

# Elite Fit Forever POLICIES AND PROCEDURES

## **SECTION ONE: INDEPENDENT SALES REPRESENTATIVE STATUS**

### **1.01 BECOMING A INDEPENDENT SALES REPRESENTATIVE**

An applicant becomes a Independent Sales Representative (“Independent Sales Representative”) of Elite Fit Forever when the applicant's completed Application and Agreement has been received and accepted by the Company, by Internet or by mail, at its Home Office. Company reserves the right to decline any Agreement for any reason, at its sole discretion.

Independent Sales Representative uses his/her best effort to promote and sell products and services of Company to consumers pursuant to the Agreement contained within these Policies and Procedures and Terms and Conditions. In doing so, Independent Sales Representative will maintain the high standards of honesty, and integrity and business ethics when dealing with Consumers, Company or other Company Independent Sales Representatives.

### **1.02 NO FEE, CHARGE OR PURCHASE REQUIRED**

No initial fee, charge or purchase is required to become a Independent Sales Representative.

### **1.03 INDEPENDENT SALES REPRESENTATIVE OBLIGATIONS & RIGHTS**

Independent Sales Representatives are authorized to sell Company products and services and to participate in the Independent Sales Representative Compensation Plan. Independent Sales Representatives may sponsor new Independent Sales Representatives.

### **1.04 LEGAL AGE**

Independent Sales Representatives must be of legal age in the state / province / country of their residence.

### **1.05 DIVORCE**

When a couple sharing Independent Sales Representative entity divorces or separates, Company will continue to pay commission checks in the same manner as before the divorce or separation until it receives written notice signed by both parties or a court decree which specifies how future commission checks should be paid, provided and if applicable, the couple has complied with the requirements of Section 5.03.

### **1.06 CORPORATIONS, PARTNERSHIPS & TRUSTS**

Corporations, partnerships, limited liability companies or other forms of business organizations or trusts may become Independent Sales Representatives of Company when the Agreement is accompanied by a federal ID number.

Shareholders, directors, officers, partners, members, beneficiaries and trustees, as applicable of Independent Sales Representative entity must agree to hold such title, and Company will hold each personally liable and bound by the Agreement and these Policies and Procedures and Terms and Conditions.

### **1.07 FICTITIOUS OR ASSUMED NAMES**

A person or entity may not apply as Independent Sales Representative using a fictitious or assumed name.

### **1.08 INDEPENDENT CONTRACTOR STATUS**

Independent Sales Representatives are Independent Contractors responsible for determining their own activities without direction or control by Company. They are not franchisees, joint venture, partners, employees or agents of Company and are prohibited from stating or implying, whether orally or in writing, otherwise. Independent Sales Representatives have no authority to bind Company to any obligation. Company is not responsible for payment or co-payment of any employee benefits. Independent Sales Representatives are responsible for liability, health disability and worker's compensation insurance. Independent Sales Representatives set their own hours and determine how to conduct business, subject to Company Agreement, the Policies and Procedures and Terms and Conditions.

### **1.09 TAXATION**

As Independent Contractors, Independent Sales Representatives will not be treated as franchisees, owners, employees or agents of Company for federal or state tax purposes including, with respect to the Internal Revenue Code, Social Security Act, federal unemployment act, state unemployment acts or any other federal, state, or local statute, ordinance, rule or regulation. At the end of each calendar year, Company will issue to each Independent Sales Representative an IRS Form 1099, as required by law, or other applicable documentation for non-employee compensation as a Independent Sales Representative.

### **1.10 INDEPENDENT SALES REPRESENTATIVE IDENTIFICATION NUMBER**

Independent Sales Representatives are required by federal law to obtain a Social Security number or Federal ID number. Independent Sales Representatives will be identified by this number, or a company assigned number, for purposes of Company's business. The Independent Sales Representative Identification Number must be placed on all orders and correspondence with the Company.

### **1.11 LEGAL COMPLIANCE**

Independent Sales Representatives must comply with all federal, state and local statutes, regulations and ordinances concerning the operation of their business. Independent Sales Representatives are responsible for their own managerial decisions and expenditures including all estimated income and self-employment taxes.

