

VIMGRACE

POLICIES & PROCEDURES

LAST UPDATED AUGUST 1, 2023

SECTION 1 - CORPORATE MISSION STATEMENT

MISSION OF VIMGRACE- to create the best work system and award in the world for Premiums by inculcating revolutionary system of award and unique products and services, which grant the opportunity:

- For clients - to take pleasure from each purchasing and servicing VIMGRACE!
- For staff - to develop constantly and to find the best business solutions for our partners and customers, to be leaders in this industry!

SECTION 2 - INTRODUCTION

2.1 - Policies and Compensation Plan Incorporated into IE Agreement

These Policies and Procedures, in their present form and as amended at the sole discretion of VIMGRACE LDA (hereafter “VIMGRACE” or the “Company”), are incorporated into, and form an integral part of the VIMGRACE Agreement (“IE Agreement”). Throughout these Policies, when the term “Agreement” is used, it collectively refers to the VIMGRACE Application and Agreement, these Policies and Procedures, the VIMGRACE Compensation Plan, and the VIMGRACE Business Entity Application (if applicable). These documents are incorporated by reference into the VIMGRACE Agreement (all in their current form and as amended by VIMGRACE). It is the responsibility of each Premium (hereafter “IE”) to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of these Policies and Procedures. When sponsoring or enrolling a new IE, it is the responsibility of the sponsoring IE to ensure that the applicant is provided with, or has online access to, the most current version of these Policies and Procedures and the VIMGRACE Compensation Plan prior to his or her execution of the IE Agreement.

2.2 - Purpose of Policies

VIMGRACE is a direct sales company that markets its products through IEs. It is important to understand that your success, and the success of your fellow IEs, depends on the integrity of men and women who market our products. To clearly define the relationship that exists between IEs and VIMGRACE, and to explicitly set a standard for acceptable business conduct, VIMGRACE has established the Agreement.

VIMGRACE IEs are required to comply with all of the Terms and Conditions set forth in the Agreement, as well as all federal, state, and local laws governing their VIMGRACE business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the Agreement. Please review the information in this manual carefully. It explains and governs the relationship between you, as an independent contractor and the Company. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from VIMGRACE.

2.3 - Changes to the Agreement

Because federal, state, and local laws, as well as the business environment, periodically change, VIMGRACE reserves the right to amend the Agreement and its prices in its sole and absolute discretion. By using www.vimgrace.com, www.login.vimgrace.com, www.shopvimgrace.com or any other websites (collectively, the "VIMGRACE Websites"), owned and operated by VIMGRACE LDA, (referred to herein as "VIMGRACE," "we," "us" and "our"), you agree to be bound by this Agreement and further agree to abide by all amendments or modifications that VIMGRACE elects to make. Amendments shall be effective 30 days after publication of notice that the Agreement has been modified. Notification of amendments shall be published by one or more of the following methods: (1) posting on the Company's official web site; (2) electronic mail (e-mail); (3) fax-on-demand; (4) voice mail system broadcast; (5) inclusion in Company periodicals; (6) inclusion in product orders or bonus checks; or (7) special mailings. The continuation of an IE's VIMGRACE business or an IE's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

2.4 - Delays

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

2.5 - Policies and Provisions Severable

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

2.6 - Waiver

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

SECTION 3 - BECOMING AN IE

3.1 - Requirements to Become an IE

To become a VIMGRACE, each applicant must:

- a) Be of the age of majority in his or her state of residence;
- b) Have a valid Social Security or Federal Tax ID number;
- c) Purchase a VIMGRACE Starter Kit (optional in North Dakota);

d) Submit a properly completed IE Application and Agreement to VIMGRACE either in hardcopy or online format.

3.2 - IE Benefits

Once an IE Application and Agreement has been accepted by VIMGRACE, the benefits of the Compensation Plan and the IE Agreement are available to the new IE. These benefits include the right to:

- a) Sell VIMGRACE products;
- b) Participate in the VIMGRACE Compensation Plan (receive bonuses and commissions, if eligible);
- c) Sponsor other individuals as Customers or IEs into the VIMGRACE business and thereby, build a marketing organization and progress through the VIMGRACE Compensation Plan;
- d) Receive periodic VIMGRACE literature and other VIMGRACE communications;
- e) Participate in VIMGRACE-sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable;
- f) Participate in promotional and incentive contests and programs sponsored by VIMGRACE for its IEs.

3.3 - Free registration

Company VIMGRACE gives a chance to every IE to use a free registration within 20 days as IE for acquaintance with a policy and procedure of the company and decision-making on business activation.

3.4 – Registration in VIMGRACE

Registration as an IE in VIMGRACE is free. This allows the IP to receive the rights for 20 days to use the company's Internet tools and make decisions on the purchase of products, the sale of the company's products and services and receive rewards according to the VIMGRACE marketing plan.

3.5 - Term and Renewal of Your VIMGRACE Business

The term of the IE Agreement is one year from the date of its acceptance by VIMGRACE (subject to reclassification for inactivity or cancellation pursuant to Section 11 below). Placed order after 12 months automatically renew IE agreement. IEs may elect to utilize the Automatic Renewal Program (“ARP”). Under the ARP, the renewal fee will be charged to the IE’s credit card on file with the Company.

3.6 – Chargebacks

All IE are aware upon registration, purchase of software, products and/or services they have agreed to pay a monthly fee to remain active in the Company. After the refund and return time limit has expired or a IE fails to request a refund, if a IE sponsors another individual, receives a commission, a bonus or sells any of VIMGRACE’s products, software or services as to which they receive a commission they forfeit their right to activate any charge backs. Should a IE initiate a chargeback against VIMGRACE after any of the above mentioned has occurred, VIMGRACE has the right to treat this as a outstanding debt and can engage any means possible to collect said debt including: defending the chargeback, placing the debt with collection agencies, placing a notice on the IE. In addition, all IE agrees to pay a one hundred dollar (\$100.00) administrative processing fee to VIMGRACE for any

and all chargebacks initiated by a IE to be debited from a IE eWallet account, commissions, bonuses and/or by placing the administration processing fee with collection agencies.

SECTION 4 - OPERATING A VIMGRACE BUSINESS

4.1 - Adherence to the VIMGRACE Marketing Plan

IEs must adhere to the terms of the VIMGRACE Marketing Plan as set forth in official VIMGRACE literature. IEs shall not offer the VIMGRACE opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official VIMGRACE literature. IEs shall not require or encourage other current or prospective Customers or IEs to participate in VIMGRACE in any manner that varies from the program as set forth in official VIMGRACE literature. Similarly, IEs shall not require or encourage other current or prospective Customers or IEs to make any purchase from, or payment to, any individual or other entity to participate in the VIMGRACE opportunity other than those purchases or payments identified as recommended or required in official VIMGRACE literature.

