#### **Nexus Rewards Terms & Conditions**

ATTENTION: PLEASE READ THESE TERMS AND CONDITIONS OF USE CAREFULLY BEFORE USING THIS WEB SITE. USING THIS WEB SITE INDICATES THAT YOU ACCEPT THESE TERMS AND CONDITIONS OF USE. IF YOU DO NOT ACCEPT THESE TERMS AND CONDITIONS OF USE, PLEASE DO NOT USE THIS WEB SITE.

By joining Nexus Rewards, you agree to abide by the below Terms and Conditions. Nexus Rewards may henceforth be referred to as or "the "Company." This is an agreement ("Agreement") between Nexus Rewards, ("we", "us", "our", or the "Company") and you, an independent contractor ("you" or "Distributor" or "Member" or "Customer") of Nexus Rewards as described herein. By establishing, activating, using, or paying for our products or services in Nexus Rewards acknowledge that you have read and understood these Terms, you agree to the Terms and Conditions in this Agreement, and you represent that you are of legal age to enter this Agreement and become bound by its terms and to the prices, charges, and conditions provided to you in association with your enrollment.

The Company reserves the right, at its discretion, to change, modify, add, or remove portions of these Terms and Conditions at any time by updating this posting. Please check these Terms periodically for changes. Your continued use of the web site following the posting of changes to these Terms will mean you accept those changes and that they apply to you. These Terms and Conditions apply to every web site maintained by Nexus Rewards.

#### **General Information**

The Terms and Conditions as set forth herein are part of each Nexus Rewards Distributorship. As an Independent Distributor you must comply with all the Terms and Conditions set forth by NXR Global ("Company") within the Terms and Conditions, the Distributor Application and Agreement, Compensation Plan, all provisions indicated on Nexus Rewards produced forms and all business announcements, as well as honor all applicable laws and regulations in the state, province, country or other political subdivision where you live and in which you operate your Nexus Rewards business. Please study this document carefully. Each Nexus Rewards Distributor is responsible for adhering to the Agreement and these Terms and Conditions. The Terms and Conditions apply to all existing and future Distributors and will be enforced as such. Violation will subject the Distributor to disciplinary sanctions. The Company reserves the right to waive any rules embodied in the contents herein as deemed appropriate without explanation.

## **Cancellation of Subscription**

Cancellation of Subscription Members have the option to establish a recurring monthly order for our Subscription service. This recurring order is called a subscription. We require 7 days' notice to change or cancel a Subscription. If you do not wish for your Subscription to be processed for the month, we will need to receive your request at least 7 days prior to your subscription processing date. Your subscription processing date can be found in your Back Office. You can change, suspend, or cancel your Subscription through your Nexus Rewards Backoffice. If you do not, you will be charged for the subscription.

#### **ADVERTISING**

There are many ways to promote and share your Nexus Rewards business. Click the Your Tools Tab to view all of the marketing tools and resources. Nexus does not allow you to purchase traffic to be sent directly to Nexus websites. Doing so will get your landing pages turned off, and have your account shut down. You are welcome to purchase leads and contact them directly and invite them to visit your Nexus landing pages. Or you can advertise to Capture Pages that will redirect prospects to Nexus websites. There are many companies that offer Capture pages and marketing funnels. The NXR Builder is the least expensive option for those that want a List

Building tool loaded with Nexus Capture pages and a robust Autoresponder system to follow up with prospects for you.

#### **USE OF SITE CONTENT**

Nexus Rewards maintains this web site and its content for your personal information, entertainment, and education. You may view and download material displayed on the web site for your personal, noncommercial use only, provided you retain all copyright, trademark and other proprietary notices contained within the material. Except as specifically provided, you may not distribute, retransmit, re-publish, reuse, re-post, or use the contents of this web site for public or commercial purposes, without Nexus Rewards prior written permission. You may not alter or interfere with the content or functioning of the web site, or "mirror" any content contained on this web site or any other server. The materials at this web site are copyrighted and any unauthorized use may violate copyright laws, trademark laws, the laws of privacy and publicity, and communications regulations and statutes. If you breach any of these Terms or Conditions of Use, your right to use this web site will terminate automatically. Upon termination, you must destroy all materials obtained from this site and all copies thereof, whether made in accordance with these terms or otherwise.

## YOUR COMMUNICATIONS

Nexus Rewards welcomes your comments. However, please do not send Nexus Rewards any creative ideas, original materials, or suggestions other than those we have specifically requested. Any communication or material you transmit to Nexus Rewards or post to the web site by electronic mail or otherwise, including any personal data, questions or answers, comments, suggestions, or the like (collectively, the "Submissions"), will be deemed, and shall remain, the property of Nexus Rewards. The Submissions shall be treated as nonconfidential and may be disseminated or used by Nexus Rewards or its affiliates for any purpose including, but not limited to, developing, manufacturing or marketing products. Anything you transmit or post may be used by Nexus Rewards or its affiliates for any purpose, including but not limited to product or service solicitations, reproduction, disclosure, transmission publication, and broadcast. You may not post or transmit to or from the web site any unlawful, threatening, libelous, defamatory, obscene, scandalous, inflammatory, pornographic, or profane material, or any other material that could give rise to any civil or criminal liability under the law.

## **Credit Cards**

Products and promotional materials can be purchased with Company-accepted credit cards. Distributors may only use credit cards belonging to them, or for which they are authorized users. Distributors who are found to process orders without the consent of the cardholder are in violation of federal and state laws and will be subject to immediate termination.

Products, services, and promotional materials can be purchased with Company-accepted credit cards. While it is preferred for each Distributor to use his/her own personal credit card, we do understand that is not always possible. For this reason, we do provide alternative payment methods for individuals that do not own a credit card. Additional information about these alternative payments methods is available through our Corporate Home Page and the Home Office. We preform regular account maintenance, if during the course of this regular account maintenance it comes to our attention that a credit card belonging to someone other than the account holder is listed on the account, that credit card will be immediately removed from the account. Repeated use of 3rd party credit cards will result in immediate termination of the account in question. Distributors that use their credit cards for purchases of our products and services are assuming all responsibility for purchases of our products and services. Please see the Cancellation and Return Policies for information regarding refunds. Once a credit card has been added to an account, it will remain on that account until it is removed by the account holder. If the account holder does not have enough funds in their Commission Account to pay for the next scheduled monthly purchase, the credit card on file will be charged for that purchase. Any credit card listed in our system must have the name

of the cardholder as it is listed with the issuing bank and the current billing address on file at all times. It is the responsibility of the individual Distributor to maintain and manage their credit card.

### Chargebacks

Chargebacks result when Distributors contact the issuing bank for assistance with a credit card charge instead of contacting the Home Office directly to find a resolution. These disputes are damaging to our working relationship with our Credit Card Merchant. Excessive numbers of chargebacks can result in the loss of our ability to process credit cards. This would be detrimental to the Company.

