



# MEMBER AGREEMENT

## AIM USA

This Agreement ("Agreement") is made between AIM USA, the "Company," and any applicant accepted by the Company as a Member, the "Member."

### 1. Status as a Member and Benefits:

- 1.1 **Qualification.** In order to become a Member, an individual applicant must be at least 18 years of age, be sponsored by a Member of the Company, and pay to the Company a membership fee. An applicant that is a legal entity other than an individual must otherwise satisfy the above requirements and, in addition, must designate in writing an individual at least 18 years of age who shall agree in writing to be personally responsible for all of the Member's obligations under this Agreement.
- 1.2 **Benefits.** The Company offers the Member an opportunity to:
  - a. purchase Company products at wholesale cost,
  - b. resell the Company products at a retail price or utilize the products for personal use,
  - c. sponsor other Members, as provided under the Company's compensation plan
  - d. participate in and receive benefits under the Company's compensation plan
  - e. receive a free e-commerce website, and
  - f. receive monthly Living Well magazine with product orders.

The Company makes no representation as to how much, if anything, the Member may earn. Any earnings will depend on the skills and efforts of the Member.

- 1.3 **Company Products.** The Member acknowledges that the Company's products are not intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease, and expressly agrees not to make any representation to the contrary or sell the products for any such use or purpose.

### 2. Term:

The rights of the Member shall remain in effect until terminated by any of the following:

- 2.1 **Right of Member to Terminate.** The Member may terminate the relationship with the Company at any time for any reason by providing written notice to the Company.
- 2.2 **Right of the Company to Terminate.** The Company may terminate the rights of the Member by providing written notice to the Member in the event that the Member:
  - a. fails to comply with any of the terms or conditions of this Agreement or any Policies and Procedures of the Company now in effect or as they may be amended,
  - b. makes any misrepresentation or engages in any unethical practice as a Member, as determined by the Company in its sole discretion,
  - c. engages in any conduct or activity that is or may be detrimental to the Company or any other Company Member, as determined by the Company in its sole discretion, or
  - d. on behalf of another person or entity, recruits or solicits any active or deleted Company Members who were not personally sponsored by the Member.

The Company may, but shall not be required to, give the Member prior notice and a reasonable time not to exceed 30 days within which to cure any act that would otherwise result in termination. Notice shall be deemed effective under this Agreement three days after sending it postage prepaid by certified mail, return receipt requested, to the last known address of the Member.

- 2.3 **Effect of Termination.** Upon termination for any reason, the Member shall cease to be a Member of the Company, and the Member shall thereafter have no further right to participate in or receive any benefits or compensation under the Company's compensation plan.

### 3. General Provisions:

- 3.1 **Relationship to Company.** The Member is an independent contractor. This Agreement does not create the relationship of employer-employee, agency, partnership, or joint venture

between the parties. The Member will not be treated as an employee for federal tax purposes and is responsible for paying all applicable income, self-employment, and sales taxes. A Member has no right to unemployment compensation, workmen's compensation, or any other benefit.