4.2 - Advertising

4.2.1 - General

All IEs shall safeguard and promote the good reputation of VIMGRACE and its products. The marketing and promotion of VIMGRACE, the VIMGRACE opportunity, the Compensation Plan, and VIMGRACE products shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and the tremendous opportunity VIMGRACE offers, IEs should use the sales tools and support materials produced by VIMGRACE. The rationale behind this requirement is simple. VIMGRACE has carefully designed its products, product labels, Compensation Plan and promotional materials to ensure that each aspect of VIMGRACE is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal and state laws. If VIMGRACE were allowed to develop their own sales tools and promotional materials notwithstanding their integrity and good intentions, the likelihood that they would unintentionally violate any number of statutes or regulations affecting a VIMGRACE business is almost certain. These violations, although they may be relatively few in number, would jeopardize the VIMGRACE opportunity for all IEs.

Accordingly, IEs must submit all written sales tools, promotional materials, advertisements, and other literature to the Company for approval. Unless the IE receives specific written approval to use such tools, the request shall be deemed denied. By submitting any proposed sales tools, promotional materials, advertisements, or other literature to the Company for approval, the IE submitting such materials grants to VIMGRACE an irrevocable, royalty-free license to make use of such materials for advertising and promotional purposes and to distribute or otherwise make the materials available for use by other IEs.

VIMGRACE will not permit IEs sell sales aids to other VIMGRACE IEs. Therefore, IEs who receive authorization from VIMGRACE to produce their own sales aids may not sell such material to any other VIMGRACE IEs may make approved material available to other IEs free of charge if they wish, but may not charge other VIMGRACE IEs for the material.

VIMGRACE further reserves the right to rescind approval for any sales tools, promotional materials, advertisements, or other literature, and IEs waive all claims for damages or remuneration arising from or relating to such rescission.

4.2.2 - IE Web Sites

If an IE desires to utilize an Internet web page to promote his or her business, he or she may do so through the Company's replicated website program only. This program permits an IE to advertise and conduct sales and sponsorship activities on the Internet with a personalized version of the official VIMGRACE website. These websites seamlessly link directly to the official VIMGRACE website giving the IE a professional and Company-approved presence on the Internet.

No IE may independently design a website that uses the names, logos, or product descriptions of VIMGRACE or otherwise promotes (directly or indirectly) VIMGRACE products or VIMGRACE opportunity. Nor may an IE use "blind" ads on the Internet that make product or income claims which are ultimately associated with VIMGRACE products, the VIMGRACE opportunity, or the VIMGRACE Compensation Plan. The use of any website or web page (including without limitation auction sites such as eBay) other than an official VIMGRACE replicated website in any way promote the sale of VIMGRACE products, the VIMGRACE opportunity, or the Compensation Plan is a breach of the Agreement and may result in any of the disciplinary sanctions set forth in Section 9.1.

4.2.3 - Domain Names and Email Addresses

IEs may not use or attempt to register any of VIMGRACE trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, for any Internet domain name. Nor may IEs incorporate or attempt to incorporate any of the Company's trade names, trademarks, service names, service marks, product names, the Company's name, or any derivative thereof, into any electronic mail address.

4.2.4 - Trademarks and Copyrights

VIMGRACE will not allow the use of its trade names, trademarks, designs, or symbols by any person, including VIMGRACE IEs, without its prior, written permission. IEs may not produce for sale or distribution any recorded Company events and speeches without written permission from VIMGRACE nor may IEs reproduce for sale or for personal use any recording of Company-produced audio or video tape presentations. IEs may not use or attempt to register any of VIMGRACE's trade names, trademarks, service names, service marks, product names, the Company's name or any derivative thereof, for any Internet domain name or social network including Facebook, Google+, YouTube or Twitter.

4.2.5 - Media and Media Inquiries

IEs must not attempt to respond to media inquiries regarding VIMGRACE, its products, or their independent VIMGRACE business. All inquiries by any type of media must be immediately referred to the Press Department by e-mail: pressdepart@vimgrace.com. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

4.2.6 - Unsolicited Email

VIMGRACE does not permit IEs to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation, the federal CAN SPAM Act. Any email sent by an IE that promotes VIMGRACE, the VIMGRACE opportunity, or VIMGRACE products must comply with the following:

a) There must be a functioning return email address to the sender.

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

4.2.7 - Unsolicited Faxes

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

4.3 - Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. “Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an IE Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an IE or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as IEs or Customers (“phantoms”); (d) Purchasing VIMGRACE products on behalf of another IE or Customer, or under another IE’s or Customer’s I.D. number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product purchases by end user consumers.

4.4 - Business Entities

A corporation, limited liability partnership (LDA), partnership or trust (collectively referred in this section as a “Business Entity”) may apply to be a VIMGRACE by submitting its Certificate of Incorporation, Certificate of Organization, Partnership Agreement or trust documents (these documents are collectively referred as the “Entity Documents”) to A corporation, limited liability partnership (LDA), partnership or trust (collectively referred in this section as a “Business Entity”) may apply to be a VIMGRACE, along with a properly completed Business Entity Registration form. A VIMGRACE business may change its status under the same sponsor from an individual to a partnership, corporation, LDA, or trust, or from one type of entity to another. There is a \$100.00 fee for each change requested, which must be included with the written request and the completed IE Application and Agreement. The Business Entity Registration form must be signed by all the shareholders, partners or trustees.

Members of the entity are jointly and severally liable for any indebtedness or other obligation to VIMGRACE. To prevent the circumvention of Section 4.24 (regarding transfers and assignments of VIMGRACE business), if an additional partner, shareholder, member, or other business entity affiliate is added to a business entity, the original applicant must remain as a party to the original IE Application and Agreement. If the original IE wants to terminate his or her relationship with the Company, he or she must transfer or assign his or her business in accordance with Section 4.24. If this process is not followed, the business shall be canceled upon the withdrawal of the original IE. All bonus and commission checks will be sent to the address of record of the original IE. Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in Section 4.5, below. There is a \$100.00 fee for each change requested, which must be included with the written request and the completed IE Application and Agreement. VIMGRACE may, at its discretion, require notarized documents before implementing any changes to a VIMGRACE business. Please allow thirty (30) days after the receipt of the request by VIMGRACE for processing.

4.4.1 - Changes to a Business Entity

Each IE must immediately notify VIMGRACE of all changes to type of business entity they utilize in operating their businesses and the addition or removal of business associates. Changes shall be processed only once per year. All changes must be submitted by November 30 to become effective on January 1 of the following year.

4.5 - Change of Sponsor

To protect the integrity of all marketing organizations and safeguard the hard work of all IEs, VIMGRACE strongly discourages in sponsorship. Maintaining the integrity of sponsorship is critical for the success of every IE and marketing organization. Accordingly, the transfer of a VIMGRACE business from one sponsor to another one is rarely permitted. Requests for changing sponsorship must be submitted in writing to the IE Services Department, and must include the reason for the transfer. Transfers will only be considered in the following three circumstances:

4.5.1 - Misplacement

In cases in which the new IE is sponsored by someone else than the individual he or she was led to believe would be his or her Sponsor, an IE may request that he or she is transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within 15 days from the date of enrollment. The IE requesting the change has the burden of proving that he or she was placed beneath the wrong sponsor. It is up to VIMGRACE' discretion whether the requested change will be implemented.