### **1.12 NO EXCLUSIVE TERRITORIES**

No franchise is granted and there are no exclusive territories for sales or sponsoring purposes. No geographical limitations exist on sponsoring or selling within the United States; provided, however, that Company reserves the right not to sell product or services or contract with Independent Sales Representatives in specified states / provinces within United States.

## **SECTION TWO: TERM & RENEWAL**

### **2.01 TERM**

Subject to the terms of Section 4.01, the Agreement shall have a term which shall begin on the date of acceptance by Company and end one year from the date thereof (the "Anniversary Date").

### **2.02 RENEWAL**

Independent Sales Representatives must renew annually, on the Anniversary Date and Independent Sales Representative has the right to decline to accept any renewal at its sole discretion. Company may require that Independent Sales Representatives execute a new Agreement upon renewal. Independent Sales Representatives not renewing by

the renewal date shall be deemed to have voluntarily terminated their Independent Sales Representative relationship with Company, and thereby lose their Independent Sales Representative entity, all sponsorship rights, their position in the Compensation Plan and all rights to commissions and bonuses. Independent Sales Representatives who fail to renew their Independent Sales Representative status may not reapply under a new sponsor for three (3) months after non-renewal.

### **SECTION THREE: SPONSORSHIP**

#### **3.01 SPONSORING**

Independent Sales Representatives may sponsor other Independent Sales Representatives into Company's business. Independent Sales Representatives must ensure that each potential new Independent Sales Representative has reviewed and has had access to the current Policies and Procedures, Terms and Conditions and Compensation Plan prior to or when giving the individual an Agreement.

#### **3.02 MULTIPLE AGREEMENTS**

If an applicant submits multiple Independent Sales Representatives which list different sponsors, only the first completed Agreement received by Company will be accepted.

#### **3.03 TRAINING REQUIREMENT**

A Sponsor must maintain an ongoing professional leadership association with Independent Sales Representatives in his or her organization and must fulfill the obligation of performing a bona fide supervisory or sales function in the sale or delivery of products and services.

#### **3.04 INCOME CLAIMS**

Independent Sales Representatives must truthfully and fairly describe the Compensation Plan. No past, potential or actual income claims may be made to prospective Independent Sales Representatives, nor may Independent Sales Representatives use their own incomes as indications of the success assured to others. Commission checks may not be used as marketing materials. Independent Sales Representatives may not guarantee commissions or estimate expenses to prospects.

#### **3.05 TRANSFER OF SPONSORSHIP**

The company does not permit the transfer of sponsors. Network Marketing is a business of creating relationships. Once a Independent Sales Representative is sponsored, the company believes in maximum protection of that relationship. The only exception is upon prior written approval of Company to correct ethical violations as determined at the sole discretion of Company.

#### **3.06 CROSS SPONSORING**

Independent Sales Representative may not sponsor, or attempt to sponsor, any non personally sponsored independent sales representatives in any other Network Marketing Company. In addition, no Independent Sales Representative may participate in any action that causes another Independent Sales Representative to be sponsored through someone else into another network marketing company.

### **SECTION FOUR: RESIGNATION/TERMINATION**

#### **4.01 VOLUNTARY RESIGNATION**

- Independent Sales Representative may voluntarily terminate his or her Independent Sales Representative status by failing to renew or by sending thirty (30) days written notice of such resignation or termination to Company. Voluntary resignation is effective upon receipt of such notice by Company.

- Independent Sales Representative who resigns or terminates their Independent Sales Representative status may reapply as Independent Sales Representative, three (3) months after resignation.

#### **4.02 SUSPENSION**

Independent Sales Representative may be suspended for violating the terms of his or her Agreement, which includes these Policies and Procedures, the Terms and Conditions and the Compensation Plan and other documents produced by Company. When a decision is made to suspend Independent Sales Representative, Company will inform the Independent Sales Representative in writing that the suspension has occurred effective as of the date of the written notification, the reason for the suspension and the steps necessary to remove such suspension (if any). The suspension notice will be sent to the Independent Sales Representatives "address on file" pursuant to the notice provisions contained in the Policies and Procedures and Terms and Conditions. Such suspension may or may not lead to termination of the Independent Sales Representative as so determined by Company at its sole discretion. If the Independent Sales Representative wishes to appeal, Company must receive such appeal in writing within fifteen (15) days from the date of the suspension notice. Company will review and consider the suspension and notify the Independent Sales Representative in writing of its decision within thirty (30) days from the date of the suspension notice. The decision of Company will be final and subject to no further review. Company may take certain action during the suspension period, including, but not limited to, the following:

- Prohibiting the Independent Sales Representative from holding himself or herself as Independent Sales Representative or using any of Company's proprietary marks and/or materials;
- Withholding commissions and bonuses that are due the Independent Sales Representative during the suspension period;
- Prohibiting the Independent Sales Representative from purchasing services and products from Company; and/or;
- Prohibiting the Independent Sales Representative from sponsoring new Independent Sales Representatives, contacting current Independent Sales Representatives or attending meetings of Independent Sales Representatives.

If Company, at its sole discretion, determines that the violation which caused the suspension is continuing, and has not satisfactorily been resolved or a new violation involving the suspended Independent Sales Representative has occurred, the suspended Independent Sales Representative may be terminated.

#### **4.03 TERMINATION**

Independent Sales Representative may be immediately terminated for violating the terms of his or her Agreement, which includes these Policies and Procedures, Terms and Conditions and the Compensation Plan and other documents produced by Company upon written notice. Company may terminate a violating Independent Sales Representative without placing the Independent Sales Representative on suspension, at Company's sole discretion. When the decision is made to terminate Independent Sales Representative, Company will inform the Independent Sales Representative in writing at the address in the Independent Sales Representative's file that the termination has occurred.

#### **4.04 APPEAL**

If Independent Sales Representative wishes to appeal the termination, Company must receive the appeal in writing within fifteen (15) days from the date of notice of termination. If no appeal is received within the fifteen (15) day period, the termination will automatically be deemed final. If Independent Sales Representative files a timely notice of appeal, Company will review the appeal and notify the Independent Sales Representative of its decision within ten (10) days after receipt of the appeal. The decision of Company will be final and subject to no further review. In the event the termination is not rescinded, the termination will remain effective as of the date stated in the original termination notice.

#### **4.05 EFFECT OF TERMINATION**

Immediately upon termination, the terminated Independent Sales Representative:

- Must remove and permanently discontinue the use of the trademarks, service marks, trade names and any signs, labels, stationary or advertising referring to or relating to any product, plan or program of Company.
- Must cease representing themselves as Independent Sales Representative of Company;
- Loses all rights to his or her Independent Sales Representative position in the Compensation Plan and to all future commissions and earnings resulting therefrom;
- Must take all action reasonably required by Company relating to protection of Company's confidential information. Company has the right to offset any amounts owed by Independent Sales Representative to Company including, without limitation, any indemnity obligation incurred pursuant to Section 11.01 herein, from commissions or other compensation due to the Independent Sales Representative.

#### **4.06 REAPPLICATION**

The acceptance of any reapplication of a terminated Independent Sales Representative or the application of any family member of a terminated Independent Sales Representative shall be at the sole discretion of Company and can be denied.

#### **4.07 STATE LAWS**

Where state laws on termination are inconsistent with this policy, the applicable state law shall apply.

### **SECTION FIVE: TRANSFERABILITY**

#### **5.01 ACQUISITION OF BUSINESS**

Any Independent Sales Representative desiring to acquire an interest in another Independent Sales Representative's business must first terminate his or her Independent Sales Representative status and wait three (3) months before becoming eligible for such a purchase. All such transactions must be fully disclosed and must be approved by Company in advance.

#### **5.02 TRANSFERS OF INDEPENDENT SALES REPRESENTATIVES**

Except as expressly set forth herein, Independent Sales Representative may not sell, assign or otherwise transfer his or her Independent Sales Representative entity (or rights thereof) to another Independent Sales Representative or to an individual which has an interest in Independent Sales Representative entity. Notwithstanding the foregoing, Independent Sales Representative may transfer his or her Independent Sales

Representative entity to his or her sponsor, subject to the conditions of Section 5.03. In such an event, the sponsor's entity and the transferring Independent Sales Representatives entity shall be merged into one entity.