- 3.2 **Conformity with Law.** The Member agrees to abide by all applicable laws, rules, and regulations, including but not limited to the Dietary Supplement Health and Education Act (DSHEA), relating to the sale, distribution, and advertising of Company products.
- 3.3 **Member Advertising.** Member advertising includes all forms of advertising including the use of the Internet. The Member shall at no time adopt or use any word or mark that is the same as or may be similar to or confusing with any trademark or service mark owned or used by the Company. All variations and adaptations of any trademarks or service marks owned or used by the Company shall be the exclusive property of the Company and the Company shall have the exclusive right to register the same and to license the use thereof. At no time during the term of this Agreement or at any time thereafter shall the Member or anyone acting on the Member's behalf attempt to apply for registration of any trade name or trademark owned or used by the Company.
- 3.4 **Restrictions on Sale.**
  - a. Company products may only be sold by the Member individually or in a business that is solely owned and operated by the Member.
  - b. Company products may only be sold by Company Members. The resale of Company products except by Company Members is prohibited.
  - c. Company products are intended to be sold only in the country in which they are purchased.
- 3.5 **Renewal Fee.** The Member shall pay an annual renewal fee payable on the Member's anniversary date, or accumulate a minimum amount of BVP in personal purchases within the 12 months previous to renewal date. Failure to do so will result in automatic termination of membership and loss of title and downline unless the Company waives the fee.
- 3.6 **Member Lists.**
  - a. The Member agrees that any list of active or deleted Company Members is a confidential trade secret of the Company and will not be disclosed or transferred by the Member to any other person or entity. The Member agrees to use any list of active or deleted Company Members only for the purpose of promoting the Company's products and business opportunity to Members personally sponsored by the Member and shall not use any such list for any other purpose.
  - b. The Member agrees to keep confidential and not disclose any and all personal information regarding active or deleted Company Members, including, but not limited to, names, addresses, phone numbers, e-mail addresses, etc., that are contained on any list of active or deleted Company Members except for the purpose of conducting Company-related business with Members personally sponsored by the Member.
- 3.7 **Heirs and Assigns.** The benefits and obligations of this Agreement shall inure to and be binding upon the respective heirs, devisees, successors, and assigns of each party, as stated in Member's will or other appropriate legal documentation. However, the Member may transfer the Member's rights under this Agreement only upon (1) prior written notice to the Company, pursuant to Policies & Procedures, #12 Member Transfers, (2) the transferee's agreement to be bound by the terms of this Agreement, and (3) Company acceptance of the transferee as a Member.
- 3.8 **Effective Date.** This Agreement shall become effective only upon issuance of a Company ID number, which is assigned to the Member upon approval of the application by the Company. The Company reserves the right to reject any application to

become a Member. The Member acknowledges receipt of a copy of the current Company Policies and Procedures.

- 3.9 **Compensation Ratio.** AIM reserves the right to place a limit, if necessary, on the ratio of commission payout to sales to ensure the viability of the Company. (Current ratio is available upon request.)
- 3.10 **Amendment.** This Agreement contains the entire agreement between the Company and the Member, and all changes to this Agreement must be in writing. The Company reserves the right in its sole discretion to change its product line and prices at any time without notice and to amend the terms of this Agreement, its compensation plan, and its Policies and Procedures upon giving the Member at least 30 days written notice.

- 3.11 **Governing Law, Jurisdiction, and Venue.** This Agreement will be governed by and construed in accordance with the laws of the state of Idaho, unless the laws of the state in which the Member resides expressly require the application of its laws to this transaction (in which case such state law shall govern). The parties consent to jurisdiction and venue before any federal or state court in Ada County or Canyon County, state of Idaho. If the law of the state in which a Member resides prohibits consensual jurisdiction and venue provisions, that state's law shall govern issues relating to jurisdiction and venue.

**By applying to become and accepting benefits as a Member, an applicant agrees to be bound by the terms of this Agreement and the Policies and Procedures of the Company as they now exist or may in the future be amended.**

# POLICIES AND PROCEDURES

The following Policies and Procedures have been developed as an addendum to the Member Agreement, the "Agreement" between AIM USA, the "Company", and any applicant accepted by the Company as a Member, the "Member."

## STATUS AS A MEMBER

- Assignment of an ID Number:** Upon assignment of a Company ID number, the Member may purchase product/literature at wholesale cost directly from the Company in the quantities indicated on the most current Company price list and order form. The Company reserves the right to change the quantities and/or prices at any time.
  - Acknowledgment of Company Policies and Procedures:**
    - Upon application to the Company to become a Member, either by phone, Internet, fax, or mail, the Member represents that he/she has read and understood the Agreement and Policies and Procedures and has had an opportunity to ask for verification or explanation from the Company with respect thereto. In no event shall the Company be responsible for, nor shall the Member rely upon, any representations whatsoever not contained in the Agreement or Policies and Procedures. By signing the Member Application or by applying to become a Member over the phone or Internet, the Member agrees to be bound by the terms of the Agreement and Policies and Procedures of the Company as they now exist or as they may in the future be amended.
    - The Member recognizes the importance of creating and maintaining the good will of Company customers, and further understands that the Company is a network marketing company whose compensation plan and success depend upon the efforts of its Members. It is agreed that the Member will use his/her best efforts in servicing Company customers.
  - Tax Issues and Legal Compliance:**
    - As an independent contractor, the Member agrees to abide by all federal, state, and local laws, as well as rules and regulations relating to the sale, distribution, and advertising of Company products, and to comply with all such laws pertaining to the obtaining of licenses required in order to receive, hold, or sell Company products. The Member shall be solely responsible for the declaration and payment of any and all federal, state, or local taxes or fees that may accrue because of the sales activity engaged in by the Member or the earnings of the Member from such activity.
    - The Company reserves the right to terminate the rights of the Member for any failure of the Member to comply with any federal, state or local law or pay any federal, state or local tax or fee for which the Member is responsible. If any such federal, state or local tax or fee is not paid and becomes the subject of a governmental levy or lien, the Company may comply with such levy or lien until satisfied and the Member hereby indemnifies and holds the Company harmless from any liability, loss or cost involved with the Company's compliance with such levy or lien including, but not limited to, reasonable attorney fees and litigation costs incurred by the Company.
  - Non-compete:**

