



ZIJA INTERNATIONAL POLICIES & PROCEDURES

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TABLE OF CONTENTS

CHAPTER I: DISTRIBUTOR / COMPANY RELATIONS	4
1. THE PURPOSE OF THESE POLICIES AND PROCEDURES	4
2. INTERPRETATION, ENFORCEMENT, AMENDMENT, AND WAIVER OF POLICIES & PROCEDURES	4
3. DISTRIBUTOR STATUS AS INDEPENDENT CONTRACTOR	5
4. ENROLLMENT AS AN INDEPENDENT DISTRIBUTOR	5
5. RESTRICTIONS ON BECOMING A DISTRIBUTOR	6
6. DISTRIBUTORSHIP RENEWAL	7
7. DISTRIBUTOR COMPLIANCE	7
8. CONFLICTS OF INTEREST	8
9. POLICY VIOLATION AND ACCOUNTABILITY PROCEDURES	9
10. TERMINATION	10
11. CONFLICT RESOLUTION	10
12. SPECIAL REQUESTS	11
13. EXECUTIVE DISTRIBUTOR SUPPORT (EDS)	11
14. PRIVACY POLICY	12
15. TAXATION	12
16. DISTRIBUTORSHIPS FOR NON-INDIVIDUALS	13
17. SELLING OR TRANSFERRING A DISTRIBUTORSHIP	14
18. DISSOLVING A JOINTLY HELD DISTRIBUTORSHIP	15
19. DEATH OF A DISTRIBUTOR	15
CHAPTER II: ORDERS	15
20. PRICING CHANGES	15
21. ORDERING PROCEDURES	15
22. WILL CALL PICK-UP	16
23. AUTOSHIP PROGRAM (AS)	16
24. ORDER PAYMENT	17
25. AUTOMATED CLEARING HOUSE (ACH)	18
26. UNCOLLECTED BANK DRAFT	18
27. BACKORDERS	18
28. INITIAL ORDER GUARANTEE	18
29. RETURN POLICY	19
30. RETURN PROCEDURE	20
31. DAMAGED, DEFECTIVE, OR UNDELIVERED PRODUCT(S)	20
32. INTELLECTUAL PROPERTY	20
33. UNFAIR BUSINESS PRACTICES	21
CHAPTER III: SPONSOR & PLACEMENT	21
34. SPONSOR AND PLACEMENT POLICY	21
35. SPONSOR AND/OR PLACEMENT CHANGE	21
36. SIGNING ON BEHALF OF ANOTHER PARTY	22
37. INCENTIVE TRIPS, AWARDS, AND EXECUTIVE GETAWAYS	22
38. CORPORATE MEETINGS	22

CHAPTER IV: DISTRIBUTOR ADVERTISING AND SALES	22
39. USE OF THE NAME 'ZIJA' or 'ZIJA INTERNATIONAL'	22
40. ADVERTISEMENTS	23
41. INTERNET MARKETING	24
42. RETAIL SALES	25
43. TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS	26
44. SEVENTY (70%) PERCENT RULE	27
CHAPTER V: PROHIBITED BEHAVIOR	27
45. CROSS-LINE RECRUITING	27
46. COMPANY AND PROGRAM CLAIMS	28
47. PRODUCT CLAIMS	28
48. INCOME CLAIMS	29
49. TRADEMARKS	29
50. UNAUTHORIZED INTERNATIONAL AND/OR TERRITORIAL EXPANSION	30
51. UNAUTHORIZED CONTRACTS OR PAYMENTS	31
52. THIRD PARTY CONTRACTS AND PROGRAMS	31
53. EMPLOYEE GIFTING	31
CHAPTER VI: GLOSSARY	31
54. APPENDIX A: STANDARDS OF CONDUCT	33
55. APPENDIX B: USC TITLE 26, SUBTITLE F	34

CHAPTER I: DISTRIBUTOR / COMPANY RELATIONS

1. THE PURPOSE OF THESE POLICIES AND PROCEDURES

This document must be read in its entirety. Every Zija Independent Distributor (hereafter "Distributor") must be intimately familiar with these Policies and Procedures (hereafter "P&P") and agree to comply with all policies set forth herein. Distributors are subject to the regulations of the P&P from the time that they receive their Distributor Identification Number. Submission of the Distributor Application and acceptance of any Commissions constitutes acknowledgment on the part of the Distributor that he/she has read and agrees to abide by the P&P. This document, in its entirety, is applicable to all Distributors. Some aspects of the document may be modified by a separate, local addendum for Distributors in other countries or regarding specific topics such as compensation. If a conflict should arise between the P&P and any addendum, the terms of the addendum shall be controlling. Distributors must regularly review the most recent P&P as they are published in the Back Office Library at www.myzija.com. Zija International, Inc. (The Company and its affiliated companies (collectively "the Company" herein), is a network marketing Company which honors the P&P outlined hereafter. This document is an integral part of the Distributor Agreement. It was created to protect the rights of all Distributors and to provide a clear, procedural framework within which they may work effectively. Adherence to these P&P is required, and will assist in the success of the Company and its Independent Distributors in several ways, including the following:

- A. By providing equal opportunity for rewards through the Zija Compensation Plan.
- B. By providing Distributors adequate definition and explanation of the Zija Compensation Plan.
- C. By defining the contractual relationships between the Company and its Distributors.
- D. By complying with regulatory requirements and by providing specific information about the programs to appropriate agencies.
- E. By providing Distributors a guide that informs them of the P&P to which they must adhere, both in terms of what they must do as well as what actions are prohibited.
- F. By establishing a basis for problem resolution between Distributors and the Company.

2. INTERPRETATION, ENFORCEMENT, AMENDMENT, AND WAIVER OF POLICIES & PROCEDURES

- A. These Policies and Procedures are incorporated herein and made a part of the Independent Distributor or Preferred Customer Application. The Independent Distributor or Preferred Customer Application, as well as the instruments and documents referred to herein, constitute the entire understanding of the parties with respect to the matter. If the Company does not receive the Independent Distributor or Preferred Customer Application within fourteen (14) days of enrollment, the AutoShip on this new account may be canceled, the Distributorship may be suspended/terminated, and commission and bonus checks may be withheld. The P&P and the Independent Distributor or Preferred Customer Application and Agreement shall be controlling in defining the relationships between the Company and the Distributor.
- B. Interpretation: Any questions regarding the interpretation of these P&P must be directed to the Zija Compliance Department. Distributors may only rely upon the opinion of the Compliance Department agents to interpret these P&P. Distributors must not rely upon the opinion expressed by the employees of any other Company departments or by other Distributors.
- C. Enforcement: The P&P will be enforced from the date of posting. The most recent and applicable P&P will be

posted in the Back Office Library at www.myzija.com. It is recommended that Distributors refer to www.myzija.com each month to check for updates. No failure of the Company to exercise any power given to it under these P&P or Distributor Application and Agreement, to insist upon strict compliance by a Distributor, or to allow any variance of the terms shall constitute a waiver of the Company's right to demand exact compliance with these P&P. No delayed action shall preclude the Company from taking that action later, with full effect.

- D. **Severability:** The P&P set forth herein shall be deemed severable. The invalidity of or inability to enforce any provision shall not affect the validity or enforceability of any other provisions. If any provision of these P&P, or application thereof to any person or any circumstance, is invalid or unenforceable, then the following shall occur:
 - i. A suitable and equitable provision shall be substituted in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision.
 - ii. The remainder of these P&P, and the application of the provision in question to other persons or circumstances, shall not be affected by such invalidity or inability to enforce, nor shall such invalidity or inability to enforce affect the validity or enforceability of the provision in question, or the application thereof, in any other jurisdiction.
- E. **Amendment:** The Company solely and expressly reserves the right to amend these P&P at any time and will publish these P&P so that the Distributor can make examination. The Distributor will be responsible to adhere to these P&P upon publication, in any form, by the Company. Amendments shall be in effect and binding to all Distributors upon publication by the Company in any form generally made available to all Distributors.
- F. **Waiver and Exception:** The Company, in its sole discretion, reserves the right to waive a breach of, or make an exception to, any provision of the P&P. Any request for a waiver or exception to these P&P must be submitted in writing exclusively to the Compliance Department. You may direct your Compliance Department inquiries or reports by e-mail to compliance@zijacorp.com, by facsimile to 801-494-2323, or by mail to: Zija International - Compliance Department, 3300 North Ashton Blvd. Suite 100, Lehi, UT 84043 USA. Only an authorized Compliance Department officer, in writing, can grant waiver by the Company. Any waiver granted, or exception made, by the Company to any provision of the P&P will not be interpreted as a waiver of any subsequent or additional breach of the P&P or an exception for any other person.
- G. In no instance shall the Company be responsible for any delays or failures in performing its obligations or rights herein due to any force, major occurrences, including without limitation, circumstances such as fire, death, public insurrection, labor strikes or difficulties, interruption of Company's supply chain, government decree or orders, or any other example of occurrence that might reasonably be termed an Act of God.

3. DISTRIBUTOR STATUS AS INDEPENDENT CONTRACTOR

- A. Zija Independent Distributors are not employees or agents of their Sponsor or of the Company and may not represent themselves as such. Distributors do not have authority to make purchases, enter into transactions, or act in any way on behalf of the Company. Additionally, Distributors may not identify the Company as their employer on any application, form or document. No printed or verbal representations may be made, stated or implied otherwise, other than as outlined in these Policies and Procedures.
- B. As independent contractors, all Distributors are responsible for any expenses that result from building or maintaining a Downline, including but not limited to: responsibility for any required licenses, fees, insurance, liabilities, operating expenses, and taxes including sales, income, social security, and unemployment taxes. Distributors dictate their own work hours, business development, and are responsible for all entrepreneurial risk and losses that might be incurred.

4. ENROLLMENT AS AN INDEPENDENT DISTRIBUTOR

- A. To enroll as a Zija Independent Distributor, an applicant must:

- i. Submit to the Company a signed true, current, and accurately completed Independent Distributor Application Form appropriate to the country within which the Distributor legally resides and in a Zija authorized country; and
 - ii. Pay a non-refundable \$39.00 enrollment fee, which includes a Zija Business Kit containing marketing and demonstration materials; and
 - iii. Provide, where allowed by law, proof of identity in the form and method as the Company may require.
- B.** There are no Commissionable products in the Zija Business Kit. No Zija product purchase is required to become a Zija Independent Distributor and applicants agree that the compensation opportunities available to them are sufficient. The non-refundable initial enrollment fee of \$39.00 pays for initial startup services that are provided to the Distributor by the Company in support of sales and marketing of Company products. Other than the initial enrollment fee, the annual renewal fee of \$25.00, and the monthly technical services fee of \$1.00, no additional fees are required to become and maintain an Independent Distributor status. Any applicant that enrolls with 250 PV or more to be a Distributor may have the \$39.00 enrollment fee waived. Applicants who have paid the enrollment fee are provisionally authorized as Distributors. International applications and product shipments may be charged a higher shipping and handling fee depending upon destination (call 866-913-9452 for specific fees).
- C.** The Recruiting Distributor has the duty to provide the Company with correct documentation concerning Sponsor and/or Placement of the new Distributor at the time of enrollment of the new Distributor. If, at the request of the new Distributor, a Recruiting Distributor completes the enrollment application on behalf of a new Distributor, the Recruiting Distributor is responsible for assuring that the new Distributor has read, and agreed to, the Company's Policies and Procedures in its entirety.
- D.** The Company reserves the right to reject any application, thus terminating provisional Distributor authorization, at any time prior to receiving an original, signed and completed application.
 - i. Internet or telephone applications are processed immediately, but must be followed by an original, signed application form within fourteen (14) days. Failure to provide a copy of the signed application form within this time period may result in the AutoShip on the new account being canceled, the Distributorship being suspended/terminated, and Commission and Bonus Checks being withheld.
 - ii. Faxed or emailed applications will be processed when they are received by the Company and may be deemed as originals. The Company requires that a faxed or emailed version of the signed application be sent to the Company within fourteen (14) days of enrollment.
 - iii. Each Distributor is responsible for informing the Company of any changes affecting the correctness of your Distributor Application and/or any subsequent changes of account information affecting your Distributorship.
- E.** Fabricated Distributor or Preferred Customer accounts, signing up an individual as a Zija International Distributor without their knowledge/consent, or setting up an individual on an AutoShip without their knowledge/consent is prohibited and voidable by the Company. If a duplicate Distributor or Preferred Customer account is found, the oldest account will be kept, and the remaining account(s) will be deleted. Any fees or costs incurred by the Company due to P&P violations will be forwarded directly to the responsible party.