Distributors cannot misrepresent the Company and any of the policies, which includes our refund and return policies, in any way. Misrepresenting the Company will result in disciplinary action which may include the termination of your Distributorship.

Any Distributor causing an unwarranted chargeback to the Company due to an unauthorized transaction will be subject to immediate termination. The credit card used in the disputed charge will be immediately blacklisted ensuring it cannot be using again. If the credit card in question is used on any other accounts, it will be removed from those accounts as well.

We reserve the right to debit the commission account balance of the Sponsor or Upline the \$30.00 chargeback fee for each chargeback received. Repeated receipt of unwarranted chargebacks will result in disciplinary action of the Sponsor and Upline and may include the termination of their Distributorship when such conduct becomes known to the Company. Additionally, IP addresses used on accounts cancelled due to chargebacks may be blocked. Credit card disputes must be presented to the Company in writing within 6 months from the date of transaction.

### **Independent Distributor**

An Independent Distributor (Distributor/Member) is an individual or business entity that has completed an Independent Distributor Application (by phone, fax or online) that has been accepted by the Company. The Company reserves the right to refuse to accept any Independent Distributor Application for any reason.

A Distributor may purchase Company products for personal use and/or for retail sale to consumers. Distributors qualify to earn commissions through the Company Compensation Plan by meeting certain volume and/or recruiting requirements.

Distributors are independent contractors for all purposes, including legal and governmental tax purposes. There is no employer/employee relationship, partnership or joint venture relationship between a Distributor and the Company. Distributors set their own business hours and determine their own methods of business development. Distributors are solely responsible for paying all taxes and/or duties required by law to receive Company products. Distributors are solely responsible for paying all taxes applicable in the state, province, country or other political subdivision where they live and in which they operate their NXR Global business. Each Distributor must keep proper records necessary to ensure the proper assessment and payment of any such taxes.

Distributors may not bind the Company or incur any debt or expense in the name of the Company or open any checking account on behalf of, for, or in the name of the Company.

The Company shall not be liable for any debts or liabilities that a Distributor may incur, whether or not such liabilities are incurred during the term of the Agreement. Distributors must always identify themselves as an "Independent Distributor" in all written and verbal communications.

The Company reserves the right to request information about any Distributor's business and downline to ensure compliance with this Agreement.

Commissions and bonuses will only be paid to qualified Distributors in good standing with the Company. Distributors must operate their business in accordance with applicable local laws and/or regulations.

Distributors are prohibited from promoting or selling to Distributors of the Company or prospective Distributors of the Company any products, services or opportunities not directly associated with the Company.

### **Distributor Application and Agreement/Identification Numbers**

The prospective U.S. applicant must possess and provide a valid Employer Identification Number (EIN), Social Security Number (SSN) or taxpayer identification number (TIN).

Applicants who choose not to provide required information may sign up as a Customer. All applicants must be 18 years of age or older.

Distributors are required to maintain current contact and address information in the company database at all times.

If you submit a false EIN, SSN or TIN to the Company, you may be subject to immediate termination and will be assessed any fees charged to the Company by the Federal Government is connection with any such false reporting.

Distributors are solely responsible for registering and/or obtaining city, state or provincial licenses required to sell Company products.

# **Establishing a Corporation, Partnership or Trust**

U.S. Distributor may own and operate his or her Distributorship as a corporation, a limited liability company or as any other business entity, which is authorized by the law of the state in which the Distributor is located as a legal business entity provided it complies with certain requirements and conditions. If any type of business entity operates as a Distributor, the appropriate EIN or TIN must be provided.

#### Combining a Third-Party Agreement with your Nexus Rewards Business

A "Third Party" includes, but is not limited to, another Independent Distributor or an unrelated individual/company offering business-building services or related/non-related goods and services.

The Company does not endorse or permit any third-party income representations, guaranties or other such representation to build your downline organization. In addition, the Company does not endorse any third-party individual or company making income representations through the use of third-party sales ads.

If you choose to enter into any such agreement with a third-party, you do so at your own risk. The company will not be bound by any such agreement or contract. The Company will not reimburse you for costs incurred as a result of any agreement or contract described above.

You may not enter into third-party contracts combining any aspect of the Company business, as presented by the Company, with another offering having to do with the sale of the Company products, opportunity or the Compensation Plan with any other non-Company component, agreement, business plan, method or device. The Company does not honor these agreements.

The Company will not settle disputes resulting from third-party agreements or between Distributors. The Company does not allow the Nexus Rewards Products or Compensation Plan to be presented/offered in conjunction with any other business plan or other form of business. Violation of this Policy will be considered a

breach of your agreement and subject to termination of your Distributorship.

#### **Distributor Performance**

Distributors agree to perform bona fide selling and distributing functions in marketing Nexus Rewards products to the consumer. Distributors are not required to establish a downline sales organization. If a Distributor does establish a downline sales organization, he/she agrees to supervise, train and have ongoing communications and coordination with his/her downline sales organization as provided in these polices.

Distributors shall indemnify and hold harmless the Company and its shareholders, officers, directors and employees from and against any claim, demand, liability, loss, action, causes of action, costs or expenses (including but not limited to reasonable attorney's fees) arising or alleged to arise in connection with, or related to, Distributors' representations, acts or operation in violation of the Agreement, or Distributors' negligence or willful or intentional misconduct.

# **Pricing**

Distributor's purchase products from the Company at an established price. The Company may change its prices without prior notice. The Company may suggest a desirable retail price for the Distributor's resale of the products, but the Distributor is free to set his/her own price for resale. The Company does not require its Distributors to sell any product at a specified retail price; however, the Company does not allow Distributors to advertise a price to the public that is less than our published retail prices. This includes but is not limited to selling on auction sites such as eBay. The Company strongly recommends that no Distributor sell products at a retail price less than the price charged by the Company. It is in the best interest of the Company and the Distributor to maintain the integrity, order and uniformity of the Company's marketing and distribution process. The Company can terminate a Distributor who interferes with maintaining that process.

#### **Retail Stores**

Distributors are authorized to sell Nexus Rewards products in retail establishments as long as the following criteria are met:

- Distributors must maintain control of all product advertising; ensuring product prices are not displayed or advertised in any manner not approved by the Company.
- Distributors must comply with all advertising policies and regulations governing the use of business and product claims and testimonials.
- Distributors are responsible to ensure that any product sampling is conducted in strict accordance with all the label laws information and instruction. As with all product transactions, direct customers to read and follow the product label instructions prior to use.

The Company reserves the right to ultimately decide whether an establishment is a proper place for the sale of Nexus Rewards products.

## **Display Policy**

To exhibit or display an unmanned Nexus Rewards Opportunity display at a mall or other exhibits, a Distributor must obtain and comply with the current policies regarding such practice. Contact the Nexus Rewards Global Compliance Department for the most recent Nexus Rewards Opportunity Display policies.