The Member may not promote non-Company products or
- business opportunities to anyone on Company property, during Company associated meetings or events. The Company reserves the right to terminate the Member pursuant to the Agreement at any time, with 15 days written notice, in the event the Member commences the representation of non-Company products or business opportunities to anyone at a Company associated meeting or event.
  - Bonus Buying and Bonus Volume Point (BVP) Placement Prohibited:** Bonus buying and Bonus Volume Point (BVP) placement are prohibited. Members may not assign the BVP associated with any purchase to any other Member for the purpose of bonus or commission manipulation. The Company reserves the right to investigate and determine if bonus buying or BVP placement has occurred. Bonus buying and BVP placement are fraudulent, except as set forth in the Third-Party Ordering policy (Orders and Returns, Provision 2: Third-Party Ordering).
  - Stacking:** The practice of "stacking" Members is strictly prohibited and will result in immediate termination. Stacking Members is defined as establishing memberships in such a manner as to defraud another Member from commissions rightfully due to him/her. This might be done by establishing corporate shells for the sole purpose of receiving additional commissions from the ordering of products. Another form of stacking would be to sign up more than one Member per household or two memberships per person. The Company reserves the right in its sole discretion to investigate and determine if and when "stacking" has occurred.
  - Misrepresentation of Claims:** Public and private consumer protection agencies do not put their seal of approval on compensation plans of direct selling or network marketing organizations. Accordingly, the Member shall be subject to immediate termination for making any representation that the compensation plan set out in this Agreement or any other aspect of the Company's business has been approved by any state attorney general or any other public or private agency.
  - Nondiscrimination Policy:** The Company does not discriminate in its acceptance or rejection of applicants because of race, creed, sex, color, or national origin. Applicants must be residents of the United States, Canada, or such other country as the Company, in its sole discretion may approve in writing.
  - Membership Fees:**
    - The Member agrees to pay the Company an initial membership fee of \$20.00 USD, purchase \$100 or more of Company products, order an AIM-approved Starter Pack on your first order, or sign up for a three-month-minimum Automatic Monthly Reorder (AMR) of \$50 or more for a free membership. This fee is payable with each new application.
    - The Member also agrees to pay an annual renewal fee of \$20.00 USD on or before the Member's anniversary date with the Company, by the end of 90 days from the anniversary month of sign-up results in the Member being terminated.
    - The annual renewal fee will be waived when Members below Director title and below purchase 200 or more Personal Volume (PV) points or Director title and above purchase 600 or more PV points within 12 months previous to renewal date.
  - Termination:** Upon termination of the benefits of membership, the entire downline of the Member will be transferred to the next active upline sponsor. Upon termination, neither the Member nor

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the Company shall have any further rights or obligations under this Agreement and the Member shall thereafter have no further right to purchase products from the Company or participate in or receive any benefits or compensation under the Company compensation plan.

11. **Sponsorship Changes:** To protect the integrity of the Company compensation plan and safeguard the hard work of all Members, the Company strongly discourages changes in sponsorship. Maintaining the integrity of sponsorship is critical for the success of every Member and the Company compensation plan.