5. RESTRICTIONS ON BECOMING A DISTRIBUTOR

- A.** All individual Distributor applicants must be of the age of majority (usually 18 years of age) in the jurisdiction in which they reside.
- B.** Simultaneous Interests: A Distributor may not have a simultaneous beneficial interest or participate in more than one individual or non-individual/business Distributorship. A Distributor may not encourage or facilitate a simultaneous, beneficial interest in more than one individual or non-individual/business Distributorship. A simultaneous, beneficial interest includes, but is not limited to the following:
 - i. Any ownership or benefit interest directly or indirectly in a Distributorship as a shareholder, partner, trustee, beneficiary, or principal;

- ii. Any control or ability to control a Distributorship;
 - iii. Any direct or indirect receipt of income derived from a Distributorship; spousal support derived from a Distributorship; familial support derived from a Distributorship;
 - iv. Access to a bank account into which Commissions derived from a Distributorship are deposited; or
 - v. Any other similar interests pertaining to a Distributorship.
- C.** Spouse or Cohabitant: Zija does not encourage dual Distributorship in the same household. In the event that a spouse or cohabitant of a Distributor wishes to become a Distributor, the spouse or cohabitant must be added to the Enrollment Tree of the other spouse or cohabitant. If the spouse or cohabitant of a former Distributor wants to become a Distributor, the spouse or cohabitant must apply to become a Distributor under the Sponsor of the other spouse or cohabitant unless the former Distributor has had a minimum of twelve (12) months of business inactivity as set forth in Section 35, B and receives approval from the Company.
- D.** In the case of two (2) Distributors subsequently marrying, the Company shall not cause the Distributors to abandon either Distributorship. In this case only, both husband and wife shall be allowed to retain their existing Distributorships. Written notice must be given to the Company prior to and/or within 30 days after the marriage.
- E.** If a married couple with a jointly held Distributorship divorces, written notification, including the notarized signatures of both parties, must be provided to the Company indicating how the Distributorship is to be managed thereafter. Otherwise, the Company shall either consider the principal account holder as the sole continuing Distributor or restructure the Distributorship pursuant to a court order. The Company reserves the right to charge the Distributor a fee for reorganization. These rules shall also be applied to non-married, co-applicant Distributorships.

6. DISTRIBUTORSHIP RENEWAL

- A.** Distributor authorization extends for one (1) year from the Company acceptance date. For each subsequent year, a renewal of Distributor authorization is required. The Company assesses a non-refundable renewal fee of \$25 (USD) per Distributor. This fee is billed annually and automatically to the Distributor's account thirty (30) days before the anniversary of sign up. The fee is applied to back office and sales support. The fee is automatically deducted from the Distributor's Bonus Check for the anniversary month of the Distributor Agreement, or charged to the Distributor's credit card or checking account if no commissions were earned during the Distributor's anniversary cycle. Failure to collect this fee immediately does not waive the Company's right to collect.
- B.** It is the Distributor's responsibility to maintain his/her Distributorship status and to pay the renewal fee in a timely manner.

7. DISTRIBUTOR COMPLIANCE

- A.** Because a Distributor's actions may result in damages that are difficult to ascertain, the Company solely reserves the right to immediately discipline, suspend, or terminate any Independent Distributor whose actions may be reasonably construed as illegal, unethical, dishonest, fraudulent, harmful, or in any way against the Company's P&P, Distributor Application, or Standards of Conduct, regardless of whether such actions are or were directed toward the Company, another Independent Distributor, or any person in general.
- B.** The Company may terminate a Distributor's authorization for cause, including but not limited to: violation of these P&P, a breach of any other promise made in the Distributor Application and Agreement, or any misstatement or misrepresentation made by the Distributor in the agreement, or on any other form, as determined within the sole discretion of the Company.
- C.** An Active Distributor (AD) is a Distributor who has a minimum of 75 PV in the current Period. If the current Period has not yet completed, and the Distributor has no PV but is enrolled in an AutoShip, then the Distributor is presumed

and considered Active. To receive a Commission, a Distributor must have been Active for the previous Commission Period and be Active at the time the current Commission Period is run. If a Distributor has been inactive for twelve (12) months, or six (6) months for a Preferred Customer, the Distributor or Preferred Customer will be terminated and forfeit all Sponsorship rights, Placement rights, Positions earned, and he/she will be purged from the system.

- D.** The Company will monitor a Distributor's compliance with the established and published P&P. This may include, but is not limited to, reviewing advertising materials, electronic media, and training materials in any form of communication, whether in print, by video, or through any form of communication facilitated by, or occurring in, any social or networking media such as Twitter, Facebook, YouTube, and the like. Comments from the Company regarding compliance must not be interpreted or construed as approval, disapproval, or sanctioning by the Company, but must be considered only as the Company's demand and/or warning to the Distributor to comply with the agreements and established P&P between the Distributor and the Company.
- E.** In accordance with the agreements and established P&P, the Company's Compliance Department shall make determinations as to whether a Distributor has violated the Independent Distributor Agreement or the established P&P. Investigation results shall be kept confidential between the accused Distributor and the Company.
- F.** Each Distributor must be self-policing and ensure his/her own strict compliance with established P&P and agreements by being intimately familiar with such P&P and agreements, as well as the rules, laws, statutes, and regulations of the jurisdiction within which the Distributor operates his/her business. Failure to comply with these P&P may be cause for discipline.
- G.** Distributors shall comply with all instructions and information requests from the Company's Compliance Department in the time and manner designated by the Compliance Department. It is the responsibility of the Distributor or Preferred Customer to provide the Company with current and correct contact information, including but not limited to: address(es), telephone number(s), fax number(s), website address(es), and e-mail address(es) in order to facilitate prompt communication between the Company and the Distributor or Preferred Customer. The Company will not be held responsible for situations arising from communication that is delayed, misdirected, or returned to the Company due to incorrect or outdated information provided by the Distributor.
- H.** The Compliance Department shall respond to all questions posed by Distributors as promptly as possible. Advice rendered by the Compliance Department shall not be construed as legal advice, and the Distributor should not rely upon the Company, or any of its divisions, to provide legal advice. Distributors, if they need legal advice, should consult with legal counsel of their choosing.
- I.** The Company reserves the right to discipline a Distributor for inappropriate and/or nuisance communications to the Company, Distributors and/or Customers. Distributors will not participate in any unlawful practices.
- J.** Distributors shall not engage in the practice of generating, replicating, or repeating monthly, annual, or total sales figures of the Company unless such figures are publicly published by the Company.
- K.** Distributors who intentionally circumvent P&P to accomplish indirectly what is prohibited directly, will be disciplined as if the applicable policy or rule had been broken directly. At its sole discretion, the Company shall have the right to adjust Bonuses, Commissions, and/or the Placement or status of a Distributor, and of those in the Distributor's Upline, who were affected by the violation. None of the P&P herein create third-party rights in any Distributorship as a result of the conduct of any other Distributor.

8. CONFLICTS OF INTEREST

Company Distributors may participate in other direct selling, network marketing or multilevel marketing ventures (collectively "network marketing") with certain restrictions. In order to avoid conflicts of interest and loyalties, if a

Distributor elects to participate in another network marketing opportunity, the Distributor is prohibited from the following:

- A.** Any actual or attempted recruitment or enrollment of Company Customers or Distributors for other network marketing business ventures, either directly or through a third party is prohibited. This includes but is not limited to: presenting or assisting in the presentation of other network marketing business ventures to any Company Customer or Distributor, or implicitly or explicitly encouraging any Company Customer or Distributor to join other business ventures. Because there is an extreme likelihood that conflicts will arise if a Distributor operates two network marketing programs, it is the Distributor's responsibility to first determine whether a prospect is a Zija Customer or Distributor before recruiting or enrolling the prospect for another network marketing venture.
- B.** For a period of twelve (12) months following the cancellation of a Distributor or Preferred Customer Agreement, the former Distributor or Preferred Customer may not recruit or solicit any Company Distributor or Customer to another network marketing company. If this provision is violated, the non-solicitation period will be extended by one year from the date of the last solicitation of a Distributor or Customer. A solicitation may include any direct or indirect attempt to encourage joining or working with another network marketing company or communicating information (including emails, online posting through social media, etc.) about another business opportunity.
- C.** Producing or offering any literature, tapes or promotional material of any nature for another network marketing company which is used by the Distributor, or any third person, to recruit Company Customers or Distributors for that business venture is agreed to as forbidden.
- D.** Zija Independent Distributors may not engage in selling, offering to sell, or promoting any competing non-Company product(s). Any product in the same generic category as a Company Product is deemed to be competing; e.g.; Any dietary supplement is in the same generic category as Company dietary supplements, and is therefore a competing Product, regardless of differences in cost, quality, ingredients or nutrient content.
- E.** Offering Company product(s), or promoting the Company's Compensation Plan, in conjunction with any non-product(s), services, business plan, opportunity, or incentive is prohibited.
- F.** Offering any non-Company product(s), services, business plan, opportunity, or incentive during, or immediately following, any Company meeting, seminar, launch, convention, or other Company function is prohibited.

9. POLICY VIOLATION AND ACCOUNTABILITY PROCEDURES

- A.** The Company, in its sole discretion, reserves the exclusive right to discipline, terminate, and/or withhold payment of Commissions and Bonuses to any Distributor who violates any provision of the Distributor Application and Agreement, the P&P, amendments, addendums, or any other violation as determined by the Company upon notice to the Distributor. Distributorship termination revokes any and all rights under the Independent Distributor Agreement and Compensation Plans and will be effective upon the verification by the Company of said violations. Upon termination, the Company shall be entitled to seek legal remedy for any damages to which it is entitled to by law and is authorized to contact any governmental entity responsible for oversight of any laws, rules, statutes, or regulations that the Distributor may have violated.
- B.** When the Company becomes aware of a violation, or of an alleged violation, one or more of the following procedures may apply during the course of an investigation, without recourse by the Distributor:
 - i.** Warning: Official commencement of disciplinary procedures. Notice of violation and request to cease non-compliant behavior provided to the Distributor. The Distributor must make corrective changes that comply with these P&P in the time and manner designated by the Compliance Department or additional discipline may result.
 - ii.** Probation: The Distributor may not maintain leadership status, is prohibited from holding opportunity meetings, from initiating or requesting Sponsor/Placement changes, and from making changes to the information in the

Zija Back Office. The Distributor will have an allotted time, designated by the Compliance Department, to make corrective changes, and must commit to comply with these P&P or additional discipline may result. Probation does not prevent a Distributor from signing off on Sponsor/Placement change requests initiated by a Distributor in his/her Downline organization.

- iii. Suspension: In addition to the prohibited activities of probation listed above, the Distributor is also prohibited from placing orders, from receiving Commission and Bonus Checks, from receiving an AutoShip, and from sponsoring new Distributors. The Distributor has sixty (60) days, or less per Compliance Department request, to make corrective changes, and must commit to comply with these P&P.
 - iv. Termination: The Distributorship of the violating Distributor is terminated. Policies and Procedures pertaining to termination and re-application apply.
- C. The Company reserves the right to charge a fine, as determined by the Compliance Department, to a violating Distributor at any stage of the disciplinary process. The fine will be taken from the Distributor's Commission Check or billed directly to the Distributor (payable by any means that the Distributor has provided to the Company for payment of product(s)). Failure to pay the fine after sixty (60) days may result in the automatic advancement of that Distributor to a higher disciplinary level.

10. TERMINATION

- A. Distributors or Preferred Customers may resign and terminate their account at any time, and for any reason, by providing the Company written notification of their intent to terminate. The written notification must be signed by the Distributor and any co-applicants (if applicable) and sent via mail, fax, or the e-mail address of the account holder on file with the Company.
- B. A Distributor or Preferred Customer who voluntarily resigned is eligible to reapply at any time to be a Distributor or Preferred Customer under their previous Sponsor tree.
- C. A Distributor or Preferred Customer who was involuntarily terminated by the Company for cause, or a Distributor or Preferred Customer who resigned but wishes to establish a new Distributorship under a different Sponsor, may reapply but he/she is required to wait twelve (12) months after involuntary/voluntary resignation for Distributors or six (6) months for Preferred Customers. During the twelve/six (12/6) month waiting period, he/she must not have engaged in any business or monetary activity (whether for your Distributorship or the Distributorship of another person). The twelve/six (12/6) month waiting period begins on the last date of monetary activity, after the Compliance Department receives a termination notice in writing from the Distributor or Preferred Customer, or sixty (60) days after their annual renewal date has passed without renewal on the part of the Distributor, whichever is later.
- D. After an account has been terminated, it will be purged from the system.
- E. After a Distributor or Preferred Customer account has been terminated, either voluntarily or involuntarily, the former Distributor or Preferred Customer must cease to represent himself/herself as a Distributor or Preferred Customer of the Company.
- F. A terminated Distributor or Preferred Customer, upon re-application for either Distributor or Preferred Customer status, will be treated as if he/she had never been a Distributor or Preferred Customer. He/she will be required to follow standard application procedures, and will be asked to pay the enrollment fee. He/she will not retain any prior rights to Commission, Rank, Downline position, or position in any former line of descent and is subject to Company approval.