## **Trade Shows and Expositions**

You may display and procure orders for Company products at trade shows and expositions. However, Company and product literature must be Company produced and/or approved literature, and you must identify yourself as a Nexus Rewards Independent Distributor. You must keep the Company products and materials separate from any third-party offerings. Educational materials must be physically separated from the Company products and promotional materials.

## **Misrepresenting the Company**

Presenting the Company, Compensation Plan, employees or products in a deceptive, fraudulent or misleading way will result in disciplinary action and may include the termination of your Distributorship when such conduct becomes known to the Company.

## **Compensation Plan and Income Earnings Misrepresentations**

Opportunities for income under the Compensation Plan are determined by many factors, including the ability and perseverance of the individual. You may not make statements alluding to the income potential of any prospective Distributor except as stated in Company literature or make statements regarding anyone's personal income without stating that the income is not necessarily representative of the income any typical Distributor can earn. Distributors must realize that Income Statistics provided by the company properly represent potential or average income figures. All income is strictly derived from sale of products. Misrepresentations of potential income earnings or the Compensation Plan includes, but is not limited to, the following:

- Reviewing the Compensation Plan with any person without clearly stipulating that no remuneration is received solely for enrolling or sponsoring new Distributors.
- Reviewing the Compensation Plan with prospective Distributors without explaining the various entry levels and the differences between them.
- · Representing or implying that all participants who enter into the business will succeed.
- Misrepresenting the amount an average Distributor might expect to earn in carrying on the business (for example, you may not show copies of Company-issued checks to represent potential earnings).
- Misrepresenting the amount of time an average Distributor would have to devote to the business in order to achieve income or Leadership levels. You may not represent or imply that it is relatively easy to succeed in the business but may only represent that a participant's success occurs through hard work and diligence.
- Representing through statements or implication that you will build a downline for any Distributor or prospective Distributor.
- Using any misleading, deceptive, or unfair recruitment methods.
- Promoting the Company, its products and/or business plan in conjunction with the sale of stocks or securities related to the Company. You must present all entry and upgrade levels to new recruits before they sign the Application and Agreement.

## **SPONSORSHIP BUSINESS RULES**

#### **Rights to Choose Sponsor**

Prospective applicants have the right to choose his or her immediate sponsor. Implied loyalty to an individual who made the initial Company introduction does not obligate one to accept that individual's sponsorship. (For example, prospective applicants are not obligated to be sponsored by someone who merely provides Company promotional material.) The Company does not have an obligation to settle or be part of any disputes concerning sponsorship. The sponsor of the new Distributor will be the Distributor indicated on the Application and Agreement signed by the prospective applicant and/or entered as the sponsor in the Company's computer system.

Once a Distributor Application and Agreement has been accepted by the Company and/or the account number has been assigned, sponsor changes are only permitted in the event of Company error, or if the Company is notified in writing by the new Distributor and/or the Distributors current and new Sponsor or Enroller before any commissions are paid.

## **Inducements to Select a Different Sponsor**

It is against Company policy to induce or allow an individual, family member, or business partner of an existing Distributor to sign up under your line of sponsorship for the purpose of circumventing the original upline from future income.

Company meetings are open to all interested parties. You must not imply that interested parties are not welcome to attend the meetings or imply that assistance will not be given to them if they are not in your downline. Distributors must feel secure when sending prospects to these meetings and all prospects attending the meeting should be referred back to the person that sent them. It is against Company policy to sponsor a prospect at the meeting who was sent by another Distributor.

You may not offer monetary rewards, free products or any other material inducement to entice a prospect to enroll under your line of sponsorship when it is made known that he or she has been working with another Distributor.

### **International Sponsoring**

Distributors may sponsor Distributors and Customers outside of the continental United States. The Company, at its sole discretion, reserves the right to reject at any time any Distributors international distribution and sponsoring rights upon written notice at their last known address.

A Distributors right to act as an International Sponsor or to receive commissions in a Country of Operation may be revoked at any time if the Company determines that the Distributor has not conducted themselves in accordance with the terms and conditions contained herein or the governing laws of the Country of Operation.

Distributors have no authority to take any steps in any country toward the introduction or furtherance of the Company. This includes, but is not limited to, any attempt to register or reserve Company names, trademarks or trade names, to secure approval for products or business practices, or to establish business or governmental contracts. Distributors agree to indemnify the Company for all costs incurred by the Company for any remedial action needed to exonerate the Company in the event you improperly act purportedly on behalf of the Company.

The Company reserves the right to establish additional Terms and Conditions that are applicable to a specific country. Distributors who conduct business internationally agree to abide by all special policies established by the Company for the specific Country of Operation.

# **Sponsor Information**

Independent Distributor Application: You must provide the Company with valid Sponsor details at the time your application is submitted. (This includes telephone applications.) Applications received without Sponsor information will be returned to the applicant unprocessed. The Company is not responsible for contacting the applicant or the upline to verify the information provided. Distributors who fail to provide a correct Sponsor will have their Change of Sponsor request denied.

#### **Changes to Lines of Sponsorship**

The Company respects the integrity of the line of sponsorship and does not allow members to change their sponsors. Should members want to change their sponsor they would need to:

- 1. Provide written approval from the 6 direct upline members that would be negatively impacted by the change of sponsorship. Each of them would need to state that they agree to sign off on the sponsor change.
- 2. Pay a \$150 Transfer Fee to Nexus Rewards

If, at the time of the request, the requesting Distributor has a downline organization in place, the change will not be granted by the Company. The Company maintains the right of refusal if circumstances violate other Policies, Procedures and/or the Business Rules of the Company.

If you terminate your position in writing, you may rejoin under a Sponsor of choice after 90 days. Termination of the position will result in forfeiture of all rights, future/pending bonuses and commissions under the previous line of sponsorship. Distributors who voluntarily terminate their position may join a new position under a new line or the same line of sponsorship provided all requirements are met. Position transfers are subject to the Company's approval, which may be withheld at any time.

You may sign up in a new position under a different Sponsor if there has been no activity in the original position for the previous 90 days.

As an inactive Distributor, you shall not refer to yourself as a Nexus Rewards Distributor or hold or participate in educational or promotional meetings. You should discontinue using any materials bearing the Company logo, trademark or service marks, you shall not continue to communicate with the Company, not attempt to sponsor or enroll new Distributors or otherwise sell Company products. If you are found to be actively pursuing the business during the inactive period, the Company reserves the right to refuse your application under a new line of Sponsorship. You must complete and submit a Voluntary Termination letter, and submit a new Application and Agreement. Distributors who wish to rejoin under these circumstances are eligible to join in a new position. Position transfers are subject to the Company's approval, which may be withheld at any time.

You are not permitted to persuade or attempt to persuade any other Distributor to terminate their enrollment with the Company in order to join your downline or use any unfair tactic or undue action to obtain any consent.