### **5.03 CONDITIONS TO TRANSFERABILITY**

Independent Sales Representatives may not sell, assign, merge or transfer his or her Independent Sales Representative entity (or rights thereto) without the prior written approval of Company and compliance with the following conditions:

- Company possesses the right of first refusal with respect to any sale, assignment, transfer or merger of any Independent Sales Representative entity. Independent Sales Representative wishing to sell, assign, transfer or merge his or her Independent Sales Representative entity must first provide Company with the right and option to make such a purchase or receive such transfer in writing on the same terms and conditions as any outstanding or intended offer. Company will advise the Independent Sales Representative within ten (10) business days after receipt of such notice of its decision to accept or reject the offer. If Company fails to respond within the ten (10) day period or declines such offer, the Independent Sales Representative may make the same offer or accept any outstanding offer which is on the same terms and conditions as the offer to Company to any person or entity who is not Independent Sales Representative, married to, or a dependent of Independent Sales Representative or who has any interest in Independent Sales Representative;
- An office administration transfer fee of \$100.00 must accompany the transfer documents;
- The documents must contain a covenant made by the selling Independent Sales Representative for the benefit of the proposed purchaser not to compete with the purchaser or attempt to divert or sponsor any existing Independent Sales Representative for a period of one (1) year from the date of the sale or transfer;
- Upon a sale, transfer or assignment being approved in writing by Company, the buying Independent Sales Representative must assume the position and terms of agreement of the selling Independent Sales Representative and must execute a current Agreement and all such other documents as required by Company; and
- Company reserves the right, at its sole discretion, to stipulate additional terms and conditions prior to approval of any proposed sale or transfer. Company reserves the right to disapprove any sale or transfer, where allowed by law.

### **5.04 CIRCUMVENTION OF POLICIES**

If it is determined, at Company's sole discretion, that Independent Sales Representative entity was transferred in an effort to circumvent compliance with the Agreement, the Policies and Procedures, Terms and Conditions or the Compensation Plan, the transfer will be declared null and void. The Independent Sales Representative entity will revert back to the transferring Independent Sales Representative, who will be treated as if the transfer had never occurred from the reversion day forward. If necessary and at Company's sole discretion, appropriate action, including, without limitation, termination, may be taken against the transferring Independent Sales Representative to ensure compliance with the Policies and Procedures and Terms and Conditions.

### **5.05 SUCCESSION**

Notwithstanding any other provision of this Section, upon the death of Independent Sales Representative, the Independent Sales Representativeship will pass to his or her successors in interest as provided by law. However, Company will not recognize such a transfer until the successor in interest has executed a current Agreement and submitted certified copies of the death certificate, will, trust or other instrument required by Company. The successor will thereafter be entitled to all the rights and be subject to all the obligations of a Company Independent Sales Representative.

#### **5.06 RE-ENTRY**

Any Independent Sales Representative who transfers his or her Independent Sales Representativeship must wait for three (3) months after the effective date of such transfer before becoming eligible to reapply to become a Independent Sales Representative.

### **SECTION SIX: PROPRIETARY INFORMATION**

#### **6.01 CONFIDENTIALITY AGREEMENT**

During the term of the Agreement, Company may supply to Independent Sales Representatives confidential information, including, but not limited to genealogical and Downline reports, customer lists, customer information developed by Company or developed for and on behalf of Company by Independent Sales Representatives (including, but not limited to, credit data, customer and Independent Sales Representative profiles and product purchase information), Independent Sales Representative lists, manufacturer and supplier information, business reports, commission or sales reports and such other financial and business information which Company may designate as confidential. All such information (whether in written or electronic format) is proprietary and confidential to Company and is transmitted to Independent Sales Representatives in strictest confidence on a "need to know" basis for use solely in Independent Sales Representatives business with Company. Independent Sales Representatives must use their best efforts to keep such information confidential and must not disclose any such information to any third party, or use this information for any non-company activity directly or indirectly while a independent sales representative and thereafter.

Independent Sales Representatives must not use the information to compete with Company or for any purpose other than promoting Company's program and its products and services. Upon expiration, non-renewal or termination of the Agreement, Independent Sales Representatives must discontinue the use of such confidential information and promptly return any confidential information in their possession to Company.

#### **6.02 COPYRIGHT RESTRICTIONS**

With respect to product purchases from Company, Independent Sales Representatives must abide by all manufacturers' use restrictions and copyright protections.