4.5.2 - Upline Approval

In cases in which the new IE is sponsored by someone else than the individual he or she was led to believe would be his or her Sponsor, an IE may request that he or she is transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within 15 days from the date of enrollment. The IE requesting the change has the burden of proving that he or she was placed beneath the wrong sponsor. It is up to VIMGRACE' discretion whether the requested change will be implemented.

4.5.2 - Upline Approval

The IE is seeking to transfer submits a properly completed and fully executed Sponsorship Transfer Form which includes the written approval of all parties whose income will be affected by the transfer. Photocopied or

facsimile signatures are not acceptable. All IE signatures must be notarized. The IE who requests the transfer must submit a fee of \$100.00 for administrative charges and data processing. If the transferring IE also wants to move any of the IEs in his or her marketing organization, each downline IE must also obtain a properly completed Sponsorship Transfer Form and return it to VIMGRACE with the \$100.00 change fee (i.e., the transferring IE and each IE in his or her marketing organization multiplied by \$100.00 is the cost to move a VIMGRACE business.) Downline IEs will not be moved with the transferring IE unless all the requirements of this paragraph are met. Transferring IEs must allow thirty (30) days after the receipt of the Sponsorship Transfer Forms by VIMGRACE for processing and verifying change requests. In cases in which the appropriate sponsorship change procedures have not been followed, and a downline organization has been developed in the second business developed by an IE, VIMGRACE reserves the sole and exclusive right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, IEs WAIVE ALL CLAIMS AGAINST VIMGRACE THAT RELATE TO OR ARISE FROM VIMGRACE' DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

4.5.3 - Cancellation and Re-application

An IE may legitimately change organizations by voluntarily canceling his or her VIMGRACE business and remaining inactive (i.e., no purchases of VIMGRACE products for resale, no sales of VIMGRACE products, no sponsoring, no attendance at any VIMGRACE functions, participation in any other form of IE activity, or operation of any other VIMGRACE business) for six (6) full calendar months. Following the six month period of inactivity, the former IE may reapply under a new Sponsor. However, the former IE's downline will remain in their original line of sponsorship. VIMGRACE will consider waiving the six month waiting period under exceptional circumstances. Such requests for waiver must be submitted to VIMGRACE in writing.

4.6 - Unauthorized Claims and Actions

4.6.1 - Indemnification

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

4.6.2 - Product Claims

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by VIMGRACE may be made except those contained in official VIMGRACE literature. In particular, no IE may make any claim that VIMGRACE products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only such claims violate VIMGRACE policies, but they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.

4.6.3 - Income Claims

In their enthusiasm to enroll prospective IEs, some IEs are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because new IEs may become disappointed very quickly if their results are not as extensive or as rapid as the

results other have achieved. At VIMGRACE, we firmly believe that the VIMGRACE income potential is great enough to be highly attractive, without reporting the earnings of others. Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials are made by persons engaged in network marketing. While IEs may believe it is beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact VIMGRACE as well as the IE making the claim unless appropriate disclosures are required by law are also made contemporaneously with the income claim or earnings representation. Because VIMGRACE IEs do not have the data necessary to comply with the legal requirements for making income claims, an IE, when presenting or discussing the VIMGRACE opportunity or Compensation Plan to a prospective IE, may not make income projections, income claims, or disclose his or her VIMGRACE income (including the showing of checks, copies of checks, bank statements, or tax records).

4.7 - Trade Shows, Expositions and Other Sales Forums

IEs may display and/or sell VIMGRACE products at trade shows and professional expositions. Before submitting a deposit to the event promoter, IEs must contact the IE Services department in writing for conditional approval, as VIMGRACE ' policy is to authorize only one VIMGRACE business per event. Final approval will be granted to the first IE who submits an official advertisement of the event, a copy of the contract signed by both the IE 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 IE Services Department. VIMGRACE 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 VIMGRACE 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 VIMGRACE wishes to portray.

4.8 - Conflicts of Interest

4.8.1 – Non solicitation

VIMGRACE IEs are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"). However, during the term of this Agreement, IEs may not directly or indirectly Recruit other VIMGRACE IEs or Customers for any other network marketing business. Following the cancellation of an IE's IE Agreement, and for a period of six calendar months thereafter, with the exception of an IE who is personally sponsored by the former IE, a former IE may not Recruit any VIMGRACE or Customer for another network marketing business. IEs and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed and internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly in effective. Therefore, IEs and VIMGRACE agree that this non-solicitation provision shall apply to all markets in which VIMGRACE conducts business. The term "Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another VIMGRACE or Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. The conduct is described in the preceding sentence constitutes recruiting even if the IE's actions are in response to an inquiry made by another IE or Customer.

4.8.2 - Sale of Competing Goods

IEs must not sell, or attempt to sell any competing non-VIMGRACE products to VIMGRACE Customers or IEs. Any product in the same generic categories as VIMGRACE products is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.

4.8.3 - IE Participation in Other Direct Selling Programs

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

- a) IEs shall not display VIMGRACE promotional material, sales aids or products in the same location as, any non-VIMGRACE promotional material or sales aids, products or services.
- b) IEs shall not offer the VIMGRACE opportunity or products to prospective or existing Customers or IEs in conjunction with any non-VIMGRACE program, opportunity, product or service.
- c) IEs may not offer any non-VIMGRACE opportunity, products, services or opportunity at any VIMGRACE -related meeting, seminar or convention, or within two hours and a five mile radius of the VIMGRACE event. If the VIMGRACE meeting is held telephonically or on the internet, any non-VIMGRACE meeting must be at least two hours before or after the VIMGRACE meeting, and on a different conference telephone number or internet web address from the VIMGRACE meeting.

4.8.4 - Downline Activity (Genealogy) Reports

Downline Activity Reports are available for IE access and viewing at VIMGRACE' official web site. IE access to their Downline Activity Reports password is protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to VIMGRACE .Downline Activity Reports are provided to IEs in strictest confidence and are made available to IEs for the sole purpose of assisting IEs in working with their respective Downline Organizations in the development of their VIMGRACE business. IEs should use their Downline Activity Reports to assist, motivate, and train their downline IEs. The IE and VIMGRACE agree, but for this agreement of confidentiality and non disclosure, VIMGRACE would not provide Downline Activity Reports to the IE. An IE shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- a) Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- b) Directly or indirectly disclose the password or other access code to his or her Downline Activity Report;
- c) Use the information to compete with VIMGRACE or for any purpose other than promoting his or her VIMGRACE business; or
- d) Recruit or solicit any IE or Customer of VIMGRACE listed on any Downline Activity Report, or in any manner attempt to influence or induce any IE or Customer of VIMGRACE , to alter their business relationship with VIMGRACE . Upon demand by the Company, any current or former IE will return the original and all copies of Downline Activity Reports to the Company.