The Company reserves the right to assume any inactive or terminated position and transfer the position to another party at face value.

## **Sale or Transfer of Distributor Position**

You ("Transferor") cannot sell, assign or otherwise transfer the rights of your Distributor position to any other person, firm or body corporate ("Transferee") without the express consent of the Company, which may be delayed or denied in the sole discretion of the Company and without a statement of reason(s). The Company reserves the right to prohibit or impose various terms and conditions, at its sole discretion respecting any proposed sale, assignment or transfer a Distributor position. The Company cannot authorize the sale or transfer of a position from one Country of Operation to another. The position will always remain in the Country of Operation in which it originated.

In order to receive such permission, the Transferor must be a Distributor in good standing as determined by the Company, and not be under any Compliance inquiry or sanction.

The Transferor must sign a letter requesting a Position Transfer authorizing the sale or transfer of their position. Additional information regarding the possible sale or transfer of a Distributor position might be needed in order for the Company to make their final decision.

The new owner is subject to all Company Policy and Procedures and Terms and Conditions. The position is available for a transfer at any level shown on the face of the Distributor Application and Agreement. All sale or transfers require that a Position Transfer and Distributor Application and Agreement be signed by Transferee and accepted by the Company. All signatures are subject to verification for authenticity.

Terminated Positions are eligible for Sale or transfer if the position has remained terminated (and/or inactive) for six (6) months. Positions terminated for disciplinary reasons are only eligible for sale or transfer once the six (6) months have expired, and there is no litigation or possible litigation pending concerning disciplinary actions taken by the Company. Position Transfers for Distributors who have voluntarily terminated and/or inactive positions are strictly monitored for compliance with other polices as stated herein. The Company will deny position transfers at its sole discretion should it determine that the transaction will violate the Company Terms and Conditions and/or

the spirit of the policy for which they are intended. Distributors using Position Transfers to violate policy may be subject to the Distributor Disciplinary Procedure.

Customers are not eligible for a Position Transfer into other existing positions in a downline organization. Customers wishing to become Distributors can sign up as a new Distributor, but cannot position transfer into an existing Distributor position.

The Company reserves the right to charge a Change of Ownership fee to process any position transfer requests.

## **Inheritance of Distributor Positions**

Upon the death of a Distributor, all rights to the Distributors Position, including rights to commissions, bonuses and Distributor responsibilities, shall pass to the successors as stated in the Distributors will or as otherwise ordered by a court of competent jurisdiction. In the event the Distributor has no will, the rights to commissions, bonuses and Distributor responsibilities will be transferred according to the intestacy laws of the jurisdiction of the decedent's estate as provided by a valid court order. In order to receive transfer, the inheriting party(ies) must provide a certified copy of the Distributors death certificate or any other documentation required by the Company to evidence the true successor (including but not limited to a court order, copy of the Will, Letters of Testamentary in the event there is a Will and/or Letters of Administration in the event there is no Will).

The heir(s) must fill all responsibilities of the Distributor position and must sign the then-current version of the Distributor Application and Agreement. The heir may inherit and retain another Distributor position even though the heir(s) already operates an existing position.

#### **Multiple Positions**

We allow two accounts per household. This may be two individual account or an individual and a business account. If a Member/Distributor opens a business account, they must provide a EIN or TIN for tax reporting purposes. The second account must be in the same Downline organization of the first position owned. If we identify more than 2 accounts at a single household, these accounts will be terminated immediately.

#### **Sponsoring Customers**

It is prohibited to sponsor Customers within your same household. This circumvents proper Sponsor Commissions. Any accounts found like this will be canceled and commissions will be reversed.

## **Joint Accounts**

You and your spouse may have independent accounts, or you can manage the same account. If you and your spouse would like to open and maintain a joint account, all income from that account must be reported under one name and one tax identification number. If you both choose to actively, manage the account, meaning you both want to update personal information such as the mailing address, credit card information or request commission withdrawals, you must contact the Home Office directly to give your spouse permission to make such changed on the account.

If a married couple divorces, the Company will abide by a final order of a court competent jurisdiction concerning the division and award of property interests and rights to each party. The concerned party must supply any documentation required by the Company to support each division.

The Company will not process any changes to an account during a pending divorce proceeding unless it receives written consent from both parties.

The Company reserves the right in any divorce proceeding to deposit commission checks with the applicable court of competent jurisdiction in the event of a dispute between spouses as to earnings.

## **Cross-sponsoring of Spouses/Household Members**

You may not circumvent your original line of sponsorship by joining another downline organization or a different leg of your sponsor by sponsoring yourself, your spouse, dependent children, a household member ("related party") or any business or company operating under a business name (DBA) in which you and/or a related party have a direct or indirect ownership interest. Husband, wife, DBA, household members, partners and/or dependent children must all be in the same downline underneath the first position owned. It is permissible to be in separate legs provided they are under the first position owned.

Violations of this Policy will result in the termination of the cross-sponsored account, and you will be instructed to work exclusively in the original position. Neither the cross-sponsored position nor the downline organization will be moved. If the Sponsor or Enroller is found to have knowingly or willingly encouraged the cross-sponsoring the Sponsor/Enroller will be subject to further disciplinary action in accordance with the Compliance Disciplinary Procedure.

You may not participate as a partner, consultant or employee of another Distributor position for six (6) months in the event this policy is violated.

# **Recruiting Distributors into Other Companies**

Attempting to sponsor or recruit Distributors other than those you have personally sponsored into any other program or selling any products that are either related or unrelated to products offered by the Company to those you have not personally sponsored is strictly prohibited. Distributors who violate this policy are subject to immediate termination. If a Distributor is terminated, the Distributor shall not attempt to recruit any Distributors other than those whom they personally sponsored into any other multi-level marketing or direct selling organization for a period of one (1) year following termination of the Distributorship. You shall not directly or indirectly contact, solicit, entice, sponsor, accept or promote Company Distributors into other opportunities or marketing programs of another Company.

## **Downline Reports**

Downline reports are confidential, proprietary property of the Company, and they are furnished to you only to provide information for your Company Business and for no other reason. The information contained in a downline report is proprietary and valuable to the Company and must be kept confidential and not directly or indirectly disseminated or copied to any third-party or to other Distributors.

#### Confidential Proprietary Company Information/Reports Provided to Distributors

The Company's genealogies (being the information held by the company related to its Distributors, including without limitation its relationship with each of its Distributors, the sponsoring of each Distributor, the Distributors upline and downline, charts, data, reports and other material, and historical purchasing information for each Distributor) (collectively, "Confidential Information") are owned by the Company, are highly sensitive and valuable to the Company's business and are transmitted to you in strictest confidence. The Company's legitimate business interests require the non-disclosure thereof to (among other things) the Company's competitors. In the event the Company shall disclose details of any of its genealogies to you during the term of the Agreement: You shall, at all times and without limit in time, treat such details as Confidential Information in the nature of a trade secret and shall not disclose such details to any other person (including any company or person in competition with the Company). You shall take all reasonable steps to protect and maintain the security of the information and shall use the details solely for the benefit of the business of the Company and for the stated purpose for which they were provided.