11. CONFLICT RESOLUTION

- A. From time to time, disagreements or conflicts may arise between Distributors pertaining to observance of the P&P. It is important that matters of dispute between Distributors be promptly resolved between the Distributors, without

Company involvement, by following the procedures described below.

- B.** Distributors noticing P&P violations should bring the violation(s) to the attention of the Distributor perceived to be in violation. Directly contacting the Distributor should solve most problems, as most violations are caused by a lack of understanding of the P&P. If this procedure does not solve the problem, violators should be reported to their Upline Distributor of senior leadership rank (Emerald or above), along with written details of the violation (e.g. dates, witnesses, etc.).
- C.** If the problem is not solved by the Upline Distributor, or if two (2) disputing parties have different Distributors of Senior Leadership Rank (Emerald or above), the problem may be referred to the Compliance Department via e-mail or in writing. If the dispute involves the Company as a party, Distributors shall bring such disagreements to the Company before taking any dispute public through the filing of any action seeking judicial and/or arbitration intervention.
- D.** Upon notice of a violation, the Company may confer with anyone, at any time, concerning any alleged violation of the Distributor Agreement and/or the P&P as may be necessary to conduct an investigation. Upon Company request, a Distributor must provide all documentation directly related to an alleged violation to the Company. Upon completion of an investigation, the Company may notify the involved Distributors of a hearing on the issues relating to the alleged violation. Any information ascertained during an investigation or hearing shall be treated as confidential, except in cases where the accused Distributor has been determined to have violated federal, state, or local statutes. The Company's failure to request, or initially obtain, documentation does not waive the Company's rights to obtain such information and/or documentation at a later date.
- E.** If the involved Distributors are unable to resolve the dispute, and the Company is involved, then such Distributors and the Company must submit to binding arbitration in Utah using the rules of the American Arbitration Association prior to filing any cause of action in a court having jurisdiction. The jurisdiction and venue shall be the State of Utah, in the judicial district where the Company is located. Each party having a concern shall first give notice of intent to submit to arbitration prior to filing for arbitration. However, if the Company is not involved with the dispute, the involved Distributors are free to use any method of solution available to them under the law.
- F.** Distributors violating any of the P&P may be required to cancel advertising, destroy unauthorized literature, remove offending signs, disconnect phones with no referral service, and/or any other relevant remedy. Additionally, Distributor authorization may be canceled. Violators will be liable to the Company for any damages, including attorney fees, resulting from violations.

12. SPECIAL REQUESTS

- A.** The Company provides numerous services to its Distributors without charge; however, Distributors occasionally make requests that require extra time and effort to fulfill. Requests in this category include copies of receipts, paperwork, in-depth Bonus information that must be calculated or extracted, research, banking instructions, stop-payment requests, reissue of payments, etc. These, and other special requests, are available to the Distributor at a minimum charge of \$35 (USD) per request, plus actual costs, or \$35 (USD) per hour, plus actual costs. Actual costs include, but are not limited to: banking fees, photocopy expenses, legal fees, accounting fees, etc. There is a \$25 (USD) fee per returned Commission Check to re-print and re-mail it.
- B.** Distributors may be asked for a signed confirmation of special work requests before the requests are started. If a special service is requested due to an error caused by the Company, charges for this request may be waived.

13. EXECUTIVE DISTRIBUTOR SUPPORT (EDS)

- A.** Executive Distributor Support (EDS) is a corporate service available to all Diamond Executive Distributors. Once a

Distributor achieves Emerald Senior Leadership status, he/she is assigned a non-exclusive EDS agent. For continual access to EDS, the Distributor must maintain Gold status two (2) cycles out of every period.

- B.** EDS will eagerly assist Distributors in reaching their optimum qualifications; however, all Commissions will be based on computed Downline qualifications, as determined by the Company, and not titles specified by Executive Distributor Support agents. EDS can make no representation with regard to Distributor status or rank advancement that will be binding.

14. PRIVACY POLICY

- A.** All information provided by an Applicant on the Distributor or Preferred Customer Application will be used to create the Applicant's account and for other activities of that account holder. This information will not be used for any other purpose.
- B.** All information held by the Company with reference to Downline, Genealogy, and/or Placement of Independent Distributors is the property of the Company. As such, this information is confidential and proprietary. The Distributor maintains no rights or ownership with reference to this information and/or data. Distributors must treat this information as confidential and proprietary to the Company. Improper and unauthorized use of this information by a Distributor may be cause for termination and/or any other legal remedy available to the Company.
- C.** By enrolling as a Distributor or Preferred Customer, the Applicant authorizes the Company to disclose the provided contact information to his/her Sponsors only. This information will be available for business use only and will not be provided to any other parties, including other Zija International Distributors. The Company owns this proprietary information, and it may not be sold, disseminated, or provided to any other parties.
- D.** The Company will supply data processing information and reports to the Distributor concerning his/her Downline sales organization (this information does not include personal information such as Tax Identification Numbers). The Distributor agrees that he/she will neither disclose such information to a third party directly or indirectly (including other Zija International Distributors) nor use the information to compete with the Company directly or indirectly. The Distributor agrees that this information is, and remains, the property of the Company. Any violation of this confidentiality requirement is grounds for termination. The Privacy Policy remains in effect even after a Distributor chooses to resign his/her Distributorship and does not bring exemption to this policy.

15. TAXATION

- A.** The US Applicant must provide a Tax Identification Number (TIN) with the Application before Commissions can be earned and paid. A TIN (i.e. SSN, EIN, ATIN, ITIN) is required for individuals and business entities such as Sole Proprietors (DBA), Partnerships, Organizations, Corporations, Trusts, Limited Liability Companies, etc. This TIN will be validated against the IRS Tax Database. If the Applicant is an individual, a Social Security Number (or equivalent TIN) is required with the application. Tax Identification Numbers may not be shared among different Distributors.
- B.** Falsification of tax information: Distributors must provide accurate and truthful tax information. If a person establishes a Distributorship using a false national insurance or Tax Identification Number, or uses another person's information, the Distributorship may be terminated immediately, and the Distributor will forfeit any rights associated with Distributorship. The Company reserves the right to contact the person, their Sponsor, and any government agency to determine the accuracy of tax information.
- C.** Invalid Social Security Number (or equivalent Tax Identification Number): If the Company has an invalid Social Security Number (or equivalent Tax Identification Number) on file, no Retail Sales, Commissions or Bonuses can be earned. It is the sole responsibility of the Distributor to verify that the Company has the Distributor's correct SSN/TIN. The Company will not be held responsible for lost Commissions due to an incorrect SSN/TIN on file.

- D. **Income Tax:** Distributors will not be treated as an employee for taxation purposes. Distributors are Independent Contractors for all purposes and do not have income (or equivalent) tax withheld from Commissions, unless the Distributor fails to provide the Company with information required by law. Distributors must fulfill their tax obligations as Independent Contractors. Distributors shall provide to the Company all relevant tax forms required by the jurisdiction in which they live. Failure to provide such information to the Company may result in withholding a portion of the Distributor's Commissions, as required by law. The Company will report income or sales information to the appropriate governmental authority, as required by the applicable law. Distributors are responsible for contacting proper tax authorities, or an accountant, for up-to-date information on tax laws. All Distributors agree to indemnify, and hold harmless, the Company for any tax related penalties and charges incurred because of incorrect or incomplete information provided by the Distributor.
- E. **1099 & T4A Forms:** 1099 forms are generated and mailed by the Company on or before January 31 of the following year only for those Distributors whose Retail Sales, Commissions and Bonuses total equals or exceeds the amount of six-hundred (\$600 USD) dollars or other amounts required by foreign laws. T4A forms are generated and mailed by the Company on or before February 28 of the following year only for those Distributors whose Retail Sales, Commissions and Bonuses total equals, or exceeds, the amount of five-hundred (\$500 USD) dollars or other amounts required by foreign laws. You can review a summary of the US tax laws covering these requirements in Appendix B, or for a full version of the tax laws go to www.irs.gov.
- F. **Sales Tax (or Applicable Tax) and Exemption:** If a Distributor has registered as a withholding agent through their local sales tax agency, and has submitted their state resale certificate to the Company's Compliance Department, the collection of sales tax, indirect tax (or any other "sales tax equivalent") will be the responsibility of the Distributor. Such information must be provided to the Company in an appropriate form before the order is submitted. Applicable tax rates will be calculated based on the area in which the sale is made or to which products are shipped. It is the responsibility of the Distributor to provide an updated copy of their certification for exemption from sales tax each year.
- G. **Self-Employment Tax:** Distributors must individually pay appropriate self-employment taxes, unless an adequate amount of tax is being paid as a result of other employment. Forms and instructions regarding self-employment taxes may be obtained from the local taxation authority.
- H. **Unemployment Tax:** The Company makes no contribution to any of the various unemployment funds because of the Distributor's Independent Contractor status. Because contributions are not made, a Distributor is not eligible to claim unemployment compensation, Labor, Social Security (or equivalent), or make Workman's Compensation claims as a result of having been a Distributor.
- I. Distributors must not give any assurance concerning the present or future income tax consequences, estate, gift, or inheritance tax consequences of any Commission benefits. All such consequences are subject to change.

16. DISTRIBUTORSHIPS FOR NON-INDIVIDUALS

- A. For taxation purposes, when Distributor applicants are not individuals, the application must:
 - i. Be signed by a legally authorized representative in order to bind the applying entity; and
 - ii. Be accompanied with the Tax Identification Number certificate; and
 - iii. Be properly registered in the applying distributor's governing jurisdiction; and
 - iv. Include a copy of the Articles of Organization (if LLC.), Articles of Incorporation (if corporation or non-profit), Syndication Agreement (if syndicate), Partnership Agreement (if partnership), or Trust Agreement (if trust); and
 - v. Include a signed authorization or resolution from the business entity, authorizing the person who signs the application to do so.

- B.** A Distributor may change their status from individual to partnership/corporation or from partnership/corporation to individual, but must notify the Company in writing. The written authorization must be signed by the individual or entity changing the status, as well as the individual or entity accepting the change. He/she must also comply with the provisions of Section 16A in providing the information requested for that entity. The Company charges a processing fee consistent with a sale or transfer fee in connection with this transaction. The Company reserves the right in its absolute discretion to decline acceptance of a replacement organization without being required to give reasons. A summary of the tax laws covering these requirements can be found in Appendix B, or a full version of the tax laws can be found at www.irs.gov.
- C.** If a Distributor is tax exempt for any reason, they must provide the Company a photo ID with their tax-exempt verification upon enrollment.

17. SELLING OR TRANSFERRING A DISTRIBUTORSHIP

- A.** Inactive Distributor or Preferred Customer Positions/Nodes are property of Zija International and will be terminated and removed from the live database after twelve (12) months of inactivity for Distributors and/or six (6) months of inactivity for Preferred Customers.
- B.** Unless a Distributor or Preferred Customer is Inactive, has been suspended/terminated, or is being investigated for possible infractions of this agreement, a Distributor may sell, assign, or otherwise transfer his/her rights or position only after receiving the express written approval of the Company. A sale or transfer occurs whenever one individual or entity with a Tax Identification Number transfers ownership or control to another individual or entity with a different Tax Identification Number. The Company reserves the right to approve the transaction, but will not unreasonably withhold permission.
- C.** If a Distributor receives a legitimate offer from an individual or entity to purchase his/her Distributorship, the Distributor must notify Zija International in writing of his/her interest to sell the Distributorship to another individual or entity, and must include the terms of the legitimate offer. Zija shall retain the right of first refusal to purchase the Distributorship at the terms provided to the Distributor within ten (10) business days. If Zija elects not to purchase the Distributorship, the Distributor in question shall be free to proceed with the sale, subject to the terms outlined herein.
- D.** To transfer a Distributorship, the Distributor must be Active and in good standing with the Company. A currently existing Distributor may not purchase any part of another Distributor's business. In addition, the following must be submitted to the Company:

 - i. A written, dated, signed, and notarized (or equivalent) agreement between transferrer and transferee.
 - ii. A new Distributor Application for the person or entity that is acquiring the transferrer's position.
 - iii. The Distributor enrollment fee (paid at the time of the Company's acceptance of the transferee's application).
 - iv. A \$100 (USD) transfer processing fee. The Distributorship will be assigned a new Distributor identification number, but will maintain the same Sponsor/Placement position as before the approved transfer.
- E.** An application for a sale or transfer of ownership will be processed within 10 business days (in accordance with sections 17.D(i – iv)).
- F.** Incomplete, incorrect, inappropriate, or rejected applications for sale or transfer of ownership may be assessed a fee of \$35 (USD).
- G.** A Distributorship whose sale or transfer has been approved does not qualify as a new Distributorship. As such, the purchased Distributorship does not qualify for, or act as a qualification of, the following benefits: First Order Bonus, Enroller Builder Bonus, Sponsor Builder Bonus, fifteen percent (15%) increased team commissions, Team 250 new volume or Team 250 speed qualifier.