4.9 - Targeting Other Direct Sellers

VIMGRACE does not condone IEs specifically or consciously targeting the sales force of another direct sales company to sell VIMGRACE products or to become IEs for VIMGRACE, nor does VIMGRACE condone IEs solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with another company. Should IEs engage in such activity, they bear the risk of being sued by another direct sales company. If any lawsuit, arbitration or mediation is brought against an IE alleging that he or she is engaged in inappropriate recruiting activity of its sales force or customers, VIMGRACE will not pay any of IE's defense costs or legal fees, nor will VIMGRACE indemnify the IE for any judgment, award, or settlement.

4.10 - Cross-Sponsoring

Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrollment of an individual who or entity that already has a current Preferred Customer or IE Agreement on file with VIMGRACE , or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, fictitious ID numbers, any straw-man or other artifice to circumvent this policy is prohibited .IEs shall not demean, discredit or defame other VIMGRACE IEs in an attempt to entice another IE to become part of the first IE's marketing organization. This policy shall not prohibit the transfer of a VIMGRACE business in accordance with Section 4.24. If Cross Sponsoring is discovered, it must be brought to the Company's attention immediately. VIMGRACE may take disciplinary action against the IE that changed organizations and/or those IEs who encouraged or participated in the Cross Sponsoring. VIMGRACE may also move all or part of the offending IE's downline to his or her original downline organization if the Company deems it equitable and feasible to do so. However, VIMGRACE is under no obligation to move the Cross Sponsored IE's downline organization, and the ultimate disposition of the organization remains within the sole discretion of VIMGRACE . IEs waive all claims and causes of action against VIMGRACE arising or relating to the disposition of the Cross Sponsored IE's downline organization.

4.11 - Errors or Questions

If an IE has questions or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the IE must notify VIMGRACE in writing within 60 days of the date of the purported error or incident in question. VIMGRACE will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

4.12 - Governmental Approval or Endorsement

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

4.13 - Holding Applications or Orders

IEs must not manipulate enrollments of new applicants and purchases of products. All IE Applications and Agreements, and product orders must be sent to VIMGRACE within 72 hours from the time they are signed by an IE or placed by a customer, respectively.

4.14 - Identification

All IEs are required to provide their Social Security Number or a Federal Employer Identification Number to VIMGRACE on the IE Application and Agreement. Upon enrollment, the Company will provide a unique IE Identification Number to the IE by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses.

4.15 - Income Taxes

Each IE is responsible for paying local, state and federal taxes on any income generated as an IE. If a VIMGRACE business is tax exempt, the Federal tax identification number must be provided to VIMGRACE . Every year, VIMGRACE will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: 1) Had earnings of over \$600 in the previous calendar year; or 2) Made purchases during the previous calendar year in excess of \$5,000.

4.16 - Independent Contractor Status

IEs are independent contractors, and are not purchasers of a franchise or a business opportunity. The agreement between VIMGRACE and its IEs does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the IE. IEs shall not be treated as an employee for his or her services or for Federal or State tax purposes. All IEs are responsible for paying local, state, and federal taxes due to all compensation earned as an IE of the Company. The IE has no authority (expressed or implied), to bind the Company to any obligation. Each IE shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the IE Agreement, these Policies and Procedures and applicable laws. The name of VIMGRACE and other names may be adopted by VIMGRACE are proprietary trade names, trademarks and service marks of VIMGRACE . As such, these marks are of great value to VIMGRACE and are supplied to IEs for their use only in an expressly authorized manner. Use of VIMGRACE name on any item not produced by the Company is prohibited except as follows:

IE's Name VIMGRACE All IEs may list themselves as an "VIMGRACE IE" in the white or yellow pages of the telephone directory under their own name. No IE may place telephone directory display ads using VIMGRACE ' name or logo. IEs may not answer the telephone by saying "VIMGRACE ", "VIMGRACE Incorporated", or in any other manner that would lead the caller to believe that he or she has reached corporate offices of VIMGRACE .

4.17 - International Marketing

Because of critical legal and tax considerations, VIMGRACE must limit the resale of VIMGRACE , products, and the presentation of the VIMGRACE business to prospective customers and IEs located within the United States and U.S. Territories and those other countries that the Company has announced are officially opened for business. Moreover, allowing a few IEs to conduct business in markets not yet opened by VIMGRACE would violate the concept of affording every IE the equal opportunity to expand internationally. Accordingly, IEs are authorized to sell VIMGRACE products and enroll Preferred Customers or IEs only in the countries in which VIMGRACE is authorized to conduct business, as announced in official Company literature. VIMGRACE products or sales aids cannot be shipped or sold in any foreign country. IEs may sell, give, transfer, or distribute VIMGRACE products or sales aids only in their home country. In addition, no IE may, in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential customers or IEs; or (c) conduct any other activities for the purpose of selling VIMGRACE products, establishing a marketing organization, or promoting the VIMGRACE opportunity.

4.18 - Inventory Loading

IEs must never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other IE to buy more products than they can reasonably use or sell to retail customers in a month.

4.19 - Adherence to Laws and Ordinances

IEs shall comply with all federal, state, and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to IEs because of the nature of their business. However, IEs must obey those laws that do apply to them. If a city or county official tells an IE that an ordinance applies to him or her, the IE shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of VIMGRACE . In most cases there are exceptions to the ordinance that may apply to VIMGRACE IEs.

4.20 - Minors

A person who is recognized as a minor in his/her state of residence may not be a VIMGRACE IE. IEs shall not enroll or recruit minors into the VIMGRACE program.

4.21 - One VIMGRACE Business Per IE and Per Household

An IE may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one VIMGRACE business. No individual may have, operate or receive compensation from more than one VIMGRACE business. Individuals of the same family unit may not enter or have an interest in more than one VIMGRACE Business. A "family unit" is defined as spouses and dependent children living or doing business at the same address. In order to maintain the integrity of the VIMGRACE Compensation Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become VIMGRACE IEs must be jointly sponsored as one VIMGRACE business. Spouses, regardless of whether one or both are signatories to the IE Application and Agreement, may not own or operate any other VIMGRACE business, either individually or jointly, nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or any other legal or equitable ownership) in the ownership or management of another VIMGRACE business in any form. An exception to the one business per IE rule will be considered on a case by case basis if two IEs marry or in cases of an IE receiving an interest in another business through inheritance. Requests for exceptions to policy must be submitted in writing to the IE Services Department.

4.22 - Actions of Household Members or Affiliated Individuals

If any member of an IE's immediate household engages in any activity which is performed by the IE, would violate any provision of the Agreement, such activity will be deemed a violation by the IE and VIMGRACE may take disciplinary action pursuant to the Statement of Policies against the IE. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and VIMGRACE may take disciplinary action against the entity.