#### **6.03 VENDOR CONFIDENTIALITY**

Company's business relationships with its vendors, manufacturers and suppliers are confidential. Independent Sales Representatives must not contact, directly or indirectly, or speak to, or communicate with any supplier or manufacturer of Company except at Company sponsored events at which the supplier or manufacturer is present at the request of Company.

### **SECTION SEVEN: TRADEMARKS, LITERATURE & ADVERTISING**

### **7.01 TRADEMARKS**

Companies name trademarks, service marks and copyrighted materials are owned by the Company. The use of such marks and materials must be in strict compliance with these Policies and Procedures.

### **7.02 ADVERTISING & PROMOTIONAL MATERIALS**

Only the promotional and advertising materials produced by Company or approved in advance in writing by Company may be used to advertise or promote a Independent Sales Representative's business or to sell products and services of Company. Company's literature and materials may not be duplicated or reprinted without the prior written permission.

### **7.03 USE OF COMPANY NAME**

Independent Sales Representatives may use the name of Company only in the following format: "Independent Independent Sales Representative for Elite Fit Forever".

### **7.04 STATIONERY AND BUSINESS CARDS**

Independent Sales Representatives are not permitted to "create" their own stationery, business cards or letterhead graphics, if Company's trade name or trademarks are used. Only the approved Company's graphics version and wording are permitted; letterhead, envelopes and business cards must be ordered using the online/stationery order form.

### **7.05 ELECTRONIC ADVERTISING**

Independent Sales Representatives may not advertise or promote their Independent Sales Representative business or Company's business, products or marketing plan or use Company's name in any electronic media or transmission, including on the Internet via web sites or otherwise, without the prior written approval of Company's legal department.

### **7.06 TELEPHONE LISTING**

Independent Sales Representatives are not permitted to use Company's trade name in advertising their telephone and telecopy numbers in the white or yellow page sections of the telephone book. Independent Sales Representatives are not permitted to list their telephone numbers under Company's trade name without first obtaining Company's prior written approval. If approval is granted for an "800" listing, it must be stated in the following manner: "Independent Independent Sales Representative for Company".

### **7.07 TELEPHONE ANSWERING**

Independent Sales Representatives may not answer the telephone by saying "Elite Fit Forever," or in any other manner that would lead the caller to believe that he or she has reached the offices of the Company.

### **7.08 IMPRINTED CHECKS**

Independent Sales Representatives are not permitted to use Company trade name or any of its trademarks or service marks on their business or personal checking accounts.

### **7.09 MEDIA INTERVIEWS**

Independent Sales Representatives are prohibited from granting radio, television, newspaper tabloid or magazine interviews or using public appearances, public speaking engagements, or making any type of statement to the public media to publicize the Company, its products or Company businesses, without the express prior written approval of Company. All media inquires should be in writing and referred to Company's corporate office, legal department.



## **7.10 ENDORSEMENTS**

No endorsements by a Company officer or administrator or third party may be asserted, except as expressly communicated in Company literature and communications. Federal and state regulatory agencies do not approve or endorse direct selling programs.

Therefore, Independent Sales Representatives may not represent or imply, directly or indirectly, that Company's programs, products or services have been approved or endorsed by any governmental agency.

## **7.11 RECORDINGS**

Independent Sales Representatives may not produce or reproduce for sale or personal use products sold by Company or any Company-produced literature, audio or video material, presentations, events or speeches, including conference calls. Video and/or audio taping of Company meetings and conferences is strictly prohibited.

## **7.12 REPACKAGING PROHIBITED**

Independent Sales Representatives may not repackage products or materials of Company.

## **7.13 INDEPENDENT COMMUNICATIONS**

Independent Sales Representatives, as Independent Contractors, are encouraged to distribute information and direction to their respective Downlines. However Independent Sales Representatives must identify and distinguish between personal communications and the official communications of Company.

## **SECTION EIGHT: PAYMENT OF COMMISSIONS**

### **8.01 BASIS FOR COMMISSIONS**

Commissions and other compensation cannot be paid until a completed Agreement has been received and accepted by Company. Commissions are paid ONLY on the sale of Company services and products. No commissions are paid on the purchase of Sales materials or for Sponsoring Independent Sales Representatives. In order to receive commissions on products and services sold, Company must have received and accepted an Agreement prior to the end of the commission period in which the sale is made.