- H. A Distributor or Preferred Customer who sells his/her spot will not be eligible to re-qualify as a Distributor or Preferred Customer for a period of at least twelve (12) months of inactivity for Distributors and/or six (6) months of inactivity for Preferred Customers after the Company has approved the sale. If a Distributor rejoins, he/she can in no way recruit from his/her former organization, and doing so will be grounds for immediate termination of their Distributorship.
- I. The Company will not approve any sale or transfer if it is aware that the Distributorship in question is subject to an existing garnishment order or tax violation.
- J. If a Distributor permanently changes their country of residence, the change will be considered a sale or transfer. All P&P's and fees associated with the sale or transfer are applicable. The Distributor will be responsible for complying with all P&P and addendums specific to the new country of residence.
- K. Distributors must comply with the restrictions described in the Termination Section 10 as well as all other P&P.

18. DISSOLVING A JOINTLY HELD DISTRIBUTORSHIP

- A. Dissolution of a jointly held Distributorship must be done in a way that does not disturb the income or interests of the Upline and Downline organizations of the Distributorship in question. Distributors should consider the following when deciding whether to dissolve a jointly held Distributorship:
 - i. After dissolution of a jointly held Distributorship, any one of the joint owners may operate the Distributorship, but the other joint owners must relinquish his/her rights to, and interests in, the Distributorship.
 - ii. Dissolution will never entail the division or re-assignment of the Downline organization of the jointly held Distributorship.
 - iii. Downline Commissions will not be split between joint owners.

19. DEATH OF A DISTRIBUTOR

- A. In the case of a Distributor's death, Distributor rights will be transferred to the legal successor in accordance with the law. The Company requires certified photocopies of the death certificate (or a doctor's statement) and a certified will, court order, or other appropriate legal documentation before the transfer can be effective. Successors in interest must comply with current program requirements and are subject to these P&P. Upon notice of death, the Company reserves the right to make payments to the estate of the deceased Distributor.

CHAPTER II: ORDERS

20. PRICING CHANGES

- A. The Company reserves the right to make retail and wholesale pricing changes. Pricing changes include, but are not limited to: product price changes, PV and point changes, collateral material price changes, shipping and handling price changes, and any other pricing changes deemed necessary by the Company without prior notification.

21. ORDERING PROCEDURES

- A. Product orders may be placed by the following methods:
 - i. Telephone. U.S. Orders may be placed over the telephone by calling the Customer Service Department at (toll free) 866-913-9452.
 - ii. Mail. To mail in an order, send a completed Order Form, along with full payment, to: Zija International, Orders,

3300 N. Ashton Blvd, Suite 100, Lehi, UT 84043 USA.

- iii. Fax. Orders may be placed by fax to 801-494-2323.
 - iv. Internet. Orders may be placed on the Internet through the Zija Back Office at www.myzija.com.
 - v. Life Unlimited App. Orders may be placed through the mobile Life Unlimited application found on the App Store for iPhone users and the Google Play Store for Android devices.
- B.** Faxed/mailed orders must be submitted using a current Distributor Wholesale Order Form. Shipping and handling fees are calculated according to location; contact Customer Service to find information relative to specific regions. The Company will normally ship prepaid ground freight. If a Distributor chooses a shipping method other than the standard for his/her area, he/she will be billed for the difference in shipping costs.
- C.** To receive Personal Volume (PV) credit for a given Period, orders must be received in the Corporate Office by the assigned cutoff date. Mail orders will be processed according to the date they are received at the Corporate Office and not according to their postmarked date.

22. WILL CALL PICK-UP

- A.** Where Will Call service is available, a Distributor may pick up his/her order. The Company will ship Product(s) that have been marked for "will call pick-up" if the Product has not been picked up by the Distributor within ten (10) business days of the scheduled AutoShip date, or the end of the calendar month, whichever is latest. Applicable shipping fees will be billed to any payment method noted on the Distributorship.

23. AUTOSHIP PROGRAM (AS)

- A.** A Distributor may choose to participate in the AutoShip Program (AS). A Preferred Customer must participate in the AutoShip (AS) program to have access to Company Product at wholesale pricing. AutoShip helps the Distributor by ensuring that he/she always has his/her desired amount of product(s) without having to order it during each four (4) week Period. AutoShip keeps a Preferred Customer Active and automatically ships him/her an order every twenty-eight (28) days. Refer to the four-week rolling calendar in the Back Office Library for further details. There are thirteen (13) four-week Periods per year. To establish an AutoShip order after original enrollment, the Distributor or Preferred Customer must inform the Company of the amount of product to be shipped each four-week Period, the method of payment to be used, and in which week during the four-week period they wish to receive their AS order. An AS may be established at the time of application by phone, fax, or paper application. An AS account will be charged on the day the order is processed for shipping. AS orders are processed and shipped on the first and second business day of every cycle, unless otherwise specified by the Distributor or Preferred Customer.
- B.** Upon establishing an AutoShip (AS), the Distributor or Preferred Customer will receive the AS shipment every four-week period, regardless of the Volume ordered by the Distributor or Preferred Customer at other times of any given month.
- C.** Product Refusal: If a Distributor refuses any Product order that is not due to Company error, this refusal may be considered grounds to cancel their AutoShip, which may result in the loss of Active Distributor status and the chargeback of Commissions earned during the period of inactivity in which the AS was cancelled. Product refusal does not guarantee a refund and the Refund Policy must be followed. The costs of refused orders may be deducted from the refund amount.
- D.** Payment: All payments will be verified with the credit card company prior to processing direct and AS orders. In the event that authorization is declined, either for insufficient funds or an expired card, Zija will consider your account as Inactive and the order will be considered "unprocessed" and will not be included in Commission computation and processing. In an attempt to ensure that you receive your product(s) and Commissions, if applicable, Distributor

Support will continue credit card authorization attempts and secondary payment options on file. In addition, Distributor Support may attempt to contact you or elect to adjust your credit card's expiration date.

- E.** Changing/Cancellation of AS: A Distributor or Preferred Customer may change or cancel his/her AS by contacting the Company directly by telephone, mail, fax, or e-mail (See Section 21, A for Company contact details). AutoShip changes may also be done through the Zija Back Office. AutoShip changes or cancellation must be received by the Company no less than five (5) business days prior to the scheduled AS shipment. No changes can be made to any AS during the five (5) business days before the actual AS shipment. Such requests include, but are not limited to, changing the number of cases, the shipping address, the payment method, etc.
- F.** Cancellation with Order Return and Refund: Upon cancellation of the AS, a Distributor may return the most recent shipment for a refund provided the AutoShip return is within six (6) months of the date of purchase and the Distributor has not returned more than one previous AS. (See Sections 28 and 29). No more than two AutoShip orders may be returned. The mere return of product(s) is insufficient to cancel AS; the Distributor or Preferred Customer must contact Customer Support to cancel AS.
- G.** Fraudulent AutoShip Setup: Setting up another Distributor or Preferred customer with an AS, without the understanding and express permission of that Distributor or Preferred Customer, is forbidden. The Company takes fraudulent AS setup very seriously, and action will be taken as found in Section 9, B in these P&P against those who violate this policy, including probation, suspension or termination.

24. ORDER PAYMENT

- A.** Product orders must be accompanied by a form of payment acceptable by the Company. Payment must be for the exact amount of the order. By placing a product order, a Distributor certifies that he/she has sold or consumed seventy (70) percent of all product(s) previously ordered from the Company and that he/she is not stockpiling, or "front-loading," product(s).
- B.** Distributors may pay for orders using any of the following payment forms:
 - i. Cashier's Check or Money Order
 - ii. Personal or Business Check
 - iii. ACH (available in some countries)
 - iv. VISA, MasterCard, American Express, Discover, and JCB
 - v. Bank Debit Card
 - vi. Cash (USD)
- C.** Telephone orders must be paid by credit card, bank debit card, or previously established ACH. After taking the order, the Customer Service agent will read back the order for approval. It is the Distributor's responsibility to make corrections at that time. Once the call is completed, the order is released to the shipping center and no corrections or additions can be made. A Distributor may contact the Customer Service Department regarding cutoff times for same-day shipping.
- D.** The only person(s) allowed to pay for an order using a credit card or bank debit card are the authorized signer(s) on the credit or bank account. The Company cannot honor requests to pay for an order using a different person's credit card, debit card, or ACH unless the authorized signer on the credit or bank account is on the phone or has provided prior written authorization to the Company. In the event that a Distributor authorizes the use of his/her credit card for a purchase on an account other than his/her own, the Company will not be liable for subsequent charges to that credit card due to the Distributor's failure to remove his/her credit card information from the other account.

25. AUTOMATED CLEARING HOUSE (ACH)

- A. Establishing ACH: The Automated Clearing House (ACH) option authorizes the Company to electronically debit a Distributor or Preferred Customer's bank account in the amount of the requested order. To establish an ACH, a Distributor must submit a written, signed ACH request, along with a voided check, to the Company. Such notice must include the order type (standard order, AS setup) , desired payment method and Distributor status. The Company will not accept instructions concerning a Distributorship, order type, payment method, or any other matter between the Company and the Distributorship, unless the written instructions are in accordance with these P&P. The notice is effective upon processing by the Company. This policy does not change deadline requirements elsewhere in these P&P.
- B. Using ACH: ACH may be used for all orders except for a Distributor's initial Personal Volume (PV) order. . Orders using ACH may be subject to a shipping hold of up to seven (7) to ten (10) business days in order to verify funds. Usage of a bank account belonging to a person other than the Distributor or Preferred Customer making the request for ACH requires written, notarized authorization by the owner of the account.

26. UNCOLLECTED BANK DRAFT

- A. The Company will assess a handling fee of \$25 (USD) on any check, ACH, or bank draft that is returned uncollected from a Distributor's bank. After a second returned check or bank draft, the Distributor may lose the privilege of placing orders by using a check, ACH, or bank draft for a period of six (6) months. During that six (6) month period, the Distributor must use cash, credit card, cashier's check, or money order to place orders. Any returned check or ACH that is not resolved in a timely manner is grounds for termination and for legal action to obtain payment. Any uncollected amount may be deducted from current or future Commissions. In addition to the above described fees, the Company is entitled to interest of one and one-half (1.5) percent of any uncollected balance per month. All charge-backs due to credit card declines, non-sufficient funds (NSF) checks, ACH, or any other charge back, must be resolved by the last business day of the Commission Cycle or the Volume on such sales will not be included in the computation of Commission for that Cycle's Commission payments. Charge-backs may also be sent to a collections agency as deemed appropriate by the Company.

27. BACKORDERS

- A. Out-of-stock items will be backordered; however, Personal Volume (PV) will be immediately given for the order. Back-orders may be canceled upon a Distributor's request and refunded to the Distributor's account.

28. INITIAL ORDER GUARANTEE

- A. All Customers and/or Distributors have a thirty (30) day, 100 percent satisfaction guarantee on up to 250 PV of their initial order. The initial order is defined as the first order of product(s) made on the account. The Company will refund 100 percent of the purchase price (less shipping costs) on up to 250 PV of any initial product order. All unused product(s) must be returned by a traceable means of delivery to the Company. The Customer and/or Distributor is responsible for shipping charges to return the product(s). Zija will refund a maximum of 90 percent of the purchase price (less shipping costs) of any Initial Order in excess of 250 PV. Product returned in excess of 250 PV must be unopened, resalable and follow the Return Policy and Procedure found in Section 29-30 below. To initiate the refund process, Customers and/or Distributors must call the Customer Service Department within thirty (30) days of placing their initial order and request a Returned Merchandise Authorization (RMA) number. All unused product(s) must be returned by a traceable means of delivery to the Company within fourteen (14) days after contacting Customer Service. Upon receipt, the return will be noted and a refund will be issued within thirty (30) days. Any second order, made after the initial order, follows all rules applying to the Return Policy in Section 29.
- B. Cooling Off Period: The cooling off period shall begin the day that the Customer and/or Distributor makes their initial product order. The Customer and/or Distributor will have three (3) business days to call the Company's Customer

Service Department at (866)-913-9452 and cancel the order for a full 100 percent refund plus shipping charges. The three (3) business days will be defined as the office hours of the Customer Service Department.