4.23 - Requests for Records

Any request from an IE for copies of invoices, applications, downline activity reports, or other records will require a fee of \$4.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

4.24 - Sale, Transfer or Assignment of a VIMGRACE Business

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

- a) Protection of the existing line of sponsorship must always be maintained so that the VIMGRACE business continues to be operated in that line of sponsorship.
- b) The buyer or transferee must become a qualified VIMGRACE IE. If the buyer is an active VIMGRACE IE, he or she must first terminate his or her VIMGRACE business before acquiring any interest in a different VIMGRACE business.
- c) Before the sale, transfer or assignment can be finalized and approved by VIMGRACE, any debt obligations the selling IE has with VIMGRACE must be satisfied.
- d) The selling IE must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign a VIMGRACE business. Prior to selling a VIMGRACE business, the selling IE must notify VIMGRACE ' IE Services Department of his or her intent to sell the VIMGRACE business. No changes in line of sponsorship can result from the sale or transfer of a VIMGRACE business.

4.25 - Separation of a VIMGRACE Business

VIMGRACE IEs sometimes operate their VIMGRACE businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership or trust (the latter three entities are collectively referred to herein as “entities”) may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of sponsorship. If the separating parties fail to provide for the best interests of other IEs and the Company in a timely fashion, VIMGRACE will involuntarily terminate the IE Agreement. During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the VIMGRACE business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize VIMGRACE to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- b) The parties may continue to operate the VIMGRACE business jointly on a “business-as-usual” basis, whereupon all compensation paid by VIMGRACE will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above. Under no circumstances will the Downline Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will VIMGRACE split commission and bonus checks between divorcing spouses or members of dissolving entities. VIMGRACE will recognize only one Downline Organization and will issue only one commission check per VIMGRACE business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the IE Agreement shall be involuntarily canceled. If a former spouse or former shareholder, partner or member has completely relinquished all rights in the original VIMGRACE business pursuant to a divorce or entity dissolution, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In either case, the former spouse or business affiliate shall have no rights to any IEs in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new IE.

4.26 - Sponsoring

All active IEs in good standing have the right to sponsor and enroll others into VIMGRACE . Each prospective Preferred Customer or IE has the ultimate right to choose his or her own Sponsor. If two IEs claim to be the Sponsor of the same new IE or Preferred Customer, the Company shall regard the first application received by the Company as controlling.

4.27 - Succession

Upon the death or incapacitation of an IE, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, an IE should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a VIMGRACE business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased IE’s marketing organization provided the following qualifications are met. The successor(s) must:

- a) Execute an IE Agreement;
- b) Comply with terms and provisions of the Agreement; and
- c) Meet all of the qualifications for the deceased IE’s status. Bonus and commission checks of a VIMGRACE business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees

must provide VIMGRACE with an “address of record” to which all bonus and commission checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer Identification number. VIMGRACE will issue all bonus and commission checks and one 1099 to the business entity.

4.27.1 - Transfer Upon Death of an IE

To effect a testamentary transfer of a VIMGRACE business, the successor must provide the following to VIMGRACE : (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor’s right to the VIMGRACE business; and (3) a completed and executed IE Agreement.

4.27.2 - Transfer Upon Incapacitation of an IE

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

4.28 - Telemarketing Techniques

The Federal Trade Commission and the Federal Communications Commission each has laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have “do not call” regulations as part of their telemarketing laws. Although VIMGRACE does not consider IEs to be “telemarketers” in the traditional sense of the word, these government regulations broadly define the term “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the federal “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation). Therefore, IEs must not engage in telemarketing in the operation of their VIMGRACE businesses. The term “telemarketing” means the placing of one or more telephone calls to an individual or entity to induce the purchase of a VIMGRACE product, or to recruit the individual or entity for the VIMGRACE opportunity. “Cold calls” made to prospective customers or IEs that promote either VIMGRACE’ products or the VIMGRACE opportunity constitute telemarketing and are prohibited. However, a telephone call(s) placed to a prospective customer or IE (a “prospect”) is permissible under the following situations:

- a) If the IE has an established business relationship with the prospect. An “established business relationship” is a relationship between an IE and a prospect based on the prospect’s purchase, rental, or lease of goods or services from the IE, or a financial transaction between the prospect and the IE, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- b) The prospect’s personal inquiry or application regarding a product or service offered by the IE, within the three (3) months immediately preceding the date of such a call.
- c) If the IE receives written and signed permission from the prospect authorizing the IE to call. The authorization must specify the telephone number(s) which the IE is authorized to call.
- d) You may call family members, personal friends, and acquaintances. An “acquaintance” is someone with whom you have at least a recent first-hand relationship within the preceding three months. Bear in mind, however, if you engage in “card collecting” with everyone you meet and subsequently calling them, the FTC may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice. In addition, IEs shall not use automatic telephone dialing systems relative to the operation of their VIMGRACE businesses. The term “automatic telephone dialing system” means equipment which has the capacity to: (a) store or produce

telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.
SECTION 5 - RESPONSIBILITIES OF IES

5.1 - Change of Address, Telephone, and E-Mail Addresses

To ensure timely delivery of products, support materials, and commission checks, it is critically important that the VIMGRACE ' files are current. Street addresses are required for shipping. IEs are planning to move should update their personal information via the Back Office function of the IE's replicated VIMGRACE website or send their new address and telephone numbers to VIMGRACE ' Corporate Offices to the attention of the IE Services Department. To guarantee proper delivery, two weeks advance notice must be provided to VIMGRACE on all changes.

5.2 - Continuing Development Obligations

5.2.1 - Ongoing Training

Any IE who sponsors another IE into VIMGRACE must perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her VIMGRACE business. IEs must have ongoing contact and communication with the IEs in their Downline Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline IEs to VIMGRACE meetings, training sessions, and other functions. Upline IEs are also responsible to motivate and train new IEs in VIMGRACE product knowledge, effective sales techniques, the VIMGRACE Compensation Plan, and compliance with Company Policies and Procedures. Communication with and the training of downline IEs must not, however, violate Section 4.2 (regarding the development of IE-produced sales aids and promotional materials). IEs should monitor the IEs in their Downline Organizations to guard against downline IEs making improper product or business claims or engaging in any illegal or inappropriate conduct.

5.2.2 - Increased Training Responsibilities

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

5.2.3 - Ongoing Sales Responsibilities

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

5.3 – Non disparagement

VIMGRACE wants to provide its IEs with the best products, compensation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to the Compliance Department. Remember, to best serve you, we must hear from you! While VIMGRACE welcomes constructive input, negative comments and remarks are made in the field by IEs about the Company, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other VIMGRACE IEs. For this reason, and to set the proper example for their downline, IEs must not disparage, demean, or make negative remarks about VIMGRACE, other VIMGRACE IEs, VIMGRACE' products, the Compensation Plan, or VIMGRACE' directors, officers, or employees.

