

## **Terms and Conditions**

- 1. I understand that as a True Detox Member:
  - a. I have the right to offer for sale True Detox products and services in accordance with these Terms and Conditions.
  - b. I have the right to enroll persons into True Detox.
  - c. If qualified, I have the right to earn commissions pursuant to the True Detox Compensation Plan.
- 2. I agree to present the True Detox Marketing and Compensation Plan and True Detox products and services as set forth in official True Detox literature.
- 3. I agree that as a True Detox Member I am an independent contractor, and not an employee, partner, legal representative, or franchisee of True Detox. I agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I UNDERSTAND THAT I SHALL NOT BE TREATED AS AN EMPLOYEE OF TRUE DETOX FOR FEDERAL OR STATE TAX PURPOSES. True Detox is not responsible for withholding, and shall not withhold or deduct from my bonuses and commissions, if any, FICA, or taxes of any kind.
- 4. I have carefully read and agree to comply with the True Detox Policies and Procedures, which are incorporated into and made a part of these Terms and Conditions (the Policies and Procedures and the Independent Member Application and Agreement shall be collectively referred to as the "Agreement"). In the event of a conflict between these Terms and Conditions and the Policies and Procedures, the Policies and Procedures will control. If I have not yet reviewed the Policies and Procedures at the time I sign this Agreement, I understand that they are posted at www.truedetox.com and in my True Detox Back Office. I will review the Policies and Procedures within five days from the date on which I sign this Agreement. If I do not agree to the Policies and Procedures, my sole recourse is to notify the company and cancel my True Detox Agreement. Failure to cancel constitutes my acceptance of the Policies and Procedures. I understand that I must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from True Detox. I understand that the Agreement may be modified or amended at the sole and absolute discretion of True Detox, and I agree to abide by all such changes. Notification of changes shall be posted on True Detox's website or in my True Detox Back Office. Changes shall become effective 30 days after publication. Any amendment to the Agreement, or to the dispute resolution provisions herein, shall not apply to: (1) a dispute arising prior to the effective date of such amendment; or (2) a Member who declines to accept such amendment by discontinuing his or her True Detox business and status as a Member following the Effective Date of any such amendment. The continuation of a Member's True Detox business or a Member's acceptance of bonuses or commissions after the effective date of any amendments shall constitute acceptance of any and all amendments.
- 5. The term of this agreement is one year (subject to prior cancellation pursuant to the Policies and Procedures). It shall be automatically renewed for successive one year terms upon the anniversary date hereof, unless one of the parties elects to terminate it upon 30 days written notice. If my Member Agreement is canceled or terminated for any reason, I understand that I will permanently lose all rights as a Member. I shall not be eligible to sell True Detox products and services nor shall I be eligible to receive commissions, bonuses, or other income resulting from the activities of my former downline sales organization. In the event of cancellation, termination, or nonrenewal, I waive all rights I have, including but not limited to property rights, to my former downline organization and to any bonuses, commissions or other remuneration

derived through the sales and other activities of my former downline organization. True Detox reserves the right to terminate all Member Agreements upon 30 days notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via direct selling channels. Member may cancel this Agreement at any time, and for any reason, upon written notice to True Detox at its principal business address. True Detox shall have the right in its sole and absolute discretion not to accept this Agreement or any renewal of it.

- 6. I may not assign any rights under the Agreement without the prior written consent of True Detox. Any attempt to transfer or assign the Agreement without the express written consent of True Detox renders the Agreement voidable at the option of True Detox and may result in termination of my business.
- 7. I understand that if I fail to comply with the terms of the Agreement, True Detox may, at its discretion, impose upon me disciplinary sanctions as set forth in the Policies and Procedures. If I am in breach, default or violation of the Agreement at termination, I shall not be entitled to receive any further bonuses or commissions, whether or not the sales for such bonuses or commissions have been completed. I agree that True Detox may deduct, withhold, set-off, or charge to any form of payment I have previously authorized, any amounts I owe or am indebted to True Detox.
- 8. True Detox, its parent or affiliated companies, directors, officers, shareholders, employees, assigns, and agents (collectively referred to as "affiliates"), shall not be liable for, and I release and hold harmless True Detox and its affiliates from, all claims for consequential and exemplary damages for any claim or cause of action relating to the Agreement. I further agree to release and hold harmless True Detox and its affiliates from all liability arising from or relating to the promotion or operation of my True Detox business and any activities related to it (e.g., the presentation of True Detox products or Compensation and Marketing Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.), and agree to indemnify True Detox for any liability, damages, fines, penalties, or other awards arising from any unauthorized conduct that I undertake in operating my business.
- 9. The Agreement, in its current form and as amended by True Detox at its discretion, constitutes the entire contract between True Detox and myself. Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.
- 10. Any waiver by True Detox of any breach of the Agreement must be in writing and signed by an authorized officer of True Detox. Waiver by True Detox of any breach of the Agreement by me shall not operate or be construed as a waiver of any subsequent breach.
- 11. If any provision of the Agreement is held to be invalid or unenforceable, such provision shall be severed, and the severed provision shall be reformed only to the extent necessary to make it enforceable. The balance of the Agreement shall remain in full force and effect.