29. RETURN POLICY

- A. Returns on Initial Orders are covered in the Initial Order Guarantee section above. Any subsequent product orders must be returned based upon this Return Policy. Distributors and/or Customers are responsible for the cost incurred in shipping product back to the Company's headquarters by a traceable means after following the procedures outlined in the Return Policy.
- B. For product to be returned, the product must be in resalable condition. To be classified as "resalable", the product must be unopened and unencumbered, with current labels and seals intact and in good condition. Product is not regarded as "resalable" if the shelf life or expiration date is within one hundred eighty (180) days or six (6) months of expiration, if the product(s) seals have been broken or tampered with, if the item has been discontinued, or if a particular item has been originally sold under a clearly defined, discontinued, seasonal, or special promotion. Product condition will be determined after thorough examination by the Company.
- C. The costs of refused orders may be deducted from the refund amount. Shipping, handling and customs fees/charges are nonrefundable. Any set offs, Commissions, bonuses or rebates paid to the Distributor or the Distributor's Upline that are attributable to the returned product will be deducted from the Distributor's or the Upline's accounts until all set offs, Commissions, bonuses or rebates are recovered. A "charge-back" transaction will appear as a debit on the Distributor's or Upline's next Commission Report.
- D. Refund guidelines for non-terminating accounts are the following:
 - i. Product return requests made within 30 days of the original purchase date will receive a 90% refund of the purchase price (less shipping costs).
 - ii. Product return requests made after 30 days of the original purchase date will not be refunded unless the Distributor is terminating their Distributorship (see Section 29(G) below).
 - iii. A specific product type may only be refunded once. Subsequent attempts to return the same product type will be denied.
 - iv. Returns are subject to the 70% Rule.
 - v. No more than two (2) AutoShip orders may be refunded.
- E. If this Return Policy conflicts with a particular law of jurisdiction, where a specific buy-back requirement has been enacted by the law, the Company shall repurchase resalable product(s) in accordance with the applicable statute.
- F. Exceptions to the Return Policy may be applied by the Company in instances in which extenuating circumstances may require. If, in Zija's sole discretion, any product was ordered in an effort to Qualify a Leg, such product(s) are not returnable and no refunds will be given.
- G. Product Buy Back for Terminating Distributorship: The Company will repurchase, on reasonable commercial terms, currently marketable inventory in the possession of a Distributor and purchased by that Distributor who voluntarily terminates their Distributorship. For purposes of this policy, "Reasonable Commercial Terms" shall include the repurchase of marketable inventory within twelve (12) months from the Distributor's date of purchase at ninety (90) percent of the Distributor's original net cost, less shipping costs, appropriate set offs (e.g. Commissions, rebates, promotions) and legal claims if any. A refund will not be given until Zija has received a notice of termination from the Distributor or until the Distributor has been terminated by Zija. Multiple order refunds are also subject to a prorated value of Volume already paid out and now unable to be collected because of Upline Distributor cancellations, inactivity, and non-commissions being earned.

- H. Returns and exchanges on promotional sales tools and marketing materials may be classified as “resalable” if currently being offered for sale by the Company. This condition will be determined after examination by the Company. The Distributor will then be refunded ninety (90) percent of the net cost of the materials, less shipping costs.
- I. The Yearly Renewal/Membership Fee (\$25 USD) is non-refundable after 30 days from billing. If an order has taken place since the renewal has occurred, the fee is non-refundable.

30. RETURN PROCEDURE

- A. In order for a Distributor or Customer to obtain a refund for returned product, the Distributor or Customer must do the following:
 - i. Contact the Company’s Customer Service Department to request a refund and to obtain a Returned Merchandise Authorization (RMA) number for the refund request. The RMA number shall be valid only for fourteen (14) days from issuance by the Company.
 - ii. Provide verification of the original order, receipt, or proof of purchase.
 - iii. Ship the Product, prepaid, to the Company in a protective container or carton with the Distributor or Customer’s return address and the RMA number given by the Customer Service Representative printed clearly on the outside of the package.
- B. Any or all shipping or courier costs for the return of product(s) to a Distribution Center will be borne solely by the Distributor or Customer. Any damage or loss that occurs to returned product(s) during shipping will be the responsibility of the Distributor. Should the package containing returned product(s) arrive at the Company damaged (thereby rendering it non-resalable), the Company’s Distribution Center will reject the shipment. It is recommended that a reliable, traceable courier service be used for shipping.
- C. Refunds will be made through the method used to pay for the order initially (ACH, credit card, and check) within thirty (30) days. Local, state, or provincial repurchase laws or requirements may cause variance to this procedure.

31. DAMAGED, DEFECTIVE, OR UNDELIVERED PRODUCT(S)

- A. Product Care. All Company Product(s) should be stored in a cool, dry, and hygienically safe area or as otherwise directed by the label. As a general rule, the product(s) should be kept at least four inches (4”) above the floor. The Company is not responsible for product(s) that are damaged due to improper storage.
- B. Do not consume any products(s) produced by the Company if the seal is broken or tampered with in any way.
- C. If product is damaged or defective, a Distributor should contact the Company within ten (10) days of receipt of the order. The Company will issue a call tag for the product(s) and immediately send a replacement order. The Company will inspect the undesirable product(s) upon receipt.
- D. In the event that a shipment does not arrive at the address specified for the order, the Distributor must report to Customer Service that the product(s) was not received. Such report must occur within fourteen (14) days after the order was placed.
- E. In the event that a Distributor receives extra product(s), he/she will contact the Company. The Distributor can either refuse the product(s) upon delivery or send payment to cover the cost of the additional items.

32. INTELLECTUAL PROPERTY

- A. The Company extends no product warranties, either expressed or implied, beyond those specifically articulated in Company publications. The Company disclaims and excludes all warranties regarding possible infringement of

any United States or foreign patent, trademark, trade name, copyright, etc. by the Distributor's operations and the Distributor shall not have claim therewith. The Distributor shall immediately notify the Company as soon as he/she learns of any claim or suit relating to any of the matters discussed in this paragraph.

33. UNFAIR BUSINESS PRACTICES

- A. Distributors shall not violate any applicable unfair competition or business practice statutes, including any statute or ordinance prohibiting the advertising, offer to sell, or sale of merchandise at less than cost, which shall mean the invoice cost of the merchandise.

CHAPTER III: SPONSOR & PLACEMENT

34. SPONSOR AND PLACEMENT POLICY

- A. All currently authorized Distributors may enroll new Distributors or Preferred Customers in the Company program. A Distributor may not use the placement function to place a Distributor outside of his/her Enrollment Tree.
- B. Each Distributor is solely responsible for the development and success of his/her Independent Distributor business. All new Distributors may request free, reasonable training and support from their Sponsor or Upline with regard to Company product(s), P&P, and business practices. Each Sponsor is encouraged to maintain an ongoing, positive, professional association with the Distributors in his/her organization. When requested by a Downline Distributor, a Sponsor may choose to provide reasonable training, sales, and business development support. All Distributors must understand that their perception of reasonable training and support may differ from that of their Sponsor. Failure to agree to sign a Sponsor and/or Placement Change Request does not constitute failure to support. Any potential disagreement on this matter should be resolved between the Distributors involved; the Company will not mediate such disagreements.
- C. Any Distributor found signing a Sponsor and/or Placement Change, or any documentation, on behalf of another Distributor without an authorized Power of Attorney is subject to discipline.
- D. Occasionally, one or more Distributors may contact the same prospective Distributor and a question may arise as to who has recruiting rights for that prospective Distributor. The Company will not mediate such disputes and will recognize as the Sponsor the individual whose name appears on the original, written Independent Distributor Application first received and accepted by the Company. The Company reserves the right to consult with the applicant regarding the possibility of error. Once a Distributor has submitted an application to become an Independent Distributor, other Distributors shall not attempt to convince the applicant to change Sponsor and/or Placement to another Downline organization or encourage the violation of the letter and/or spirit of these P&P. All requests for modification of Distributor status, including Sponsor and/or Placement, should be submitted in writing to the Compliance Department.

35. SPONSOR AND/OR PLACEMENT CHANGE

- A. A Distributor may apply to change the Sponsor and/or Placement of any Personally-Enrolled Distributor or Preferred Customer. This method allows the Distributor to retain Sponsor and Placement control over all Downline Distributors. A Sponsor/Placement change can be made once within the first thirty (30) days of enrollment or placement in the tree, as long as the Distributor or Preferred Customer being moved has no Downline attached to them. If the Distributor or Preferred Customer being moved has a Downline attached to them, the Company may require approval from all affected Distributors. Proposed moves will not affect Commissions paid in previous Cycles.
- B. Resignation: Distributors and/or Preferred Customers who resign from the Company program lose their original

position in the Enrollment tree and, in the case of Distributors, over all previously sponsored Downline Distributors. The Placement in the organization will move up due to the vacancy of the resigning Distributor's Sponsor position. After twelve (12) months of full inactivity for Distributors, and six (6) months of full inactivity for Preferred Customers, the resigning Distributor or Preferred Customer may rejoin the Company and, subject to Company approval, is not required to rejoin under his/her original Sponsor. Upon rejoining, Distributors can in no way recruit from their former organization, and doing so will be grounds for immediate termination of their Distributorship.

36. SIGNING ON BEHALF OF ANOTHER PARTY

- A. All documentation being signed on behalf of another party must be submitted with a valid and notarized Power of Attorney (or equivalent legal document). Such document must grant authority to the signing person by the person on whose behalf the document is being executed.

37. INCENTIVE TRIPS, AWARDS, AND EXECUTIVE GETAWAYS

- A. From time to time, the Company may offer Incentive Programs or Incentive Points, possibly in the form of "getaway trips." These awards or trips are based on high Distributor performance. The Company rewards the Distributor whose name appears on the original application of the Distributorship that has qualified for the applicable award. Trip substitutions will not be made. No payment or credit will be given to those who cannot, or who choose not to, attend. Trip qualifiers may not defer attendance toward future trips. Children may be allowed on trips, at the Distributor's expense, if approved by the Company.
- B. Although the Company may pay the cost of such "getaway trips," the Distributor, as an Independent Contractor, agrees to indemnify and hold harmless the Company for any injuries sustained in association with the trip by the Distributor and/or their guests. The Distributor cannot make claim upon, or rely upon, any insurance policy of the Company to cover the costs and expenses of any injuries to the Distributor and/or the Distributor's guests.
- C. The Company is required by law to include the fair market value of any incentive awards, trips, etc. on the end of the year tax report (1099 and/or other applicable form). The Distributor is liable for applicable taxes and agrees to hold the Company harmless from claims of tax liability relating to these Incentive Programs.
- D. If it is discovered that the Distributor has made any misrepresentations, or has violated any of these P&P in becoming eligible for these incentives, the Company may charge back any costs incurred by the Company relative to these incentives.

38. CORPORATE MEETINGS

- A. Distributors may not use video or audio recording devices at any meeting or event hosted by the Company. No documents regarding such meetings may be created or circulated, unless provided by the Company to those in attendance.

CHAPTER IV: DISTRIBUTOR ADVERTISING AND SALES

39. USE OF THE NAME 'ZIJA' or 'ZIJA INTERNATIONAL'

- A. A Distributor or Preferred Customer may not use the name 'Zija', 'Zija International', or any confusingly similar variation (i.e. Xija, Ziga) in a business name, e-mail address, website domain name or sub-domain name, telephone number, meta tags or in any other way other than in advertising text referring to the Company or to the Product, without prior approval of the Compliance Department.
- B. No Distributor business name may imply that it constitutes a regional or organizational component of the Company.