- a) The change of a membership from one sponsor to another must meet the following requirements:
1. The Member desiring the change must pay a \$35.00 USD administration fee.
  2. If the Member desiring the change is a Wholesale Member, Preferred Member, or Group Builder, the Company must receive a written statement requesting the change signed by the Member and a written statement of release signed by his/her current sponsor.
  3. If the Member desiring the change is an Associate Director or Director (this includes Elite Directors), the Company must receive a written statement requesting the change signed by the Member and a written statement or statements of release signed by his/her current sponsor through his/her sixth upline sponsor. (An upline report will be provided upon request.)
  4. The Member wishing to change sponsors within three business days of signing up as a new Member may do so without requesting the permission of his/her current sponsor. Sponsor change requests must be received within the first three business days, either verbally or in writing.
  5. The Member did not authorize sponsorship and was sponsored without permission. In such cases, the Company reserves the right to approve or disapprove any change of sponsorship in its sole discretion upon review of any Member claim.
- b) Upon changing sponsors, the Member will maintain his/her title. If the Member changing sponsors wishes to maintain his/her downline upon changing sponsors, the Company must receive a written statement of request signed by the Member, a written statement of release signed by the appropriate upline Members (depending on the title of the Member making the request), and a written request for release signed by all downline Members. If the Member changing sponsors does not wish to maintain the downline he/she built prior to the sponsorship change, the downline will be transferred to the next active upline sponsor.
- c) Upon receipt by the Company of all the necessary letters of request and release, the adjustment will be made. To be effective for the following month, the paperwork must be received by the Company no later than the 25th day of the preceding month. Any such notification shall be effective only with respect to entries made by the Company after receipt of such notification and a reasonable opportunity to act on it. No points or commission adjustments will be made.
- d) If letters of release are not received from the upline, the Member desiring to change sponsors may terminate his/her membership and renew again in six months under the sponsor of his/her choice, forfeiting his/her downline and title. The six-month period begins when a written termination request is received by the Company or the date of the Member's last order, whichever comes first.
- e) Sponsorship corrections will be made whenever it is a Company error or when it is evident that a mistake has been made on the original application. Points and commissions will be adjusted when necessary. When commissions need to be adjusted, the correction will appear on the commission statement for the following business month.

12. **Membership Transfers:** Although the Member is an independent

contractor, the sale, transfer, or assignment of a Company membership is subject to certain limitations. If the Member wishes to sell, transfer, or assign his/her membership, the following criteria must be met:

- a) The buyer or transferee must be (or must become) a qualified Member. If the buyer is already a qualified Member, he/she must terminate his/her qualified membership simultaneously with the purchase, transfer, or assignment of any interest in the new membership. The purchasing Member must submit in writing to the Company his/her request to terminate his/her existing membership. The termination request should be sent to the Company Member Sales and Service Center and must state that the Member is terminating the membership in order to purchase another membership.
- b) Before the sale, transfer, or assignment can be finalized and approved by the Company, the selling Member must satisfy any debt obligations with the Company.
- c) The selling Member must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer, or assign the membership.
- d) Either the buying or the selling Member must pay a \$35.00 USD administration fee.
- e) The selling Member must notify the Company Member Sales and Service Center of his/her intent to sell his/her membership. No changes in the line of sponsorship can result from the sale or transfer of a membership.

## ORDERS AND RETURNS

1. Products may be purchased from the Company by the Member
  - a) by phone,
  - b) by Internet,
  - c) by fax, and
  - d) by mail.Payment methods for phone, Internet, and fax orders are MasterCard, VISA, and Discover (in the United States only), and automatic check transfer. Payment methods for mail orders include those listed above, personal check, and money order. The Company reserves the right in its sole discretion to refuse an order based on a declined credit card authorization or negative history with processing personal checks or check transfers.
2. **Member Responsibility:** The Member is responsible for any and all order activity and payments on the membership account, including Internet activity. Any activity or payment dispute could result in interruption of the Member account until resolved.
3. **Third-Party Ordering:** Each Member below the title of Director may receive a total of 300 BVP per month from other Members.
4. **Repurchase Policy for Terminated Members:** Upon termination of a membership, the Company will repurchase on reasonable commercial terms currently marketable inventory within 12 months from the Member's date of purchase at not less than 90 percent of the Member's net costs less appropriate set-off and legal claims, if any. This repurchase will include Company products, Company-produced promotional materials, sales aids, and membership fees, in the possession of that Member and purchased by that Member for resale prior to the date of termination of the membership with the Company. Products shall not be considered "currently marketable" if they are returned for repurchase after the products' commercially reasonable useable or shelf-life period has passed or if they are products that the Company has clearly disclosed prior to purchase as seasonal, discontinued, or special promotion products. Any monies due to the Company or Member commissions paid out on returned products to the terminated Member will be subtracted from the total amount of the refund. Any commissions or contest credits paid to the upline of the terminating Member will be deducted from future commissions and contest credits of the upline Member. The Member who returns product under this 90 percent buy-back policy relinquishes his/her right to sign up as a Member in the future.
5. **Product Return Policy:** Company product purchased and returned in the same business month may be returned to the Company for a full refund or exchanged for a product of equal

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BVP value. Product purchased and returned in different business months may be returned to the Company for a refund, less commissions paid, or exchanged (within 30 days of purchase of original product) for a product of equal value. A Return Authorization Number must accompany returned product. To obtain a Return Authorization Number, call the Company Member Sales and Service Center.