### **8.02 COMMISSION PERIOD**

A business period refers to the time period opening on the first (1st) day of the commission period and extending up until order entry closes on the last business day of the period (5:00 p.m.). Company offices are open Monday through Friday 9 a.m.-6 p.m., with the exception of certain holidays as posted by Company.

### **8.03 COMMISSION PAYMENTS**

Commissions are paid to "qualified" Independent Sales Representatives as defined within the Compensation Plan. Independent Sales Representatives must consult the Compensation Plan for a detailed explanation of the benefits, commission structure and requirements of the Compensation Plan.

### **8.04 OFFSET OF COMMISSIONS**

Any commissions or bonuses earned and paid on products returned is the obligation of and must be repaid to Company by Independent Sales Representatives earning such commissions. Company has the right to offset such amounts against future commissions and other compensation paid or owed to such Independent Sales Representatives who received commissions.

## **SECTION NINE: PURCHASE & SALE OF PRODUCTS**

### **9.01 STOCKPILING PROHIBITED**

The success of Company depends on retail sales to the ultimate consumer; therefore all forms of stockpiling are prohibited. Company recognizes that Independent Sales Representatives may wish to purchase certain products for their own use. However, Company strictly prohibits the purchase of products in unreasonable amounts and prohibits the purchase of products only or primarily to qualify for compensation.

### **9.02 RETAIL SALES RULES**

Independent Sales Representatives must save a copy of the Retail Sales Slip given to retail customers; receipt shall be fully completed and include the name, address and phone number of each retail customer and, upon request by Company, provide copies of such receipts to Company. If Company determines that retail sales were not actually made, the Independent Sales Representative must repay Company all commissions earned during the calendar period in which the retail sales were to have been made.

### **9.03 OVER 70% RULE**

In order to receive commissions and overrides, Independent Sales Representatives must certify on each product order form that they have sold over seventy percent (70%) in dollar value of all products and commissionable services previously purchased by the Independent Sales Representative at wholesale from the company, to Non-Independent Sales Representative consumers. Independent Sales Representatives shall maintain retail sales records available to the company for inspected on request.

### **9.04 ORDERING METHODS**

All orders submitted to Company shall have the Independent Sales Representative Identification Number placed thereon to assist Company in crediting the appropriate Independent Sales Representative..

### **9.05 PAYMENT OPTIONS**

Purchases may be paid by cashier's check, ACH, debit card, money order, or major credit card. The Independent Sales Representative and retail customers are responsible for paying the costs of any returned checks plus an administrative fee charged by Company, which fee may change at any time based on past payment history of the customer. If an underpayment is made, the order will not be processed until the full amount is received by Company. If an overpayment is made, Company will process the order and issue a credit to Independent Sales Representative's account, which will automatically refund on the next commission check paid to Independent Sales Representative. Orders will not be processed if cancellation of a credit card is made. Orders for products are not effective until accepted by Company. To expedite shipping, Independent Sales Representatives may authorize Company to keep a valid credit card on file as security for payment. Overdue amounts will accrue interest at the annual rate of 18% or at a higher if permitted by law.

### **9.06 SHIPPING AND HANDLING POLICY**

Subject to availability all products will be shipped by UPS or other similar service within approximately three (3) business days of receipt of payment. Payment for products shall be made at time of order. At Independent Sales Representative's option, the product may be shipped to a customer's designated "Ship-To address", or to the Independent Sales Representative.

### **9.07 PRODUCT DELIVERY**

Upon clearance of payment, the products and materials ordered will be shipped.

### **9.08 BACK ORDER POLICY**

Company will expeditiously ship all products currently in stock. Any out-of-stock items (unless discontinued) will be placed on back order and distributed upon Company receiving additional inventory. Independent Sales Representative will be charged and granted commissions on back ordered items once they are shipped unless notified of the discontinuance of such product. Back orders may be cancelled upon Independent Sales Representative's request and will create a credit on the Independent Sales Representative's account.

### **9.09 DAMAGED GOODS**

The shipping company is responsible for any damage that occurs after it takes physical custody of the products. A Independent Sales Representative who receives damaged goods should follow this procedure:

- Accept delivery;
- Before the driver leaves, document on the delivery receipt the number of boxes which seem to be damaged and have the driver acknowledge the damage in writing;
- Save the damaged products or boxes for inspection by the shipping agent;
- Make an appointment with the shipping company to have the damaged goods inspected, and call the Company Customer Service Department.