- C. A Distributor may select a business title. This business title must clearly state that he/she is an Independent Distributor and may not imply that the Distributor is an employee or agent of the Company. An example of a permissible business title would be: John Smith, Zija International Independent Distributor

40. ADVERTISEMENTS

- A. Only Company-issued materials reflect the position of the Company with respect to the uses and benefits of any Company product(s) or service(s) or with respect to any ingredients found in Company product(s) or service(s). Distributors are prohibited from:
 - i. Using any advertisement, or commercial enticement, that is not provided directly by the Company or approved by the Compliance Department.
 - ii. Advertising pricing, bonuses, free product(s), promotions, or any other benefit for purchasing directly from the Distributor that is not generally and widely available directly from Zija for all Distributors or Customers.
 - iii. Distributors are personally liable for any and all advertising and media they produce in direct contradiction to this prohibition. Distributors agree to indemnify and hold the Company harmless from any claims made as a result of advertising and promotional materials produced and distributed by the Distributor. If an advertisement published by a Distributor contains non-compliant health and/or income claims, or non-authorized use of the Company's trademarks, disciplinary action may be taken against the Distributor.
- B. Company Logos: Approved Independent Distributor logos can be found in a Distributor or Preferred Customer's back office. The approved Independent Distributor logos may not be modified, changed, or altered in content or design. The logos should be placed at the top of, or in a prominent place on, any printed or electronic media published and used by an Independent Distributor in the promotion of his/her business. This includes but is not limited to: websites, flyers, ads, brochures, pamphlets, posters, banners, business cards, stationery, envelopes, letterhead, etc. The Company reserves all rights to revoke or rescind prior approval of the use of the Company's registered marks and/or usage of its name.
- C. Newspaper: A Distributor may advertise in newspapers, provided the advertisement conforms to these P&P; however, Distributors may not use untrue, misleading or dishonest enticements in job postings, management training opportunities, income amounts or salaries, taste tests, scientific studies, or the like to attract potential new Distributors or Customers.
- D. Phone Directory: Any Distributor may place a listing of his/her name in the white or yellow pages of the telephone directory followed by "Zija International Independent Distributor."
- E. Sales Tools. A Distributor may only use sales tools that have been reviewed and approved by the Company. Zija has provided many authorized sales tools (e.g. business cards, promotional items, apparel and other swag) for Distributor use. The Company has complete discretion whether to approve or reject a proposed sales tool. The Company may rescind its prior approval of a sales tool to comply with changing laws and regulations and may require the Distributor to remove a previously approved sales tool from the market at the Distributor's own cost.
- F. Electronic Mail Advertisements: All advertisements sent via email, telephone, or facsimile must comply with all anti spamming laws for the state or country where the intended recipient resides. The Distributor is under obligation to research and comply with all laws concerning unsolicited commercial e-mail. Under United States law, it is unlawful "to use any telephone, facsimile machine, computer, or other device to send an unsolicited advertisement. Electronic mail advertisement means any email message, the principal purpose of which is to promote, directly or indirectly, the sale or other distribution of goods or services to the recipient." In every case, Distributors using e-mail to advertise Zija Products or the Zija opportunity must send e-mails from a fully functional and recognizable return email address, and must allow anyone to 'opt-out' of receiving future e-mails.

41. INTERNET MARKETING

Zija Distributors may participate in internet marketing to promote the Company, its products and the Zija Opportunity only in the manner specifically authorized by Zija's Policies and Procedures. Any other use of the internet to promote the Company, its products or compensation plan is prohibited.

To protect the reputation of the Company and to ensure that all regulatory laws governing Zija International are being followed, only Distributors with the Rank of Diamond and above may create or maintain an internet marketing site. The intent of these internet marketing guidelines is to ensure that only Distributors with significant knowledge and experience concerning the Company and its products are creating and posting marketing content on the internet.

- A.** The Company, in its sole discretion, retains the right to determine whether a Distributor's internet marketing actions are permitted or prohibited under this section. In the event of a violation, a Distributor may face disciplinary action and be required to immediately remove any information that is in violation of these policies. The Distributor agrees to immediately assign the registration of any URLs, social media page names, account names, or the like that make use of Company product names, trademarks, or other proprietary information without reimbursement by the Company of any costs you incurred. The provisions of this section survive the termination of the Agreement.
- B.** Permitted Internet Activities: All Zija Distributors, regardless of Rank, are permitted to market on the internet as follows:
- i. Distributors may use social media (e.g., Facebook, Twitter), blogs, social networking sites, and other user content generated sites such as forums, chat rooms, message boards and podcasts to share preliminary information about the Company, their involvement in the Company and to direct individuals to their Distributor replicated site. Additionally, Distributors may share Company produced and approved marketing material provided that posting the material is secondary to the main use of the site.
 - ii. Distributors may provide links to their own Distributor replicated website or Zija International Corporate sites.
 - iii. All information provided by Distributors on any internet site must be truthful, accurate, not contain any false or misleading information, and not make non-compliant product/income claims.

The following examples are provided for illustration purposes only and are not intended as an exhaustive list of permitted or non-permitted uses of internet marketing sites by Distributors or all the factors or conditions the Company will consider in determining whether a violation of these policies has occurred.

Examples of Permitted Internet Marketing Activity by Non-Diamond and Above Distributors

Distributors may have a personal Facebook page where, in addition to sharing normal lifestyle or family activity, they may post that they are a Zija Distributor, preliminary information about Zija International and information about a Zija event they attended; additionally, they may direct viewers to their Distributor replicated website or other Company site for more information.

Distributors may participate in a social network site, forum or have a personal blog where they may share that they are a Zija Distributor, contact information if interest is shown in the Zija Opportunity or products, and a link to their Distributor replicated site to obtain further information or to sign up as a Distributor.

Examples of Non-Permitted Internet Marketing Activity by Non-Diamond and Above Distributors

Distributors may not have a Facebook page that is primarily devoted to promoting Zija International through posts of testimonials, videos, marketing material, product uses and benefits, and before and after photos. If a review of the Facebook page shows a majority of the posts are dedicated to the aforementioned, then the personal page has now become a business marketing page and would be considered a violation if maintained by a non-Diamond and above Distributor.

Distributors may not maintain a blog or social network site where the focus of the discussion is primarily about Zija's products or the Zija Opportunity. The blog or social network site should be devoid of Zija trademarks and marketing content.

- C. Diamond and Above Internet Marketing Sites:** Distributors with the Rank of Diamond and above that are entrusted with the ability to promote and maintain an internet marketing site relating to the Company, its products and the Zija Opportunity are subject to the following rules:
- i. Diamond rank Distributors and above desiring to maintain a business-dedicated website or social media site must submit their request to Zija's Compliance Department for review and approval before activating said site;
 - ii. Site content must comply with all regulatory rules regarding product claims, income claims and these Policies and Procedures;
 - iii. Upon request, the Distributor maintaining an approved marketing site must provide the Company with access to all portions of the internet marketing site for review; and
 - iv. Upon notice of a violation by the Compliance Department, a Distributor must comply with any request to delete information from the internet marketing site and make required modifications or additions to the information on the site. Requested changes should be completed within 24 hours (or a shorter period as the Company may require in its sole discretion) or the site must be shut down until such changes have been made.
- D. General Internet Restrictions:** All Zija Distributors must comply with the following general internet use rules:
- i. Distributors are not authorized to use the Company's trademarks or proprietary information (e.g., Zija, Améo, Ripstix Supplements, Life Unlimited) within the following non-exhaustive list: URL/domain names, social media pages/account names, e-mail addresses, meta-tags, blog names, social networking sites, forums, wikis, message boards, and podcasts (e.g., Facebook, Twitter, YouTube, Wikipedia);
 - ii. Distributors may not use sponsored links or pay for placement advertising with internet search engines and web directories that include the use of the Company's trademarks or proprietary information.
 - iii. All product sales must be directed through the replicated website provided to Distributors by the Company.
 - iv. Audio/Video Restrictions: Unless given prior written authorization from the Company, or the audio/video content originates from a Zija Corporate operated site or approved Diamond rank and above site, Distributors are prohibited from creating and posting any video or audio content relating to the Company, its products, compensation plan or Distributors on any internet site. This prohibition includes, but is not limited to, video or audio recordings of testimonials, Company personnel or Company or Distributor sponsored meetings, events, trainings, or Zija Opportunity presentations. All rules found in Section 41 (B) apply to audio and video postings.
 - a. Exception: As an exception to this rule, Distributors with the Rank of Diamond and above may post Company-produced audio and video presentations on their internet marketing sites along with creating their own audio and video presentations that have been approved by the Company.

42. RETAIL SALES

- A. Retail Establishments:** The Company has chosen a Direct Selling business model instead of other possible retail models. The Company therefore encourages its Distributors to rely on networking to sell product(s) and recruit new customers and Distributors. The Company has established Policies and Procedures relative to the sale of Company product(s) in retail establishments. No Distributor shall engage in, or encourage any Distributor or Preferred customer to engage in, a retail structure where:
- i. The place of sale is permanent and freely accessible to the general public and,
 - ii. The sale constitutes part or all of the regular business of the retail establishment (i.e., where the product(s) are displayed together with other retail product(s) and is processed through the cash register in a fashion similar to product(s) offered for retail sale through the retail establishment. Such retail establishments may include but are not limited to: health food stores, flea markets, grocery stores, drug stores, pharmacies, etc.)
- B. No Distributor or Preferred Customer shall sell Company product(s) for the purpose of resale by others if the manner of that resale violates these Policies and Procedures. In many countries or regions, Zija operates as a "not-for-resale" opportunity, meaning that its Distributors or Preferred Customer may not resell or retail Zija product(s) in**

any fashion, but they may become Distributors or Preferred Customers, and may encourage others to do the same. In such instances, Distributors or Preferred Customers engaging in retailing or reselling Zija product(s) may be subject to disciplinary actions in keeping with Zija' Policies and Procedures.

- C. Displays/Advertisements in Retail Establishments: The display of Independent Distributor information within the premises of a retail establishment is acceptable if it complies with Zija's P&P and the following restrictions:
 - i. It is permissible to incorporate one image of the product(s) per retail establishment into a display for the sole purpose of advertising.
 - ii. No product(s), including the display, may be sold on the premises of the retail establishment.
 - iii. No retail establishment shall display or advertise Company product(s) or the Zija Opportunity in a manner that is visible from outside of the store.
 - iv. The Company-designated disclaimer must be prominently posted near the displayed product(s). The disclaimer may not be altered in size, color, content, etc. The disclaimer should state the following: 'Thank you for your interest in Zija International. As a direct selling company, Zija International's Products are distributed and sold by Independent Distributors and not in retail stores. Please contact (Distributor's Name) at (Distributor's Contact Information) in order to purchase (Product name).'
- D. Private offices: Company product(s) may be sold in private or restricted access offices, businesses, or private associations. Such establishments are those where the general public does not have ready access, unless through appointment or membership, and/or where the primary function of the business is the rendering of professional services.
- E. Restaurants: Sale of Company product(s) by restaurants is prohibited without prior written Company approval. Cafés and juice bars are included in the general category of restaurants.
- F. Auctioning Product(s): Distributors or Preferred Customers may not sell, or facilitate the sale of, Company product(s) on websites where auctioning is the method of buying or selling (e.g. Amazon, eBay). Distributor or Preferred Customers may not use a third party to place Company product on auction websites, or sell Product to a third party if the Distributor or Preferred Customer knows, or has good reason to know, that the Company product will be sold on an auction website. Distributors or Preferred Customers who violate this policy may have their Distributor status altered (see Section 9B), may be issued a fine (\$100 USD per case listed), or may be subject to termination or other disciplinary action, at the sole discretion of the Zija International. The prohibition of auction-style sales survives a Distributor or Preferred Customer's resignation or termination.
- G. Telemarketing: As a general rule, Zija Distributors are discouraged from using telemarketing attempts to promote and sell Zija product(s) or the Zija Opportunity. The use of calling services or machines in telemarketing efforts falls under the restrictive laws of the FTC and FCC, and carries heavy penalties and fines for those misusing such methods. As such, Distributors must be aware of, and follow, all applicable telemarketing laws of the country, state, or region where the lead's address is located (e.g. Do Not Call Registry), and expressly indemnify and protect the Company from legal, financial, or other damages that might result from telemarketing actions of the Distributor.
- H. Retail Pricing. In all cases, the advertising and selling price of product(s) to Retail Customers must be sold at, or above, the Company's listed retail price of the product(s) and may not include any discounts or rebates. Unless Company approval has been given in writing, Distributors may not sell or distribute product to individuals the Distributor knows, or has good reason to know, will resell product at less than retail price, at a retail store, over the Internet in any form, import the products into a non-authorized country, or use a method of distribution that violates these Policies and Procedures.

43. TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS

- A. Distributors may display and/or sell Company product(s) at trade shows and professional expositions. Before

submitting a deposit to the event promoter, Distributors must contact Zija's Compliance Department in writing for conditional approval, as the Company's policy is to authorize only one Distributorship per event. Final approval will be granted to the first Distributor who submits an official advertisement of the event, a copy of the contract signed by both the Distributor 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 Compliance Department. The Company further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its Products or the Company 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 the Company wishes to portray.