You shall not release, sell, reproduce for sale or in any way distribute confidential information to any party unrelated to the Company. You shall not during the term of the Agreement or for a period of one (1) year thereafter take or encourage any action which would circumvent, breach, interfere with or diminish the value of benefit of the Company's genealogies.

You shall only use the confidential information for your NXR Global Business.

The Company shall suffer irreparable harm in the event its confidential and proprietary information is disseminated in a manner in contravention of its interest. The Company reserves the right to seek injunctive relief or any other remedy available at law to protect its Confidential Information.

#### **Income Taxes**

You are an independent contractor. The company does not deduct personal taxes from your commission checks. The Internal Revenue Service (IRS) and Revenue Canada require that we report your annual income exceeding a set dollar value as directed by each country. At the end of the calendar year, the Company provides you and the appropriate taxing authorities with all income information required by law.

### Compliance by Distributor With All Applicable Tax Laws and Other Laws

The Company will automatically provide a completed IRS Form 1099 to each U.S. Distributor whose commissions were at least \$600 at the end of each calendar year. If commissions were less than \$600, a statement will be available upon request.

The Distributor accepts sole responsibility for proper reporting and payment of all self-employment taxes (Social Security and Medicare), unemployment insurance tax, income taxes and other taxes due as a result of income earned as a Distributor.

Distributors shall comply in all respects with all federal and state statutes (including but not limited to fair trade laws; unfair business practices acts; food, drug and cosmetic acts; etc.), laws and regulations (including but not limited to those of the Food and Drug Administration and the Federal Trade Commission) and local ordinances governing their activities.

The delivery of notice of a Federal or State tax lien against the Distributor or the service of a writ of garnishment, attachment of any other form of enforcement of the collection taxes due to Federal or State government on the Company shall constitute a presumption that the Distributor has not complied with the requirements of the Terms and Conditions to pay taxes.

## **Responsibilities to Your Downline Organization**

You are responsible for training your downline organization on effective lawful methods of building a successful business and you are restricted from advising Distributors to restructure their downline in a fashion that gives the Sponsor or upline Distributors an income advantage, causing potential long-term damage to his or her Distributor position.

You are responsible for answering questions for Distributors whom you have personally sponsored. Distributors who have questions about any aspect of the Company should contact their upline sponsors for assistance.

### **Voluntary Termination from the Company**

A Distributor who wishes to terminate a Distributor account must submit such request in writing to the Company.

A Distributor who terminates may apply for reinstatement after six (6) months, beginning the first day of the following month from the date of termination. Spouses of the Distributor who have terminated may not apply to become a Distributor in another line of sponsorship until the terminated Distributor is eligible for reinstatement or for six (6) months.

Due to the administrative cost incurred by the Company in maintaining Distributor positions, Distributors will be terminated if his/her account has been inactive for six (6) consecutive months. If that individual or entity desires to become a Distributor at a later date, he/she must meet all requirements of a new Distributor.

As and for a termination fee, immediately upon resignation or termination due to inactivity, Distributors shall lose all right, title and interest in and to prior and pending bonuses, rank or positioning any former line of descent.

Immediately upon resignation or termination of a Distributor, the affected Distributor will remove and discontinue the use of, and will not thereafter use names, marks, signs, labels, stationary, advertising or any other material referring or related to Nexus Rewards.

Any and all legal claims against Distributors compensation by outside parties may subject the Distributor to collection charges and/or termination of their Nexus Rewards Distributorship,

A Distributor may be terminated by Nexus Rewards for any violation of this Agreement. Any misstatement or misrepresentation by the Distributor shall also be grounds for termination. A terminated Distributor cannot sponsor new Distributors. If a terminated Distributor is listed on the Distributor Application as a sponsor, the new Distributor will be contacted to provide the Company with a valid Sponsor Identification Number, which relates to a Distributor in good standing.

#### **ADVERTISING AND MARKETING**

#### **General Provisions**

Consistent with the Terms and Conditions, A Distributor is entitled to use sales, promotional or informational copyright-protected materials produced by the company, as follows:

A Distributor may not use sales, promotional or informational materials containing the Company's name and logo, except those produced or reviewed by the Company, subject to the rules governing their use.

A Distributor is authorized to promote product information, names, descriptions and labels produced by the company in Distributors' media advertising and Sales Tools created by the Distributor if they have been reviewed by the Company prior to distribution. Distributors are prohibited from advertising specific product prices in mass media advertising. For example, a newspaper ad cannot advertise specific product pricing, but a Distributor may forward price lists to inquiring customers: a Nexus Rewards business card providing the Distributor internet URL may not advertise product pricing, but the internet site can.

If the Distributor chooses to print his/her own business cards or stationary containing Company's name and Distributor logo, the company must review such items in advance. A Distributor may not add any language or information to, or alter in any way; any items produced by the Company, except those containing a space for name, address and telephone number of the Distributor, such as a newspaper or magazine advertising. That information, and no other, may be inserted where indicated.

A Distributor may not display any signs or banners containing the Company's name or logos on any office, storefront, house, apartment or other physical structure, without first obtaining written permission from an authorized officer of the company.

A Distributor is prohibited from using any form of television media advertising without first obtaining written permission from an authorized officer of the Company.

No Distributor shall promote, market or sell products that are the same, or substantially the same as Nexus Rewards products, and that are sold on a network marketing, multi-level or direct selling basis.

## **Use of Non-Company Promotional Tools**

Sales or promotional tools not produced by the Company require prior written authorization from the Company and must comply with the following requirements:

The Company's name must always appear with the registered trademark Nexus Rewards designation, and must always be accompanied by the words Independent Distributor, which must be at least 25% of the largest size of the Company name used.

The Company's name and logo may not be used on or in conjunction with, advertising or promotion that also contains the name of another competing company, the logo of another competing company or the name of a product produced or sold by another competing company.

## **Use of Corporation Name**

A Distributor may not use any corporate name of the Company, except as specified in these Terms and Conditions.

# **Prohibition on Use of Copyrighted Materials**

None of the Company's copyright-protected materials may be sold or reproduced, in whole, or in part. All of the Company's materials are protected by the United States copyright laws and international treaties, and may not be duplicated without the specific written authorization of the Company. The Company shall have the right to terminate any Distributor who uses, reproduces, distributes or sells unauthorized copies of the Company's materials in violation of these Terms and Conditions.

## **Prohibition on Re-labeling**

A Distributor shall not re-label or repackage any of Nexus Rewards products.