### **9.10 SHIPPING LOSS**

In the event Independent Sales Representative or a consumer does not receive a product order from Company in a timely fashion, the individual should contact the Sales Department at Elite Fit Forever.

### **9.11 REFUSED SHIPMENTS**

Should Independent Sales Representative refuse delivery on any order he or she has placed with Company and such product is subsequently returned to Company; Company shall have the right to place that Independent Sales Representative on suspension pending resolution of the refusal of delivery. Neither Independent Sales Representative nor a consumer shall refuse any shipment from Company unless prior approval of Company has been obtained.

### **9.12 PRICING POLICY**

Company will furnish Independent Sales Representatives with a discount from its published retail prices in its then current consumer catalog or order form in accordance with its policies. This discount does not apply to literature, business aids, gifts or special promotional items. Prices for Company's products, services and literature are subject to change without prior notice.

### **9.13 RECEIPTS**

Independent Sales Representatives must provide all retail purchasers of Company's products with written receipts.

### **9.14 RETAIL PRICING**

Company provides a suggested retail price as a guideline.

### **9.15 PROMOTIONAL ITEMS**

All promotional items which bear Company name or logo must be purchased solely from Company unless prior written permission is obtained from Company.

### **9.16 SALES TAX**

Company may collect sales tax on taxable items. Independent Sales Representatives may be responsible to collect and remit sales tax on personal retail sales to the appropriate tax agencies.

#### **9.17 PLACE OF SALE**

The integrity of Company's marketing plan is built upon person-to-person, one-on-one and in-home presentation methods of sale. Company's products may not be sold to or displayed by any retail outlet, including, but not limited to supermarkets or food stores, flea markets or swap meets, permanent restaurant displays, bars or night clubs or any such similar establishment, convenience stores or gas stations.

#### **9.18 PRODUCT & SERVICES CLAIMS**

Independent Sales Representatives may make no claim, representation or warranty concerning any product or service of Company, except those expressly approved in writing by Company or contained in official Company materials.

#### **9.19 FAX BLASTS, SPAMMING**

Fax blasting and unsolicited e-mailing (SPAMMING) is prohibited.

### **SECTION TEN: RETAIL GUARANTEE & REFUND POLICY**

#### **10.01 RETAIL CUSTOMER GUARANTEE**

Independent Sales Representative offers a thirty (30) day, 100% money-back, and satisfaction guarantee to all retail customers. If a retail customer is dissatisfied with any product for any reason, then the retail customer may return that product in its original package and shipping container to the Independent Sales Representative who sold the product within thirty (30) days of purchase, for either replacement or a full refund of the purchase price. All other warranties and guarantees are disclaimed.

#### **10.02 WARRANTIES**

Except as expressly stated herein, Company makes no warranty or representation as to the merchantability, fitness for a particular purpose, workmanship or any other warranty concerning any product or service purchased from or through Company.

#### **10.03 RETURN POLICIES**

To return products you must obtain a return merchandise authorization (RMA) and return the products within 7 days after you receive the RMA. Company will refund the original purchase price of products, and related sales taxes. SHIPPING & HANDLING FEES ARE NOT REFUNDABLE. YOU ARE RESPONSIBLE FOR PRODUCTS UNTIL Company RECEIVES THEM. YOU WILL BE CHARGED A RESTOCKING FEE OF 10% TO RETURN PRODUCTS. Returned products must be in the same condition as you received them. THIS RETURN POLICY IS NOT A WARRANTY.

NOTE: Company will not accept for return any products you purchased from a Reseller. In order to properly process a refund or exchange, Independent Sales Representatives must follow the steps and conditions set forth below:

All returns to Company must be accompanied by:

- A signed statement from the retail customer identifying the reason for the return;
- A copy of the original retail sales receipt; and
- The name, address and telephone number of the retail customer
- Company will prepay the cost of shipping the replacement product(s).

Independent Sales Representative request for refund may, at company's option, be treated as a termination of the Independent Sales Representativeship.