6. **Product Return Authorization:** Prior to returning product to the Company for refund or exchange, a Return Authorization Number must be obtained.
7. **Member Exchange of Product:** An exchange occurs when a product is returned to the Company and exchanged for a product of equal BVP value. Exchanges must be made within 30 days of purchase. See #5 for return of product procedures.
8. **Discontinued Products Policy:** To receive a refund or exchange on any product that has been discontinued, said product must be returned to the Company within 90 days of notification from the Company that the product will no longer be available. See #5 for return of product procedures.
9. **Claims Procedure on Damaged Merchandise:** Product damaged in shipment from the Company will be replaced provided proper claim procedure is followed. Claims must be filed within three days of receipt of orders. See #5 for return of product procedures.
10. **Problems with Misshipped Product or Lost Order:** If the Member receives Company products that the Member did not order or if the Member does not receive an order within 10 working days, the Member should call the Company Member Sales and Service Center.
11. **Product Sales Requirements:** To purchase product, the Member must be prepared to certify upon request by the Company that at least 70 percent of all prior product purchased from the Company has been sold.
12. **Purchase Limitations:** If the Member purchases in excess of 3,000 BVP in any given business month, the Company has the right to require a form for request of waiver from purchase limitations to be completed by the Member. Such a request for a waiver shall set forth such information demonstrating that the Member has the organizational skills and financial resources reasonably necessary to enable the Member to successfully sell the quantity of product that the Member desires to purchase and that the Member understands and is fully responsible for the purchase.
13. **Retail Consumer Money-Back Guarantee of Product Sold:**

Company products sold by Members are sold to consumers with a 100 percent money-back guarantee. If the consumer is dissatisfied with the Company product for any reason, the Member shall refund the full purchase price. The Company will provide the Member with a postage-paid merchandise return label whereby the Member can return unused product. Once the unused portion is received by the Company, the Member will be given replacement product. Refunds pursuant to the guarantee are limited to one bottle of product per retail purchaser. A Return Authorization Number will be given for the replacement of product to the Member according to #5 listed above.

## PROMOTION OF COMPANY PRODUCTS AND BUSINESS OPPORTUNITIES:

1. **Use of Literature:** The Member agrees to make no oral or written representation about the Company products or compensation plan that is not contained in current literature supplied by the Company including but not limited to claims, statements, or representations that Company products are offered or intended to diagnose, cure, mitigate, treat, or prevent any disease.
2. **Use of Toll-Free Numbers:** The Member may not use AIM International, Inc. toll-free numbers as a generic form of advertising. The Member must provide his/her own home or business phone number on his/her advertising materials. The Member is responsible for answering customers' questions about the Company products and compensation plan.

## GENERAL POLICIES AND PROCEDURES

1. Commission checks will be mailed out on or before the 10th day of the month following the month in which the commissions were earned.
2. If a commission check has not been received by the 25th day of the month, the Member may request the Company to place a stop payment on the original check and to issue a new check in its place. The Company will comply with all government regulations and agencies regarding the reporting of income paid out to its network of Members.
3. These policies and procedures will be amended and updated from time to time. A current copy of Company Policies and Procedures is always available upon request from the Company.

## CODE OF ETHICS

I agree to conduct myself and my business according to the highest standards of honesty, integrity, and good judgment.

I accept full responsibility for my behavior and the way in which I conduct my business.

I will present the Company and all its programs in a realistic and truthful way, and I will not make unauthorized claims or misleading statements to obtain a sale or to sponsor Members.

I will make every endeavor, within reason, to aid those within my organization to be successful.

I am completely aware that the Company products are not intended for—nor are to be sold as—a cure, prescription, or therapeutic aid that alleviates any disease or ailment, and I agree to represent the same.

I understand these ethics are the basis for a successful relationship and business, and violation of any of them not only endangers my own membership but also the integrity of the Company.