## **Personal Contact Only**

Additional promotion of business opportunities may take place only through personal contact. No Distributor is authorized to make representations regarding business opportunities other than those contained in the materials produced by the Company.

#### **Right to Prohibit**

The Company has the right to prohibit any advertising or promotion in violation of its Terms and Conditions. The Company shall be entitled to pursue all remedies available under applicable laws or under its agreement with the Distributor.

## **Illegal Advertising**

No Distributor shall place, or cause to be placed, an advertisement with content that violates the provisions of these Terms and Conditions, any local, state, Federal Trade Commission or Food and Drug Administration regulations. Any such violations will be grounds for termination.

## Unauthorized Use of Name, Logos, Trademarks, etc.

Unauthorized use of the company's name, logos, trademarks, or trade names is prohibited. A Distributor may not use the Company's name, logos, trademarks, trade names, product names, service marks, trade secrets copyrightprotected materials or other tangible commercial assets registered or otherwise, in any form of promotion or advertising or otherwise, except as specifically authorized by these Terms and Conditions.

The company reserves the right to pursue all legal and equitable remedies (including the right to recover its attorney's fees) against any Distributor or other individual or entity who unlawfully uses the Company's name, logos, trademarks, trade names, product names, service marks, trade secrets, copyright-protected materials or other intangible commercial assets.

Any such use in violation of these provisions constitutes a breach of the Distributor Agreement and causes irreparable harm to the Company.

### **Telephone Listings**

A Distributor may place a listing in the yellow pages or white pages of a commonly circulated directory in his/her local area in accordance with the following:

A telephone listing shall be limited to two lines containing the words Independent Distributor, Distributor name only and telephone number.

No telephone listing shall be made in such a way that those making directory assistance inquiries for the Nexus Rewards Home Office would be given the Distributor number. The Distributors phone number may not contain the name Nexus Rewards in a telephone listing. The Company shall have the discretion to require the Distributor to change the listing or number, or to disconnect the number.

In answering the telephone, a Distributor shall not answer Nexus Rewards or any of the Company's product names or that which could lead callers to believe they have reached Nexus Rewards Home Office. A Distributor may answer "Nexus Rewards Independent Consultant."

#### **Electronic Billboards**

Distributor may place a listing on an electronic billboard containing the words Nexus Rewards Independent Distributor, Distributor name only and telephone number. Such listings may also include an electronic mail address or Internet address. In the event of violation, the Company may require that the Distributors telephone number, electronic mail or Internet address be disconnected.

#### Signs

All signs are subject to the following:

The Company must review all Signs in advance. They must be tasteful and should be placed only in locations that will not detract from the image sought to be maintained by the Company.

The Company has the right to prohibit or further regulate the usage of signs, and to require the immediate and permanent removal of signs at location, at any time.

## **Reproducing Approved Educational and Promotional Material**

You may copy Company produced promotional materials verbatim in whole or in part for use in conducting your business. Educational materials may ONLY be used verbatim and IN THEIR ENTIRETY. You may not duplicate or record audio or video materials (including those materials produced for use on corporate web site) produced by the Company. Any recording or duplication is strictly prohibited. Company may require, among other things, that you cease and desist from using or distributing such recordings: and/or destruction, at your cost, of nonauthorized recordings.

#### **Generic Materials**

Generic Materials that do not contain mention of the Company, its products, trade names or Compensation Plan may be used only in the instance that they do not make statements that directly allude to the Company and/or its products. Generic materials can be classified as those that can be used by any other Company in our industry. You should not create "generic" materials designed for use in connection with the sale of product or the opportunity. Distributors may use only Company-approved educational or promotional material.

## **Testimonies at Meetings**

At opportunity meetings, the host may allow attendees to make public statements concerning the benefits of being a Nexus Rewards member. However, Income Claims and NOT allowed.

#### **Sales Tools**

Sales Tools are materials produced by the Company showing its copyright or trademark designation, such as Company and product brochures, artwork and text contained in the material produced by the Company as Sales Tools. These Sales Tools are available to Distributors for their use in promoting their independent businesses.

## **Independent Sales Tools**

Federal and State Regulatory Agencies have laws that define specific requirements regarding third party dietary supplement literature; please contact Nexus Rewards Compliance Department.

Independent Sales Tools are items produced by Distributors in accordance with the following:

- An independent Sales Tool may be used only after it has been reviewed by the Company and written notification from the Company has been received by the Distributor.
- Distributors should allow a minimum of two weeks for the Company to complete its analysis of such items. It is therefore important to schedule promotions accordingly.
- Lack of notification to a Distributor or lapse of time after submission of a proposed Independent Sales Tool for review does not constitute approval or authorization to use the item.
- No modification shall be made to any Independent Sales Tool after the Company has reviewed it. Any modification of a reviewed item converts it to a new non-reviewed item and must be resubmitted to the company for review.
- The review status of an Independent Sales Tool shall terminate one year after the Company has reviewed it. If a Distributor desires to use an Independent Sales Tool for longer than one year, he/she must resubmit the item for review prior to the one year from the initial review.
- The Company may charge a reasonable fee for reviewing an Independent Sales Tool and may require the Distributor to sign an Indemnification Agreement relating to the Independent Sales Tool.
- The Company's review process does not establish that an Independent Sales Tool complies with the applicable federal, state or local legal and regulatory requirements. The Company, by its analysis and review, does not warrant the propriety or legality of the reviewed Independent Sales Tool. Distributors are strongly advised to obtain the advice of their legal counsel regarding the legality and regulatory compliance of Independent Sales Tools they desire to produce and distribute, prior to submitting them to the Company for review.
- Independent Sales Tools are used for advertising only in the medium (for example; newspaper, magazine) for which they are reviewed or by personal contact only.
- Independent Sales Tools may not be in conjunction with the name of another company, the logo of another company or a product produced or sold by another company.

The Company can, at any time, prohibit the use of any Independent Sales Tools and require discontinuation of the use of previously reviewed Independent Sales Tools. Any Distributor who has previously produced, used, sold, or distributed any such Independent Sales Tool, whether or not it has been previously reviewed by the Company, shall be responsible to ensure that the use of such Independent Sales Tool be immediately discontinued and removed from the marketplace in the fastest way possible.

Independent Sales Tools may be sold for a reasonable profit to recoup actual out-of-pocket costs of materials and production/distribution costs. The Distributor must keep financial records (including, but not limited to, receipts, and invoices) with respect to the cost of materials and production of any such Independent Sales Tools and the proceeds from their sale. The Company shall have the right to examine and copy all such records immediately upon request.

The Company assumes no liability or responsibility with respect to Independent Sales Tools. Any Distributor who produces or distributes Independent Sales Tools bears the liability and responsibility for the material contained therein, and the Company assumes no liability for such items.