5.4 - Providing Documentation to Applicants

IEs must provide the most current version of the Policies and Procedures and the Compensation Plan to individuals who they are sponsoring to become IEs before the applicant signs an IE Agreement. Additional copies of Policies and Procedures can be downloaded from VIMGRACE ' website.

5.5 - Reporting Policy Violations

IEs observing a Policy violation by another IE should submit a written report of the violation directly to the attention of the VIMGRACE Compliance Department. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

SECTION 6 - SALES REQUIREMENTS

6.1 - Product Sales

The VIMGRACE Compensation Plan is based on the sale of VIMGRACE products to end consumers. IEs must fulfill personal and Downline Organization retail sales requirements (as well as meet other responsibilities set forth in the Agreement) to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for IEs to be eligible for commissions:

- a) IEs must satisfy the compensation qualifications requirements associated with their rank as specified in the VIMGRACE Compensation Plan.
- b) At least 50% of an IE's sales must to retail customers.

6.2 - No Territory Restrictions

There are no exclusive territories granted to anyone. No franchise fees are required.

6.3 - Sales Receipts

Any time an IE makes a sale of a VIMGRACE product to a retail customer out of the IE's inventory, the IE must provide the retail customers with two copies of an official VIMGRACE sales receipt at the time of the sale. These receipts set forth any consumer protection rights afforded by federal or state law. IEs must maintain all retail sales receipts for a period of two years and furnish them to VIMGRACE at the Company's request. Records documenting the purchases are made by the IE's Customers and online customers will be maintained by VIMGRACE . Remember that customers must receive two copies of the sales receipt. In addition, IEs must orally inform the buyer of his or her cancellation rights as set forth on the receipt.

SECTION 7 - BONUSSES AND COMMISSIONS

7.1 - Bonus and Commission Qualifications

An IE must be active and in compliance with the Agreement to qualify for bonuses and commissions. So long as an IE complies with the terms of the Agreement, VIMGRACE shall pay commissions to such IE in accordance with the Compensation Plan. The minimum amount for which VIMGRACE will issue a check is \$10.00. If an IE's bonuses and commissions do not equal or exceed \$10.00, the Company will accrue the commissions and bonuses until they total \$10.00. A check will be issued once \$10.00 has been accrued.

7.2 - Adjustment to Bonuses and Commissions

IEs receive bonuses and commissions based on the actual sales of products to consumers. When a product is returned to VIMGRACE for a refund or is repurchased by the Company, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given, and

continuing every pay period thereafter until the commission is recovered, from the IEs who received bonuses and commissions on the sales of the refunded products.

7.3 - Reports

ALL INFORMATION PROVIDED BY VIMGRACE IN ONLINE OR TELEPHONIC DOWNLINE ACTIVITY REPORTS, INCLUDING BUT NOT LIMITED TO SALES DATA AND DOWNLINE SPONSORING ACTIVITY IS BELIEVED TO BE ACCURATE AND RELIABLE. NEVERTHELESS, DUE TO VARIOUS FACTORS INCLUDING BUT NOT LIMITED TO THE INHERENT POSSIBILITY OF HUMAN AND MECHANICAL ERROR; THE ACCURACY, COMPLETENESS, AND TIMELINESS OF ORDERS; DENIAL OF CREDIT CARD AND ELECTRONIC CHECK PAYMENTS; RETURNED PRODUCTS; CREDIT CARD AND ELECTRONIC CHECK CHARGE-BACKS; THE INFORMATION IS NOT GUARANTEED BY VIMGRACE OR ANY PERSONS CREATING OR TRANSMITTING THE INFORMATION. ALL PERSONAL SALES AND SPONSORSHIP INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, VIMGRACE AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL BE IN NO EVENT LIABLE TO ANY IE OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL SALES AND SPONSORSHIP INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF VIMGRACE OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, VIMGRACE OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO.

Access and use of VIMGRACE online and telephone reporting services and your reliance upon such information is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to VIMGRACE online and telephone reporting services and your reliance upon the information.

SECTION 8 - PRODUCT GUARANTEES, RETURNS AND INVENTORY

REPURCHASE

8.1 - Product Guarantee

VIMGRACE offers a 100% 30-day money-back satisfaction guarantee (less shipping charges) on the first purchase of a VIMGRACE product is made by an IE, a Customer, or an online retail customer. It is important to note that this guarantee extends only to the first purchase of any particular VIMGRACE product made by such a customer and not to any subsequent purchases of any such product. In order to receive the refund, the Customer or online customer must return the product(s) to VIMGRACE .

8.2 - Retail Customer Right to Cancel

A retail customer who makes a purchase of any VIMGRACE product directly from an IE (from the IE's inventory of products and not as a Customer or from either the Company website or the IE's replicated website) has three business days after the sale or execution of a contract to cancel the order and receive a full refund consistent with the cancellation notice on the order form. When an IE makes a sale or takes an order from a retail customer who

cancels or requests a refund within the three business day period, the IE must promptly refund the customer's money as long as the products are returned to the IE in substantially as good condition as when received. Additionally, IEs must orally inform customers of their right to rescind a purchase or an order within three business days, and ensure that the date of the order or purchase is entered on the order form. All retail customers must be provided with two copies of an official VIMGRACE sales receipt at the time of the sale. The back of the receipt provides the customer with written notice of his or her rights to cancel the sales agreement.

8.3 - Return of Inventory and Sales Aids by IEs Upon Cancellation

If an IE's IE Agreement is cancelled for any reason within one year of the IE's enrollment, the IE will receive a 100% refund of the purchase. It is not necessary to return the Starter Kit in order to receive this refund. If an IE's IE Agreement is cancelled for any reason following the IE's renewal of the IE Agreement, the IE will receive a 100% refund of the most recent renewal fee paid, provided the materials that the IE received from the Company following his or her renewal of the IE Agreement are returned to VIMGRACE in Resalable condition (See the definition of "Resalable" in Section 12 below). In addition, the cancelled or canceling IE may return any products or other sales aids held in his or her inventory for a refund, provided a) the products or sales aids were personally purchased from VIMGRACE by the IE (purchases from other IEs or third parties are not subject to refund); b) they are in Resalable condition; and c) they were purchased within one year prior to the date of cancellation. Upon receipt of Resalable products and/or sales aids, the IE will be reimbursed 90% of the net cost of the original purchase price(s). Shipping charges incurred by an IE when the products or sales aids were purchased will not be refunded. If the purchases were made through a credit card, the refund will be credited back to the same account. If an IE was paid a commission or bonus based on a product that he or she purchased, and such product is subsequently returned for a refund, the commission or bonus that was paid based on that product purchase will be deducted from the amount of the refund.

8.3.1 - Montana Residents

A Montana resident may cancel his or her IE Agreement within 15 days from the date of enrollment, and may return his or her starter kit for a full refund within such time period.