44. SEVENTY (70%) PERCENT RULE

- A. The Distributor certifies that he/she has sold or consumed, or intends to consume, at least seventy (70) percent of all product(s) purchased at any given time by the Distributor from the Company. Each Distributor that receives Commissions agrees to retain documentation that demonstrates compliance with this policy, including evidence of retail sales, for a period of at least four (4) years. Distributors agree to make this documentation available to the Company at the Company's request. Failure to comply with this requirement constitutes a breach of the contract and agreements between the Distributor and the Company. Furthermore, a breach entitles the Company to recover any Commissions for any period of time during which such documentation is not maintained. The Distributor must also be aware of the applicable "cooling off" period required in the jurisdiction where he/she is making sale. The Distributor must give notice to the purchaser of any "cooling off" requirements in such applicable jurisdiction.
- B. "The Cooling Off Rule": The Federal Trade Commission has initiated a regulation to protect consumers entitled "The Cooling Off Rule." This regulation is designed to allow consumers the opportunity to reconsider a purchase from a direct seller. Customers are allowed to cancel the sale within three (3) business days of the purchase for the full purchase price; they do not need to provide a reason for the return. Zija International Distributors are responsible to orally disclose this law to Customers. They must also provide the designated Zija International sales receipt to the Customer, while maintaining a copy for personal records, with written disclosure of this law.
- C. Sales Receipt: Distributors shall provide all Customers with an official Sales Receipt, which includes the Distributor's name, date, address, phone number, a complete list of product(s) sold, their prices, and the "The Cooling Off Rule" or cancellation notice information where applicable. The Sales Receipt shall conform to all local, regional, state, and country requirements.

CHAPTER V: PROHIBITED BEHAVIOR

45. CROSS-LINE RECRUITING

- A. A Distributor may not solicit or entice any other Distributor or Customer to sell, promote or purchase products or services other than those offered by the Company during the Distributor's relationship with the Company and for one year thereafter. To do so constitutes an unwarranted and unreasonable interference with the contractual relationship between the Company and its Distributors. Distributors may not sell or promote any directly competing Products or services to Zija International Distributors or Customers. This includes any product(s) or service(s) in the same generic category as a Zija International product(s) or services. The Distributor agrees that a violation of this rule inflicts irreparable harm on the Company and agrees that injunctive relief is an appropriate remedy to prevent that harm.
- B. Distributors may not promote Company product(s), programs, or opportunities in conjunction with any non-Company product(s), plans, or incentives.
- C. Distributors may not recruit a prospective member who accompanies another Distributor to any recruiting meeting

or function for a minimum of forty-five (45) days after the meeting or until notified of the prospect's decision not to enroll. A Distributor may not invite another Distributor or Preferred Customer that is not in the Sponsor or Placement Downline of the inviting Distributor to sales training, or any company function, such as a product seminar.

- D. If a Distributor observes a violation of this policy, the Distributor must follow the guidelines outlined in Section 11 of these Policies and Procedures.
- E. Distributors are prohibited from enrolling or creating fictitious Distributors or Customers in order to achieve a specific rank Qualification or as a placeholder for a future Distributor or Customer.
- F. Distributors who previously, or still, participate in network marketing in other companies may yet be subject to that company's policies and procedures, specifically with regard to recruiting and participating in other programs. As such, Distributors may be sued or involved in arbitration/ mediation with past or current companies. The Distributor agrees to defend and hold harmless Zija in all such instances. Zija will not be liable for the defense of Distributors, their legal fees, or lost incomes, nor will Zija indemnify Distributors from any such actions or the result of such actions.

46. COMPANY AND PROGRAM CLAIMS

- A. Distributors shall neither misstate nor omit any significant material fact about the Company's programs, product(s), or organization. Distributors shall truthfully describe product(s) and programs in discussions with customers, potential customers, other Distributors, and potential Distributors.
- B. Distributors are expressly forbidden to state or imply that additional product(s) or services will be added to the product(s) and services currently offered, that enhancements to the Compensation Plan are forthcoming, or that specific areas are about to be added to existing areas of operation unless and/or until the event has been announced by the Company. Doing so is grounds for immediate termination.
- C. No government body, whether it be a State Attorney General's Office, Secretary of State's Office, Consumer Protection Agency, State or Federal Trade Commission, or any other regulatory body approves or endorses any marketing program; therefore, no Distributor may ever imply that the promotion, operation, or organization of the Company has been approved, sanctioned, or endorsed by any regulatory authority. Such statement or implication constitutes grounds for termination from the program. Information and statements regarding dietary supplements have not been evaluated by the Food and Drug Administration and are not intended to diagnose, treat, cure, or prevent any disease.

47. PRODUCT CLAIMS

- A. Unjustified product claims shall not be made or used to sell and/or promote a product or service. The Distributor shall not distort or misrepresent any statements about the quality of Company products.
- B. Curative Claims: The Distributor shall not make any expressed or implied medical claims relating to Company product(s). No claims as to therapeutic or curative properties of any product(s) offered by the Company may be made. In particular, no Distributor may make any claims that Company product(s) are useful to cure, treat, diagnose, mitigate, or prevent any disease, class of diseases or health ailments. Such statements can be perceived as medical or drug claims. Not only are such claims in violation of the Distributor Agreement and these P&P, but they may also violate the laws and regulations in the jurisdiction where Company product(s) are available and subject you to personal liability.
- C. Distributors may only share their own, personal experiences or stories and they must expressly avoid any claims of cure, treatment, or prescription. Distributors may not specifically name specific ailments, body systems, or diseases in any way while sharing their experience.

- D. A Distributor may not diagnose or treat illnesses or other body conditions, or otherwise provide medical advice, unless he/she is a licensed health care professional. Any information provided by the Company is not meant as a substitute for the advice provided by a physician or other licensed health care professional.
- E. These Policies and Procedures regarding limitations on product claims and distributor promotional activities are applicable to any form of communication, whether in print, by video, or through any form of communication facilitated by, or occurring in, any social or networking media such as Twitter, Facebook, YouTube, and the like. Distributors should use the utmost care when utilizing social media to assure compliance with these P&P. A Distributor's failure to use social media lawfully to advertise Company product(s) may be cause for discipline or termination.
- F. Third party information. Distributors may not combine Company-produced information with information provided by outside sources. This prohibition is specifically meant to prevent the Company's product(s) from being inappropriately labeled and to avoid any other violations of law. Distributors may not repackage, re-label, or otherwise change the trademark branding of Zija product(s). Distributors may reference third-party literature in the sale of Company product(s) if the literature complies with the following guidelines:
 - i. The third-party literature is reprinted in its entirety
 - ii. It is not false or misleading
 - iii. The information does not promote a specific brand or manufacturer
 - iv. It is presented with other materials to present a balanced view of the scientific information
 - v. The materials are physically separate from the Company's product(s).
 - vi. The literature does not have appended to it any information by sticker or any other method.

48. INCOME CLAIMS

- A. Distributors will clearly state the following in all presentations to prospective Distributors:
 - i. No Product purchase is required of anyone at anytime to participate as a Zija International Distributor.
 - ii. Commissions will not be provided solely for sponsoring a new Distributor.
 - iii. Distributors are not guaranteed a specific income, success or level of profit.
 - iv. Success in the Commissions program is based upon the effort, hard work, dedication, Downline/personal sales sale of Commissionable product(s), and use of time and resources of the Distributor.
- B. Distributors shall not make untrue, deceptive, misleading, or exaggerated claims about the Company's Compensation Plan or Distributor income potential. If income examples, extrapolations, or geometric progression are used to project earnings, growth, or success, the actual, documented current average income of all Company Distributors at all levels shall be stated. Distributors may not use their own income, or the incomes of other Distributors, as an indication of the success a prospective Distributor may have. Any Distributor representation that does not comply with this policy will result in disciplinary action by the Company.

49. TRADEMARKS

- A. Distributors will not use the marks, product(s), programs, trademarks, copyrighted materials, confusingly similar marks or any other materials produced by the Company in a manner that is likely to cause confusion, mistake, or deception as to the source of the product(s). The Company's trademarks include the following logos, terms, and marks, which are the sole property of the Company, and must be accompanied by the appropriate trademark (TM) or (R) identifiers when used in any type of printed or electronic media: Zija, Drink Life In, Life Unlimited, Inner Health, Outer Beauty, Salud Interior, Belleza Exterior, Team Benz, Equipo Benz, T.E.A.M. 250, Zija University, SmartMix, SuperMix, XMam, XMpm, XM+ Energy Mix, XM3 Energy Drink, Zija Premium Tea, PR1ME90, GenM, ZijaFit, FitPacks Z-Atin, Gap Nutrition, Beba Zija, Beba Vida, Vida sin Límites, and any other trademarks and registered trademarks of the Company. The Distributor only needs to mark the trademarked term the first time the trademarked term is used in the body of the text on each page of the printed or electronic advertisement.

- B.** Distributors are not authorized to use the Company's marks or proprietary information on advertising material beyond those specifically designed and authorized by the Company for the purpose of Distributor advertising. Any unauthorized usage of the Company's marks or proprietary information may be cause for disciplinary action pursuant to these P&P.
- C.** The word 'Zija' or 'Zija International' may not be used in Independent Distributor website names, Unified Resource Locators (URLs), e-mail addresses, or business names.
- D.** Distributors shall not re-label, alter, or repackage any Company product(s), except in materials produced and/or approved by the Company in writing.
- E.** A Distributor who develops, and/or uses materials of any kind, that uses or describes Company names, product(s), programs, trademarks, etc., in any way that does not comply with these P&P will be subject to disciplinary action.
- F.** All Company literature and programs are copyrighted by the Company and may not be duplicated without written consent of the Company. The Company will terminate any Distributor found to be making and/or distributing unauthorized copies of literature or programs that violate the Distributor Agreement.
- G.** Immediately upon expiration, termination, or cancellation of a Distributor membership, the affected Distributor will remove and discontinue the use of, and will not thereafter use names, marks, signs, labels, stationery, advertising, and reading material referring or related to any Company product(s).
- H.** Distributors will not directly, or indirectly, use the names, marks, logos, catchphrases, slogans, products, programs, trademarks, copyrighted materials, or any other materials produced by any hospital, university, research organization, church or religious organization, or other third party entity or company in a manner that is likely to cause confusion, mistake, or deception regarding the third-party entity's relationship with Zija or its support of any of Zija's products or services or lack thereof. Distributors are personally liable for any and all advertising and media they produce in direct contradiction to this prohibition. Distributors further agree to indemnify and hold the Company harmless from any actions made in contraction to this prohibition. If any advertisement or commercial enticement made by the distributor is made in direct contradiction to this prohibition, disciplinary action may be taken against the Distributor.

50. UNAUTHORIZED INTERNATIONAL AND/OR TERRITORIAL EXPANSION

- A.** Distributors shall not engage in the business of importation or exportation of Company product(s). A Distributor has no authority to take any steps in any country, or other political jurisdiction, to introduce or further the Company's business. This includes, but is not limited to: any attempt to register or reserve Company names, website URLs, trademarks, or trade names; to secure approval for Products or business practices; or to establish business or governmental contacts of any kind in the Company's behalf. A Distributor agrees to indemnify the Company for all costs and attorneys' fees incurred by the Company for any remedial action needed to exonerate the Company in the event the Distributor improperly acts on behalf of the Company. The Distributor agrees to immediately assign any registration of Company names, trademarks, trade names, URLs or products registered or reserved in violation of this section to the Company without reimbursement by the Company of any costs you incurred. The provisions of this section survive the termination of the Contract.
- B.** Distributors are only authorized to sell Company product(s) and services, and to participate in the Compensation Plan, in locations where the Company makes product distribution available. Each individual country may have a P&P Addendum that pertains to that particular country. The Distributors must obtain copies of the P&P for their particular country, read them, and comply with them. Distributors are not authorized to enter into countries and/or markets where the Company has not made product distribution available.

- C. There are no exclusive territories specifically designated to Distributors to sell product(s) or to sponsor other Distributors. No Distributor may profess that such territories exist. No Distributor may allege or imply that they have a unique relationship with, advantage with, or access to the Company executives or employees that other Distributors do not have.

51. UNAUTHORIZED CONTRACTS OR PAYMENTS

- A. Each Zija Independent Distributorship is intended to be solely built and operated by the individual who applied to become an Independent Distributor. No Independent Distributor shall request or require any payments or contracts from another Independent Distributor to perform services that might be reasonably construed as promoting or building that Independent Distributor's business on his/her behalf.

52. THIRD PARTY CONTRACTS AND PROGRAMS

- A. A Distributor may not solicit, entice, or enter into a third party relationship or contract with any vendor without express authorization from the Company.