The Distributor agrees to indemnify and hold harmless the Company and its officers, directors, shareholders and employees from and against any liability, loss, cost, action, causes of action, claim, demand or expense, including but not limited to attorney's fees, arising out of or related to the Distributors production, distribution, sale or other use of Independent Sales Tools.

Distributors who produce, use, distribute or sell Independent Sales Tools in breach of these Terms and Conditions are subject to termination.

### **Internet Policy**

Distributors are permitted to create, operate, maintain, and advertise their own web site(s) in order to promote and conduct their Nexus Rewards business, pursuant to these and all applicable policies. All websites that are developed, operated and maintained by Distributors can only be 1 page in total length. The web site(s) must link directly to the Nexus Rewards Home Page. Distributor created, operated, maintained websites MUST be submitted for approval prior to being made live on the internet. Failure to adhere to these compliance regulations could result in immediate termination of your Nexus Rewards Membership.

All Nexus Rewards policies set forth in the Distributor Manual and other Company publications, announcements and communications forwarded to the Distributors are applicable and must be adhered to in order to maintain an Independent Web Site.

#### **Social Media**

Distributors desiring to develop and maintain their own Nexus Rewards Social Media Web Site, Page or Profile must submit and register for review the finished content of the Web Site and URL to the Compliance Department prior to publishing on the web. All Social Media Web Sites, Pages and Profiles are subject to all rules and regulations set forth in the Terms and Conditions. A Distributor is permitted to link their Social Medial Web Sites, Pages and Profiles with the official Corporate Website.

A Distributor is not permitted to make any income earning claims on any Social Media Web Site, Page or Profile.

A Distributor is not permitted to use the name "Nexus Rewards or any of its trademarks, logos, trade names, product names, business services or systems in their Social Media Web Site, Page or Profile domain page or URL which could create consumer confusion.

A Distributor is not permitted to post profane, pornographic, or disparaging materials on the Official Corporate Profile or any social media site that is linked with the Official Corporate profile.

A Distributor that terminates his/her account or is terminated by the company must remove all references to Nexus Rewards.

## **Independent Distributor Advertising**

Distributors desiring to develop and maintain their own independent Nexus Rewards Web Site must submit and register for review the finished content of the Web Site and URL to the Compliance Department prior to publishing on the web.

Distributors may not reserve, hold, purchase, or use the name "Nexus Rewards" the names of any company divisions or products, any trademarked Nexus Rewards material or any close variations in the URL of their own independent Web Sites. The purchase or use of trademarked Company material or names in a domain (URL) could create consumer confusion and is strictly prohibited.

Distributors found to be in possession of any domain (URL) containing trademarked Nexus Rewards material or names will be required to transfer ownership of these domains to Nexus Rewards even if they are not currently in use since reserving or purchasing these domains is not allowed. The Company will reimburse the Distributor for the initial purchase price of the domain. The Company will **not** pay any amount exceeding the initial cost to the Distributor to purchase that domain name. To receive reimbursement for the initial purchase price of the domain, the Distributor must provide Nexus Rewards with proof of purchase showing the initial purchase. If a Distributor does not provide proof of purchase, Nexus Rewards will not provide reimbursement; however, the Distributor will still be required to transfer ownership of the domain (URL) to the Company.

The Company has the right to prohibit any advertising or Web Site in violation of these Terms and Conditions. The Company shall be entitled to pursue all remedies available under applicable laws or under its agreement with the Distributor. Any violations of these Terms will be grounds for termination.

Distributor Web Site(s) shall be strictly for the purpose of selling and promoting Nexus Rewards services and its products, building Distributor organizations, and training.

Distributors may register and link their Web Site(s) on Internet search engines.

Distributors must link their single page Web Site(s) to mynexusrewards.com if they are interested in providing ordering capability. Distributors may not display the Nexus Rewards address, phone number, or any other 'contact information', which would give the impression that your site is a Nexus Rewards sponsored website. Distributors must clearly state that they are an Independent Member of Nexus Rewards, and if contact information is listed, it must be their own.

Distributors may link their Web Site(s) to any web page that will assist a Distributor in promoting the Nexus Rewards business as long as such Web Site(s) is in no way affiliated to any religious or political organization or competing company/product line and will in no way confuse Nexus Rewards business operations and reputation.

Distributors may maintain advertisements of their Web Site(s) and may advertise on other Web Sites as long as such advertisements comply with all advertising policies.

Nexus Rewards regularly modifies its existing product and business information. Distributors are required to update their Web Site to reflect up-to-date information. Once notified by the Company, Distributors must make all required changes to their Web Site(s) within the time frame allotted.

Distributors are strictly prohibited from "Spamming." Spamming is defined as emailing messages to persons who have not specifically requested to receive unsolicited email.

Distributors who conduct their Nexus Rewards business internationally via the Web Site(s) must comply with all applicable Company policies and international laws.

### **Product, Business Claims and Use of Testimonials**

Distributor Web Site(s) may use pictures and descriptions of Nexus Rewards products that are contained in any of the Company produced sales aids and materials and product literature, except for the material specifically identified by the Company as not to be reproduced.

All literature and images that are utilized from the Company materials must be displayed in their entirety and may not be edited, revised or altered in any manner without prior written permission from the Company.

Distributors are permitted to use Nexus Rewards produced audio/video recordings that are provided for sale by the Company. Recordings of any Nexus Rewards meeting, conference call or other communication by the Company may not be used without prior written permission of the Company.

Distributors may produce their own audio/video recordings for use on their Web Site(s) provided Distributor has obtained signed releases from all participants and the content is in compliance with all Nexus Rewards Terms and Conditions and applicable laws.

All Statements made in connection with Nexus Rewards products, business opportunity, and testimonials must be truthful and not misleading to consumers and comply with Federal Trade Commission regulations governing their use.

Distributors may not use the name "Nexus Rewards" or any of its trademarks, logos, trade names, product names, business services or systems in their domain (URL) which could create consumer confusion.

Distributors may use personal product and/or business testimonials and photographs on their Web Site(s) provided Distributor has received prior written permission from the Company. In addition, if a Distributor desires to post testimonials other than their own, Distributor needs to obtain written permission from the authoring Distributor/Customer to use their testimonial. All testimonials must comply with Federal Trade Commission requirements pertaining to testimonials. A reference guide pertaining to these regulations can be downloaded from www.ftc.gov and/are available upon request from the Company.

A "Your Results May Vary" disclaimer must appear at the bottom of each testimonial or page on which any product testimonial is displayed. This disclaimer must stand alone, at a minimum of 8 point type.

### Distributors Utilizing the www.mynexusrewards.com Web Site

Nexus Rewards maintains an interactive web service for its Independent Sales representatives. Registered Sales Representatives are provided their own independent web page(s) containing Company pre-reviewed content regarding the Company, its products, business programs, consumer shopping areas, training materials, etc.

Any revision, change or addition made to the Nexus Rewards independent Web Site must be submitted to the Company for review prior to publishing it on the web.