- 12. .This Agreement will be governed by and construed in accordance with the laws of the State of Idaho without regard to principles of conflicts of laws. In the event of a dispute between a Member and True Detox arising from or relating to the Agreement, or the rights and obligations of either party, the parties shall attempt in good faith to resolve the dispute through nonbinding mediation as more fully described in the Policies and Procedures. If the parties are unsuccessful in resolving their dispute through mediation, the dispute shall be settled totally and finally by arbitration as more fully described in the Policies and Procedures. True Detox shall not be obligated to engage in mediation or arbitration as a prerequisite to disciplinary action against a Member. The Federal Arbitration Act shall govern all matters relating to arbitration. The parties agree that the arbitrator will have the sole power to decide any question about the arbitrability of any claim, dispute or other difference between the parties. This agreement to arbitrate shall survive any termination or expiration of the Agreement. Where permitted under applicable law, you and True Detox expressly agree that each may bring claims against the other only in your or its individual capacity and not as a plaintiff or class member in any purported class or representative action. You further waive participation in any class-action lawsuits, class-wide arbitrations, private attorney general actions, and any other proceeding in which someone acts in a representative capacity. Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in the County of Ada and State of Idaho.
- 13. Notwithstanding the foregoing, either party may bring an action before the courts seeking a restraining order, temporary or permanent injunction, or other equitable relief to protect its intellectual property rights, including but not limited to customer and/or distributor lists as well as other trade secrets, trademarks, trade names, patents, and copyrights. The parties may also seek judicial enforcement of an arbitration award. In all actions before the courts, the parties consent to exclusive jurisdiction and venue before the U.S. District Court for the District of Idaho, or state court residing in Ada County, State of Idaho.
- 14. .Louisiana Residents: Notwithstanding the foregoing, Louisiana residents may bring an action against the Company with jurisdiction and venue as provided by Louisiana law.
- 15. A participant in this multilevel 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.
- 16. If a Member wishes to bring an action against True Detox for any act or omission relating to or arising from the Agreement, such action must be brought within one year from the date of the alleged conduct giving rise to the cause of action, or the shortest time permissible under state law. Failure to bring such action within such time shall bar all claims against True Detox for such act or omission. Member waives all claims that any other statute of limitations applies.
- 17. Liquidated Damages. In any case which arises from or relates to the termination of Member's Agreement and independent business, the parties agree that damages will be very difficult to ascertain. Therefore, the parties stipulate that if a Member's termination is proven and held to be wrongful under any theory of law, Member's sole remedy shall be liquidated damages calculated as follows:
  - a. For Members at the rank Member through Guide, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to True Detox's Compensation Plan in the twelve (12) months immediately preceding the termination.

- b. For Members at the rank Coach through Leader, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to True Detox's Compensation Plan in the eighteen (18) months immediately preceding the termination.
- c. For Members at the rank Advocate, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to True Detox's Compensation Plan in the twenty-four (24) months immediately preceding the termination.

Gross compensation shall include commissions and bonuses earned by the Member pursuant to True Detox's Compensation Plan as well as retail profits earned by Member for the sale of True Detox merchandise. However, retail profits must be substantiated by providing the Company with true and accurate copies of fully and properly completed retail receipts provided by Member to Customers at the time of the sale.

18. I authorize True Detox to use my name, photograph, personal story and/or likeness in advertising or promotional materials and waive all claims for remuneration for such use.