cancellation of an member's Agreement, the member may return sales aids held in his or her inventory for a refund. members may only return sales aids that he or she personally purchased from wor(l)d (purchases from other members or third parties are not subject to refund) within 12 months prior to the date of cancellation so long as the materials are unopened and in Resalable condition. Upon receipt of Resalable sales aids, the member will be reimbursed 90% of the net cost of the original purchase price(s). Shipping charges incurred by an member when the sales aids were purchased will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account.

## **SECTION 8 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS**

### **8.1 - Disciplinary Sanctions**

Violation of the Agreement, these Policies and Procedures, violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by an member that, in the sole discretion of the Company may damage its reputation or goodwill, may result, at wor(l)d's discretion, in one or more of the following corrective measures:

- Issuance of a written warning or admonition;
- Requiring the member to take immediate corrective measures;
- Imposition of a fine, which may be withheld from Bonuses and Commissions;
- Loss of rights to one or more Bonus or Commission payments;
- wor(l)d may withhold from an member all or part of the member's Bonuses and Commissions during the period that wor(l)d is investigating any conduct allegedly in

violation of the Agreement. If an member's business is canceled for disciplinary reasons, the member will not be entitled to recover any Commissions withheld during the investigation period;

- Suspension of the individual's member Agreement for one or more pay periods;
- Involuntary termination of the offender's member Agreement;
- Any other measure expressly allowed within any provision of the Agreement or which wor(l)d deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the member's policy violation or contractual breach;
- In situations deemed appropriate by wor(l)d, the Company may institute legal proceedings for monetary and/or equitable relief.

## 8.2 - Grievances and Complaints

When an member has a grievance or complaint with another member regarding any practice or conduct in relationship to their respective wor(l)d businesses, the complaining member should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor.

If the matter involves interpretation or violation of Company policy, it must be reported in writing to the member Services Department at the Company. The member Services Department will review the facts and attempt to resolve it.

## 8.3 - Arbitration

Any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by Singapore under its Commercial Arbitration Rules, and judgement on the award rendered by the arbitrator may be entered in any court having jurisdiction there of. members waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in Singapore. All parties shall be entitled to all discovery rights pursuant to any Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel that the Singapore Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgement in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement. Nothing in these Policies and Procedures shall prevent wor(l)d from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect wor(l)d's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

## 8.4 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Singapore, State of Singapore. The law of Singapore shall govern all other matters relating to or arising from the Agreement.

## **SECTION 9 - INACTIVITY, RECLASSIFICATION, AND CANCELLATION**

### **9.1 - Effect of Cancellation**

So long as an member remains active and complies with the terms of the member Agreement and these Policies and Procedures, wor(l)d shall pay Commissions to such member in accordance with the Compensation Plan. An member's Bonuses and Commissions constitute the entire consideration for the member's efforts in generating sales and all activities related to generating sales (including building a downline organization).

Following an member's non-renewal of his or her member Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her member Agreement (all of these methods are collectively referred to as "cancellation"), the former member shall have no right, title, claim or interest to the marketing organization which he or she operated, or any Commission or Bonus from the sales generated by the organization. An member whose business is cancelled will lose all rights as an member.

This includes the right to sell wor(l)d Products and Services and the right to receive future Commissions, Bonuses, or other income resulting from the sales and other activities of the member's former downline sales organization. In the event of cancellation, members agree to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any Bonuses, Commissions or other remuneration derived from the sales and other activities of his or her former downline organization. Following an member's cancellation of his or her member Agreement, the former member shall not hold himself or herself out as a wor(l)d member and shall not have the right to sell wor(l)d products or services.

An member whose member Agreement is canceled shall receive Commissions and Bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

### **9.2 - Cancellation For Inactivity**

If an member does not earn a Commission or Bonus for one year, his or her member Agreement will be cancelled for inactivity.

### **9.3 - Involuntary Cancellation**

An member's violation of any of the terms of the Agreement or violation of any document, rules or policy approved be the Company, including any amendments that may be made by wor(l)d in its sole discretion, may result in any of the sanctions or measures listed in Section 8.1, including the involuntary cancellation of his or her member Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed, or delivered to an express courier, to the member's last known address (or fax number), or to his/her attorney, or when the member receives actual notice of cancellation, whichever occurs first.

### **9.4 - Voluntary Cancellation**

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company via mail, fax, or [info@worldgmn.com](mailto:info@worldgmn.com). The written notice must include the member's signature, printed name, address, and member Nickname.

If an member is also subscriber to wor(l)d's services, the member's service agreement shall continue

in force unless the member also specifically requests that the service agreement also be cancelled.

### **9.5 - Non-renewal**

An member may voluntarily cancel his or her member Agreement. wor(l)d may also elect not to renew, at its sole discretion, an member's Agreement upon its anniversary date.

### **9.6 - Customer Status Following Cancellation**

If an member is also a wor(l)d service subscriber, and his or her member Agreement is cancelled for any reason, but he or she continues to purchase wor(l)d services, the former member will be classified as a retail customer.

## **SECTION 10 - DEFINITIONS**

**Member** - A member who has received a Commission during the preceding twelve months and who has not had his or her member Agreement voluntarily or involuntarily cancelled.

**Active Rank** - The term "active rank" refers to the current rank of an member, as determined by the wor(l)d Compensation Plan, for any month. To be considered "active" relative to a particular rank, an member must meet the criteria set forth in the wor(l)d

Compensation Plan for his or her respective rank. (See the definition of "Rank" below.) **Agreement** - The contract between the Company and each member includes the member Application and Agreement, the wor(l)d Statement of Policies and Procedures, wor(l)d Terms and Conditions, wor(l)d Compensation Plan and wor(l)d Terms of Service, all in their current form and as amended by wor(l)d in its sole discretion. These documents are collectively referred to as the "Agreement."

**Cancel** - The termination of an member's business. Cancellation may be either voluntary, involuntary, through non-renewal or inactivity.

**Genealogy Report** - A report generated by wor(l)d that provides critical data relating to the identities of members, sales information, and enrolment activity of each member's Marketing Organization. This report contains confidential and trade secret information which is proprietary to wor(l)d.

**Immediate Household** - Heads of household and dependent family members residing in the same house.

**Official wor(l)d Material** - Literature, audio or video tapes, and other materials developed, printed, published and distributed by wor(l)d Corporate to members.

**Personal Production** - Moving wor(l)d products or services to an end consumer for personal use.

**Qualified** - An member must have at least one personally sponsored and Active member on both his or her left and right legs.

**Rank** - The "title" that an member has achieved pursuant to the wor(l)d Compensation Plan. **Recruit**

- For purposes of wor(l)d's Conflict of Interest Policy (Section 3.7), the term "Recruit" means: (a) Actual or attempted solicitation, enrolment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another wor(l)d member or Customer to enrol or participate in another multilevel marketing, network marketing or direct sales opportunity.

(b) The conduct described in subsection (a) constitutes recruiting even if the member's actions are in response to an inquiry made by another member or Customer.

**Resalable** —Sales aids shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labelling has not been altered or damaged; 3) they

are in a condition such that it is a commercially reasonable practice within the trade to sell the sales aids at full price; 4) it is returned to wor(l)d within one year from the date of purchase. Any sales aids that are clearly identified at the time of sale as non returnable, discontinued, or as a seasonal item, shall not be resalable.

Sales Volume – Each Product/Service is assigned a point value and the Compensation Plan is based on the accumulation of these points.

Sponsor — A member who enrolls a Customer or another member into the Company, and is listed as the Sponsor on the member Application and Agreement. The act of enrolling others and training them to become members is called "sponsoring."