Nexus Rewards regularly modifies its existing product and business information. Distributors are required to update their Web Site(s) to reflect up-to-date information.

## LAWS, REGULATIONS, AND DISCIPLINARY PROCEDURES

Amendments to Terms and Conditions the Company expressly reserves the right to make any change it deems necessary, in its sole and absolute discretion, to any of the Terms and Conditions and to any component or provision of the Compensation Plan upon any form of notice of such change to Distributors, including posting such changes on the Nexus Rewards website. Any revisions to the Terms and Conditions and Compensation Plan shall become binding upon all Distributors upon any such website posting or other publication of any such changes.

## **Removal of Terms and Conditions**

If any provision of the Distributor Agreement and Terms and Conditions are found to be invalid, illegal or unenforceable, the Company may amend or delete that provision. The amendment or deletion of any clause or provision will not affect the remaining clauses and provisions, which will continue in full effect.

#### **Assignment**

Nothing herein shall prevent the Company from assigning its rights and obligations to its Distributors to any person, firm or corporation.

## **Governmental Laws**

You may not represent that the Company has been approved or endorsed by any governmental agency. If you are found to have violated federal, state or provincial law or the regulatory provision of any jurisdiction in the course of offering the Company business plan or any Company products, you will be subject to termination of your Agreement.

You may not attempt to utilize public or private schools, teachers, instructors and/or administrators in any capacity related to product promotional endeavors due to various state prohibitions related to the same, except in their private capacities or as allowed by local applicable law.

Any Distributor who is convicted by any government agency of a crime related to or in the course of their Nexus Rewards business is subject to immediate termination.

## **Contacts with Government Regulators**

You may not contact any government regulators e.g. FDA, FTC, various State Departments of Health and/or Health Canada on behalf of the Company. You may not represent the Company if contacted by government regulators. If a government regulator contacts you, you should contact the Compliance Director of the Company.

## **Military Personnel**

Any person desiring Independent Sales Representative status who is also in the United States Army must comply with Policy Memorandum 97-11 Department of the Army. The policy prohibits outside employment, including multi level marketing, of persons serving in the United States Army without first obtaining approval from the appropriate individual in command prior to engaging in such outside employment.

### **Monitoring of Meetings**

The Company may conduct anonymous and random monitoring of Distributor meetings and conference calls and may record the meetings notwithstanding any admonitions to the contrary. You must follow regulatory guidelines when conducting or hosting educational or opportunity meetings.

## **Reporting Violations**

Our products are regulated by the government and the way we promote our products is governed by federal law, The Company is committed to complying with all legal requirements. It is essential for all Distributors to comply as well. We depend on one another. The non-compliance of one may result in problems for everyone else. Accordingly, to enable the Company to ensure that its operations at every level comply with legal requirements, you are requested to report violations of Company Terms and Conditions that come to your attention.

## Resolution of Disputes against another Distributor

You should attempt to resolve any grievance or compliant against another Distributor by first seeking resolution with advice from your upline.

## **Termination of the Agreement by the Company**

Nexus Rewards reserves the right to terminate any membership for violating the above Terms. Any behavior that is deemed as inappropriate or detrimental to the company and/or its affiliates is grounds for termination. In addition to this, any chargebacks or charge disputes issued by a Nexus Rewards member against Nexus Rewards or any of our affiliated companies will result in immediate termination of the Member's accounts.

In the event of termination, you must immediately cease representing yourself as a Distributor. The Company reserves the right to terminate any other household position, DBA, corporation, partnership or trust in the event of termination arising from a Compliance Committee finding.

If a position is terminated, all current and pending commissions and/or bonuses otherwise entitled to the terminated position will roll up to the next qualified position. The Company reserves the right to terminate an inactive person.

#### **Effect of Termination**

Upon termination, you shall have no right, title, claim or compensation derived from the sales of products in your downline, organization or any future bonuses and/or commissions from sales generated by the organization. You:

- Shall not refer yourself as a Distributor.
- Shall not have the right to sell Company Products / Membership.
- Must discontinue using any materials bearing any Company logo, trademark or service mark.
- Shall not continue to communicate with the Company.

## **Indemnification**

You shall hold the Company harmless against claims, demands, liability or loss, or cost or expense, including but not limited to attorney's fees arising or alleged to arise out of your operations. Holding a Company account does not imply authority to act on behalf of or bind the Company contractually.

#### **Sanctions**

This statement of Terms and Conditions is incorporated into the Distributor Application and Agreement and constitutes an integral part of the parties regarding their business relationship. Distributors who conduct business in violation of Terms and Conditions jeopardize the integrity and credibility of the Company. The Company reserves the right to revoke Distributor status and terminate those in violation of these Terms and Conditions. Such termination would be effective immediately upon notification by the Company, as provided herein.

## **Dispute Resolution and Governing Laws**

Distributor and the Company hereby agree that the laws of the Commonwealth of Virginia shall govern these Terms and Conditions, the Compensation Plan and all components and provisions thereof, the Distributor Application and Agreement, and all aspects and elements of the relationship between Distributor and the Company. Distributor and the Company agree that any claim, dispute or other difference of any kind whatsoever between the Distributor, its officers, directors, shareholders, members, partners, or other employees or agents on the one hand, and the Company, its officers, directors, shareholders, members, partners, or other employees or agents on the other hand, shall be resolved, at the Company's election, in its sole and absolute discretion, by one or more of the following means:

- 1.) By mediation before The McCammon Group in Richmond, Virginia, on the terms and conditions set forth in The McCammon Group "Agreement to Mediate" in force at the time of mediation;
- 2.) By arbitration in Richmond, Virginia pursuant to the Commercial Arbitration Rules of the American Arbitration Association, including those rules provided for emergency extraordinary relief, with judgment on the Arbitration Award being entered in any court having competent jurisdiction thereof;
- 3.) By litigation in the general district and/or circuit courts of Hanover County, Virginia, with each Distributor and the Company hereby expressly agreeing to exclusive personal jurisdiction for any lawsuit in Hanover County, Virginia, and expressly agreeing to venue in Hanover County, Virginia.

In all events, Distributor agrees to pay all reasonable attorney's fees, court costs and all other mediation, arbitration, and/or litigation fees and costs incurred by Company in pursuing any of the foregoing avenues of dispute resolution. Furthermore, Distributor agrees to pay all reasonable attorney's fees and other costs incurred by Company in connection with any claim, dispute or other difference of any kind whatsoever between Distributor and Company, whether mediation, arbitration, or litigation is instituted or not.

## <u>Waiver</u>

The Company never relinquishes 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. In addition, if the Company gives permission for a breach of the rules, for any reason, at any time, that permission does not extend to future breaches. This provision deals with the concept of "waiver" and the parties agree that the Company does not waive any of its rights under any circumstances short of the written confirmation alluded to above.