8.4 - Procedures for All Returns

The following procedures apply to all returns for refund, repurchase, or exchange:

- a) All merchandise must be returned by the IE or customer who purchased it directly from VIMGRACE .
- b) All products to be returned must have a Return Authorization Number which is obtained by calling the IE Services Department. This Return Authorization Number must be written on each carton returned.
- c) The return is accompanied by:
 - i) a completed and signed Product Return Form;
 - ii) a copy of the original dated retail sales receipt; and
 - iii) the unused portion of the product in its original container.
- d) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to VIMGRACE shipping pre-paid. VIMGRACE does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be on the IE. If returned product is not received by the Company's Distribution Center, it is the responsibility of the IE to trace the shipment.

e) If an IE is returning merchandise to VIMGRACE that was returned to him or her by a personal retail customer pursuant to Section 8.2 above, the product must be received by VIMGRACE within ten (10) days from the date on which the retail customer returned the merchandise to the IE, and must be accompanied by the sales receipt the IE gave to the customer at the time of the sale. No refund or replacement of product will be made if the conditions of these rules are not met.

SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY

PROCEEDINGS

9.1 - Disciplinary Sanctions

Violation of the Agreement, these Policies and Procedures, violation of any common law duty, including but not limited to any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by an IE that, in the sole discretion of the Company may damage its reputation or goodwill (such damaging act or omission need not be related to the IE's VIMGRACE business), may result, at VIMGRACE ' discretion, in one or more of the following corrective measures: Issuance of a written warning or admonition; Requiring the IE to take immediate corrective measures; Imposition of a fine, which may be withheld from bonus and commission checks; Loss of rights to one or more bonus and commission checks; VIMGRACE may withhold from an IE all or part of the IE's bonuses and commissions during the period that VIMGRACE is investigating any conduct allegedly violative of the Agreement. If an IE's business is canceled for disciplinary reasons, the IE will not be entitled to recover any commissions withheld during the investigation period; Suspension of the individual's IE Agreement for one or more pay periods; Transfer of a portion or all of the IE's marketing organization or downline; Involuntary termination of the offender's IE Agreement; Suspension and/or termination of the offending IE's VIMGRACE website or website access; Any other measure expressly allowed within any provision of the Agreement or which VIMGRACE deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the IE's policy violation or contractual breach; In situations deemed appropriate by VIMGRACE, the Company may institute legal proceedings for monetary and/or equitable relief.

9.2 - Grievances and Complaints

When an IE has a grievance or complaint with another IE regarding any practice or conduct in relationship to their respective VIMGRACE businesses, the complaining IE should first report the problem to his or her Sponsor who should review the matter and try to resolve it with the other party's upline sponsor. If the matter involves interpretation or violation of Company policy, it must be reported in writing to the IE Services Department at the Company. The IE Services Department will review the facts and attempt to resolve it. If it is not resolved, it will be referred to the Dispute Resolution Board for final review and determination.

9.3 - Dispute Resolution Board

The purpose of the Dispute Resolution Board is to: (1) review appeals of disciplinary sanctions; and (2) review matters between VIMGRACE IEs. After the response or settlement instituted by IE Services has been denied or otherwise remains unresolved, the Dispute Resolution Board reviews evidence, deliberates, and responds to current outstanding issues on a collective basis. An IE may submit a written request for a telephonic or in-person hearing within seven business days from the date of: (1) the written notice by VIMGRACE of disciplinary action; or (2) the written decision of IE Services regarding disputes between IEs. All communication with VIMGRACE and the IE seeking resolution of a dispute must be in writing. It is within the DRB's discretion whether a claim is accepted for review. If the DRB agrees to review the matter, it shall schedule a hearing within 30 days of receipt of the IE's written request. All evidence (e.g., documents, exhibits, etc.) that an IE desires to have considered by the DRB must be submitted to VIMGRACE no later than seven business days before the date of the hearing. The IE shall bear all of the expenses related to his or her attendance and the attendance of any witnesses he or she desires to

be present at the hearing. The decision of the Dispute Resolution Board will be final and subject to no further review. During the pendency of the claim before the DRB, the IE waives his or her right to pursue arbitration or any other remedy. Following issuance of a sanction, the disciplined IE may appeal the sanction to the Dispute Resolution Board ("DRB"). IE's appeal must be in writing and received by the Company within 15 days from the date of VIMGRACE ' cancellation notice. If the appeal is not received by VIMGRACE within the 15 day period, the sanction will be final. The IE must submit all supporting documentation with his or her appeal correspondence. If the IE files a timely appeal of cancellation, the DRB will review and reconsider the cancellation, consider any other appropriate action, and notify the IE in writing of its decision.

9.4 – Mediation

Prior to instituting an arbitration, the parties shall meet in good faith and attempt to resolve any dispute arising or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as a mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated shared fees and costs at least 10 days in advance of the mediation. Each party shall pay its own attorneys fees, costs, and individual expenses associated with conducting and attending the mediation.

9.5 - Arbitration

If mediation is unsuccessful, any controversy or claim arising out or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. IEs waive all rights to trial by jury or to any court. All arbitration proceedings shall be held in United Kingdom, London. All parties shall be entitled to all disc every rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement. Notwithstanding the foregoing, nothing in these Policies and Procedures shall prevent VIMGRACE from applying to and obtaining from any court having jurisdiction a write of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect VIMGRACE ' interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

9.6 - Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in United Kingdom, London. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the London shall govern all other matters relating to or arising from the Agreement. Notwithstanding the foregoing, and the mediation and arbitration provisions in Sections 9.4 and 9.5, residents of the State of Louisiana shall be entitled to bring an action against VIMGRACE in their home forum and pursuant to Louisiana law.

SECTION 10 - PAYMENT

10.1 - Returned Checks

All checks returned by an IE's bank for insufficient funds will be re-submitted for payment. A \$25.00 returned check fee will be charged to the account of the IE. After receiving a returned check from a customer or an IE, all

future orders must be paid by Credit Card, money order or cashier's check. Any outstanding balance owed to VIMGRACE by an IE for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.

10.2 - Restrictions on Third Party Use of Credit Cards and Checking Account Access

IEs shall not permit other IEs or customers to use his or her credit card, or permit debits to their checking accounts, to enroll or to make purchases from the Company.

10.3 - Sales Taxes

In designing the VIMGRACE opportunity, one of our guiding philosophies has been to free IEs from as many administrative, operational, and logistical tasks as possible. In doing so, IEs are free to concentrate on those activities that directly affect their incomes, namely product sales and enrollment activities. To these ends, VIMGRACE relieves IEs of the burdens of collecting and remitting sales taxes, filing sales tax reports, and keeping records relative to sales taxes. By virtue of its business operations, VIMGRACE is required to charge sales taxes on all purchases made by IEs and Customers, and remit the taxes charged to the respective states. Accordingly, VIMGRACE will collect and remit sales taxes on behalf of IEs, based on the suggested retail price of the products, according to applicable tax rates in the state or province to which the shipment is destined. If an IE has submitted, and VIMGRACE has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the IE. Exemption from the payment of sales tax is applicable only to orders which are shipped to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders that are drop-shipped to another state. Any sales tax exemption accepted by VIMGRACE is not retroactive.