53. EMPLOYEE GIFTING

- A. Gifts from Distributors to Company employees are not permitted.

CHAPTER VI: GLOSSARY

Many companies and industries have special vocabularies. Our Company and industry are no exception. As you master the terms located in the glossary, all participants will be able to communicate with increased effectiveness.

ACTIVE DISTRIBUTOR (AD) - To be an Active Distributor, you must make a product purchase of 75 Personal Volume (PV) each period.

APPROVAL BY THE COMPANY - Written approval by a designated Company official.

AUTOSHIP - A service in which anyone can elect to schedule a regular shipment of a specified amount of Product(s) each four-week Period.

COMMISSION - Monies earned by a Distributor on sales made by Distributors within their Downline organization. To be eligible for any Commissions, a Distributor must have achieved the requirements currently in effect as detailed in the Zija Compensation Plan.

COMPANY - Zija International, Inc., a Utah Company, the corporate entity, or any assignee or successor corporation in various geographic locations, or any affiliate of Zija International, Inc. (Zija International Affiliate).

CURRENT RANK - Also referred to as Pay Rank. This is the real-time Rank of a Distributor currently achieved during the current cycle. This is the Rank used to determine Commission and Bonus payouts.

CUSTOMER - A Customer includes any retail customer, Preferred Customer, or Distributor that has no Downline and makes a Volume product purchase.

CYCLE - Seven consecutive days starting on a Saturday and ending on a Friday. Four Cycles make up a Period.

DISTRIBUTOR (or Independent Distributor) - An independent contractor who is authorized to sell Company product(s) and

services and participate in the Zija Compensation Plan, as qualified, regardless of level attained in the plan.

DOWNLINE - All Distributors and Preferred Customers emanating from and below any particular Distributor and/or Placement.

ENROLLER - The Distributor who signed up a new Distributor in the Zija International program, regardless if the Enroller places the new Distributor on his/her own front line (thus also becoming the Sponsor) or placing the new Distributor on someone else's front line within the Enroller's organization, making the Downline Distributor the new Distributor's Sponsor.

FRONT LINE - A Distributor who appears on the first level of his/her immediate Upline through Sponsorship and/or Placement.

GROUP VOLUME (GV) - Also referred to as Business Volume (BV). The combined volume of Product purchased below you in the left leg and right leg of your genealogy tree in a single cycle.

INACTIVITY - Refers to a period of twelve months for a Distributor and six months for a Preferred Customer during which time he/she is not permitted to participate in any way in the building or development of his/her organization, the Distributorship of another person or the Company in general. The twelve or six month waiting period is based on the last date of monetary activity, after the Compliance Department receives a termination notice in writing from the Distributor or Preferred Customer or sixty (60) days after their annual renewal date has passed without renewal on the part of the Distributor.

INDEPENDENT DISTRIBUTOR APPLICATION - The two-page, legally-binding document that forms a part of, and is incorporated into, the contract established between the Distributor and Zija International, Inc. The Distributor Application is to be completed by the person or entity applying to become a Distributor, and is subject to acceptance or rejection by Zija International, Inc. The terms and conditions of the application are found on the reverse side of the Independent Distributor Application.

IRS VALIDATION - Required for US Residents in order to earn Commissions. Distributor Tax Identification Numbers (TINs) must be validated with the US IRS before commissions can be earned and paid.

LEG - The organization resulting from either of two sponsored Distributors in any Distributor's first level.

MEMBER - Term to describe all Customers and Distributors of Zija International, Inc.

PERIOD - Twenty-eight consecutive days. Each Period is comprised of four seven-day Cycles. Zija uses 13 separate twenty-eight day Periods. The term 'Current Period' is the current twenty-eight day Period and may refer to either a 'Period' or a 'Cycle', depending upon the use and connotation.

PERSONAL VOLUME (PV) - The amount of Zija product you personally order each month that you either consume or sell to others.

PERSONALLY RECRUITED - A Zija Member who was directly approached and enrolled as a Distributor or Preferred Customer.

PIN RANK - This is the highest Rank a Distributor has achieved since enrollment with Zija.

PLACEMENT - Refers to the location where the new enrollee is put in the business tree or Downline of the Zija program. Placement may be selected by the Enroller, thereby "placing" a recruited Distributor in the sponsoring Distributor's Downline to gain whatever advantage that the Enroller believes may be available through such Placement. In all instances, new Distributors belong to the Enroller. In some cases, the Enroller may also be the Sponsor, if the new Distributor is placed in the front line of the Enroller.

POINT - Unit of measure assigned to any given Product to quantify the value of that Product for Commissions and Qualifications.

PREFERRED CUSTOMER – A Member that may purchase Product at wholesale pricing and who has a place in the Zija program.

PRODUCT - Company product with a fixed value of Personal Volume associated with its purchase or sale.

QUALIFICATION - A combination of PV/GV, and structure requirements, to be eligible for a Commission Check in any given Cycle or Period.

RECRUITER (also referred to as Enroller) - Any Distributor who has enrolled the new Distributor in the Zija International program, regardless if the Recruiter has placed the new Distributor on their front line or has placed the new Distributor on the front line of another Distributor in their organization, making that Distributor the new Distributor's Sponsor.

RESALABLE - Product or merchandise in original new condition, without fault or blemish that is fit for resale.

RETAIL (Customer Cost) - The price the Company charges non-Distributors/Preferred Customers for product(s).

RETAIL SALES - Sales made to non-Distributors/Preferred Customers.

RETURNED MERCHANDISE AUTHORIZATION (RMA) NUMBER - To be obtained through Distributor Support Department when a Distributor wishes to return product(s).

SPONSOR - The person on whose front line a Distributor is placed. The Sponsor may be the person who enrolls a new Distributor, or the new Distributor may have been placed on the Sponsor's front line.

VOLUME - A number value assigned to an item for Commission purposes.

WHOLESALE (Distributor Cost) - The price the Company charges Distributors or Preferred Customers for Product(s).

ZIJA INTERNATIONAL AFFILIATE - Any corporate entity, company, or other business entity which is owned, either directly or indirectly, greater than fifty (50) percent by Zija International, Inc. or under common control with Zija International, Inc.

APPENDIX A: STANDARDS OF CONDUCT

In addition to providing high quality products and developing strong corporate leadership and organization, the secret to success as a Zija International Independent Distributor lies in a Distributor's ability to build and maintain positive business relationships. Zija strongly encourages all Independent Distributors to observe the highest standards of conduct in their relations with other Independent Distributors, retail customers, prospective Distributors and customers, Distributors of other direct sales companies, and within the business world at large. These standards could include, but are not limited to, the following Standards of Conduct:

1. I will strive to follow the spirit, as well as the letter, of the Company P&P.
2. I am familiar with the rules, regulations, and laws of the jurisdiction within which I operate my business and will comply with such rules, regulations, and laws.
3. I will strive to conduct my business affairs in a way that will contribute to a positive experience for other Distributors, customers, the Company, and myself.
4. I will truthfully identify myself, the Company, the products, and the purposes of any solicitation to all prospective customers. Contact with the customer will be made in a reasonable manner, and during reasonable hours, so as to avoid intrusiveness. I will immediately discontinue a sales presentation upon the request of the customer.

5. I will offer product(s) for sale in an accurate and truthful manner as to price, grade, quality, make, value, performance, quantity, currency, and availability.
6. I will not require or encourage an Independent Distributor or customer to purchase product(s) in any amount that unreasonably exceeds that which can be expected to be resold and/or consumed within a reasonable period of time.
7. I will strive to make service the key principle of my Zija International business.
8. I will strive to provide reasonable support, when it is requested, to the Distributors I sponsor, realizing that my success is directly related to my ability to sell Zija International products and to help others to do the same.
9. I will strive to safeguard and protect the reputation of the Company and its products. I will refrain from all conduct which might be harmful to the reputation of the Company and its products or will damage the ability of others to participate in the Zija International business opportunity.

APPENDIX B: USC TITLE 26, SUBTITLE F

USC Title 26 › Subtitle F

Title 26 › Subtitle F › Chapter 61 › Subchapter B › § 6109

(a) Supplying of identifying numbers

When required by regulations prescribed by the Secretary:

1. **Inclusion in Returns:** Any person required under the authority of this title to make a return, statement, or other document shall include in such return, statement, or other document such identifying number as may be prescribed for securing proper identification of such person.
2. **Furnishing Number to Other Persons:** Any person with respect to whom a return, statement, or other document is required under the authority of this title to be made by another person or whose identifying number is required to be shown on a return of another person shall furnish to such other person such identifying number as may be prescribed for securing his proper identification.
3. **Furnishing Number of Another Person:** Any person required under the authority of this title to make a return, statement, or other document with respect to another person shall request from such other person, and shall include in any such return, statement, or other document, such identifying number as may be prescribed for securing proper identification of such other person.

Payments of \$600 or More

All persons engaged in a trade or business and making payment in the course of such trade or business to another person, of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments to which section 6042 (a)(1), 6044 (a)(1), 6047 (e), 6049 (a), or 6050N (a) applies, and other than payments with respect to which a statement is required under the authority of section 6042 (a) (2), 6044 (a)(2), or 6045), of \$600 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Secretary, under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.

Recipient Names and Taxpayer Identification Numbers (TINs)

Recipient Name: Show the full name and address in the section provided on the information return.

Sole Proprietors: You must show the individual's name on the first name line; on the second name line, you may enter the "doing business as (DBA)" name. You may not enter only the DBA name. For the TIN, enter either the individual's SSN or the EIN of the business (sole proprietorship). The IRS prefers that you enter the SSN.

Limited Liability Company (LLC): For a single-member LLC (including a foreign LLC with a U.S. owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the individual's name only on the first name line and the LLC's name on the second name line. For the TIN, enter the individual's SSN (or EIN, if applicable). If the LLC is a corporation, partnership, etc., enter EIN.

Tax Identification Numbers (TINs): TINs are used to associate and verify amounts you report to the IRS with corresponding amounts on tax returns. Therefore, it is important that you furnish correct names, social security numbers (SSNs), individual taxpayer identification, employer identification numbers (EINs), or adoption taxpayer identification numbers (ATINs) for recipients on the forms sent to the IRS.

Requesting a recipient's TIN: If the recipient is a U.S. person (including a U.S. resident alien), the IRS suggests that you request the recipient complete Form W-9, Request for Tax-payer Identification Number and Certification, or Form W-9S, Request for Student's or Borrower's Taxpayer Identification Number and Certification, if appropriate. See the Instructions for the Requester of Form W-9 for more information on how to request a TIN. If the recipient is a foreign person, the IRS suggests that you request the recipient complete the appropriate Form W-8. See the Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.

Recipient's Identification Number: Enter the recipient's identification number using hyphens in the proper format. SSNs, ITINs, and ATINs should be in the XXX-XX-XXXX format. EINs should be in the XX-XXXXXXX format.

Account Number: The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 1099-MISC. Additionally, the IRS encourages you to designate an account number for all Forms 1099-MISC that you file. See part L in the 2012 General Instructions for Certain Information Returns.

Box 7. Non-employee Compensation: Enter non-employee compensation of \$600 or more. Include fees, commissions, prizes and awards for services performed as a non-employee, other forms of compensation for services performed for your trade or business by an individual who is not your employee, and fish purchases for cash. Include oil and gas payments for a working interest, whether or not services are performed. Also include expenses incurred for the use of an entertainment facility that you treat as compensation to a non-employee. Federal executive agencies that make payments to vendors for services, including payments to corporations, must report the payments in this box. See Rev. Rul. 2003-66, which is on page 1115 of Internal Revenue Bulletin 2003-26 at www.irs.gov/pub/irs-irbs/irb03-26.pdf.

What is non-employee compensation?

If the following four conditions are met, you must generally report a payment as non-employee compensation.

1. You made the payment to someone who is not your employee;
2. You made the payment for services in the course of your trade or business (including government agencies and non-profit organizations);
3. You made the payment to an individual, partnership, estate, or, in some cases, a corporation; and
4. You made payments to the payee of at least \$600 during the year.

USC > Title 26 > Subtitle F > Chapter 79 > § 7701

26 USC § 7701 - DEFINITIONS

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

1. Person: The term “person” shall be construed to mean and include an individual, a trust, estate, partnership, association, company or corporation.
2. Partnership and Partner: The term “partnership” includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term “partner” includes a member in such a syndicate, group, pool, joint venture, or organization.
3. Corporation: The term “corporation” includes associations, joint-stock companies, and insurance companies.
(B) Secretary: The term “Secretary” means the Secretary of the Treasury or his delegate.
(41) TIN: The term “TIN” means the identifying number assigned to a person under section 6109.

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