SECTION 11 - INACTIVITY, RECLASSIFICATION & CANCELLATION

11.1 - Effect of Cancellation

So long as an IE remains active and complies with the terms of the IE Agreement and these Policies and Procedures, VIMGRACE shall pay commissions to such IE in accordance with the Compensation Plan. An IE's bonuses and commissions constitute the entire consideration for the IE's efforts in generating sales and all activities related to generating sales (including building a downline organization). Following an IE's non-renewal of his or her IE Agreement, cancellation for inactivity, or voluntary or involuntary cancellation of his or her IE Agreement (all of these methods are collectively referred to as "cancellation"), the former IE shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. An IE whose business is cancelled will lose all rights as an IE. This includes the right to sell VIMGRACE products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the IE's former downline sales organization. In the event of cancellation, IEs agree to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions or other remuneration derived from the sales and other activities of his or her former downline organization. Following an IE's cancellation of his or her IE Agreement, the former IE shall not hold himself or herself out as a VIMGRACE and shall not have the right to sell VIMGRACE products or services. An IE whose IE Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

11.2 - Cancellation Due to Inactivity

If an IE has not earned a commission for six consecutive months (and thus become “inactive”), his or her IE Agreement shall be canceled for inactivity.

11.2.1 - Reclassification Following Cancellation Due to Inactivity If an IE does not earn a commission or bonus for six consecutive months, his or her IE Agreement will be cancelled for inactivity. If he or she is on the Company’s Autoship program (a Preferred Customer), the Preferred Customer Agreement shall remain in force.

11.3 - Involuntary Cancellation

An IE’s violation of any of the terms of the Agreement, including any amendments that may be made by VIMGRACE in its sole discretion, may result in any of the sanctions listed in Section 9.1, including the involuntary cancellation of his or her IE or delivered to an express courier, to the IE’s last known address (or fax number), or to his/her attorney, or when the IE receives actual notice of cancellation, whichever occurs first. VIMGRACE reserves the right to terminate all IE Agreements upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products via direct selling.

11.4 - Voluntary Cancellation

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the Company at its principal business address. The written notice must include the IE’s signature, printed name, address, and IE I.D. Number. If an IE is also a Preferred Customer, the IE’s Preferred Customer Agreement shall continue in force unless the IE also specifically requests that his or her Preferred Customer Agreement also be canceled.

11.5 - Non-renewal

An IE may also voluntarily cancel his or her IE Agreement by failing to renew the Agreement on its anniversary date. The Company may also elect not to renew an IE’s Agreement upon its anniversary date.

SECTION 12 – DEFINITIONS

Active Customer — A Customer who purchases VIMGRACE products pursuant to the Preferred Customer Autoship program and whose account has been paid for the current month. Active IE — An IE who has received a commission during the preceding six months. Active Rank — The term “active rank” refers to the current rank of an IE, as determined by the VIMGRACE Compensation Plan, for any month. To be considered “active” relative to a particular rank, an IE must meet the criteria set forth in the VIMGRACE Compensation Plan for his or her respective rank. (See the definition of “Rank” below.) Agreement — The contract between the Company and each IE includes the IE Application and Agreement, the VIMGRACE Policies and Procedures, the VIMGRACE Compensation Plan, and the Business Entity Form (where appropriate), all in their current form and as amended by VIMGRACE in its sole discretion. These documents are collectively referred as the “Agreement.”

Cancel — The termination of an IE’s business. Cancellation may be either voluntary, involuntary, through non-renewal or inactivity.

Downline Activity Report — An online, real time report generated by VIMGRACE that provides critical data relating to the identities of IEs, sales information, and enrollment activity of each IE’s Marketing Organization. This report contains confidential and trade secret information which is proprietary to VIMGRACE and is accessed via the VIMGRACE website IE login button. For those IEs who have subscribed to the VIMGRACE replicated website program, the report is accessed through the back office of such websites.

Downline Leg — Each one of the individuals enrolled immediately underneath you and their respective marketing organizations represents one “leg” in your marketing organization. **Immediate Household** — Heads of household and dependent family members residing in the same house.

Level — The layers of downline Preferred Customers and IEs in a particular IE’s Marketing Organization. This term refers to the relationship of an IE relative to a particular upline IE, determined by the number of IEs between them who are related by sponsorship. For example, if A sponsors B, and B sponsors C, then C is on A’s second level.

Marketing Organization — The Preferred Customers and IEs sponsored below a particular IE.

Official VIMGRACE Material— Literature, audio or video tapes, and other materials developed, printed, published and distributed by VIMGRACE to IEs.

Sponsor — An IE under whom an enroller places a new IE or Preferred Customer, and is listed as the sponsor on the IE or Preferred Customer Application and Agreement.

Starter Kit — A selection of VIMGRACE training materials and business support literature that each new Independent Marketing IE is required to purchase. The Starter Kit is sold to IEs at the Company’s cost.

Upline — This term refers to the IE or IEs above a particular IE in a sponsorship line up to the Company. Conversely stated, it is the line of sponsors that links any particular IE to the Company.

Personal Production — Moving VIMGRACE products to an end consumer for personal use.

Preferred Customer — A retail customer who enters into a Preferred Customer Agreement with VIMGRACE and agrees to automatically purchase a selection of VIMGRACE each month. See the definition of “Retail Customer” below.

Rank — The “title” that an IE has achieved pursuant to the VIMGRACE Compensation Plan.

Recruit — For purposes of VIMGRACE ’ Conflict of Interest Policy (Section ,4.8 the term “Recruit” means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another VIMGRACE or Preferred Customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. Except in California, the foregoing conduct constitutes recruiting even if the IE’s actions are in response to an inquiry made by another IE or Preferred Customer.

Resalable — Products and Sales aids shall be deemed "resalable" if each of the following elements is satisfied: 1) they are unopened and unused; 2) packaging and labeling has not been altered or damaged; 3) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; 4) it is returned to VIMGRACE within one year from the date of purchase; 5) the product contains current VIMGRACE labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be resaleable.

Retail Customer — An individual or entity that purchases VIMGRACE products, but who is not an IE, or an immediate household family member of an IE.

Retail Sales — Sales to a Retail Customer. If a sale is made to a customer who subsequently submits a VIMGRACE Agreement within 30 days from the date of the sale, or if an immediate household family member of the customer submits a VIMGRACE Agreement within 30 days of the sale, such sale shall not constitute a Retail Sale. An IE’s personal purchases from VIMGRACE do not constitute Retail Sales.