#### **10.04 BUYER'S RIGHT TO CANCEL**

Federal law grants a buyer the right to cancel certain sales without penalty prior to midnight of the third business day after the transaction. This rule covers retail consumer sales of \$25.00 or more that occur away from the seller's main office. Independent Sales Representatives must orally inform the buyer of the three-day right to cancel at the time the buyer purchases the goods and deliver 2 three-day cancellation notices to every customer.

## **SECTION ELEVEN: GENERAL PROVISIONS**

### **11.01 INDEMNITY AGREEMENT**

Each and every Independent Sales Representative agrees to indemnify and hold harmless Company, its shareholders, officers, directors, employees, agents and successors in interest from and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys' fees, asserted against or suffered or incurred by any of them, directly or indirectly arising out of or in any way related to or connected with allegedly or otherwise, the Independent Sales Representatives (a) activities as Independent Sales Representative; (b) breach of the terms of the Agreement; and/or (c) violation of or failure to comply with any applicable federal, state or local law or regulation.

### **11.02 PROCESSING CHARGES**

Company reserves the right to institute a processing charge for commission checks and/or genealogy requests.

### **11.03 OTHER SERVICES & PRODUCTS**

Independent Sales Representatives may not promote or sell another company's products or services at functions organized to feature Company's products. Independent Sales Representatives are not restricted from selling other company's services and products which are not similar to or competitive with the products and services of Company. However promotion of competitive services, products and/or business programs with anyone, including Independent Sales Representatives, is strictly prohibited.

### **11.04 LIABILITY**

To the extent permitted by law, Company shall not be liable for, and each Independent Sales Representative releases Company from, and waives all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by Independent Sales Representative as a result of (a) the breach by Independent Sales Representative of the Agreement and/or the Terms and Conditions and/or the Policies and Procedures; (b) the operation of Independent Sales Representative's business; (c) any incorrect or wrong data or information provided by Independent Sales Representative; or (d) the failure to provide any information or data necessary for Company to operate its business, including, without limitation, the enrollment and acceptance of Independent Sales Representative into the Compensation Plan or the payment of commissions and bonuses.

### **11.05 RECORDKEEPING**

Company encourages all Independent Sales Representatives to keep complete and accurate records of all their business dealings.

### **11.06 FORCE MAJEURE**

Company shall not be responsible for delays or failure in performance caused by circumstances beyond a party's control, such as but not limited to: fire, flood,

earthquake, storm, power outages, labor difficulties, strikes, war, government decrees or orders and/or curtailment of a party's usual source of supply.

#### **11.07 VIOLATIONS**

It is the obligation of every Independent Sales Representative to abide by and maintain the integrity of the Policies and Procedures and Terms and Conditions. If Independent Sales Representative observes another Independent Sales Representative committing a violation, he or she should discuss the violation directly with the violating Independent Sales Representative. If the Independent Sales Representative wishes to report such violation to Company, he or she must detail violations in writing only and mark the correspondence "Attention: Legal Department".

#### **11.08 AMENDMENTS**

Company reserves the right to amend the Agreement, Policies and Procedures, Terms and Conditions, its retail prices, product and service availability and the Compensation Plan type at any time without prior notice as it deems appropriate. Amendments will be communicated to Independent Sales Representatives through official Company website and or official Company publications. Amendments are effective and binding upon submission to the Company website. In the event any conflict exists between the original documents or policies and any such amendment, the amendment will control.

#### **11.09 NON-WAIVER PROVISION**

No failure of Company to exercise any power under these Policies and Procedures or to insist upon strict compliance by Independent Sales Representative with any obligation or provision herein, and no custom or practice of the parties at variance with these Policies and Procedures, shall constitute a waiver of Company's right to demand exact compliance with these Policies and Procedures. Company's waiver of any particular default by Independent Sales Representative shall not affect or impair Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other Independent Sales Representative. No delay or omissions by Company to exercise any right arising from a default effect or impair Company's rights as to that or any subsequent or future default. Waiver by Company can be affected only in writing by an authorized officer of Company.

#### **11.10 GOVERNING LAW**

The Agreement and these Policies and Procedures shall be governed by the laws of Miami Beach FL United States.

#### **11.11 DISPUTES**

In the event a dispute arises between the Company and a Independent Sales Representative regarding their respective rights, duties under this agreement, or in the event of a claim of breach of the Independent Sales Representative Agreement, it is agreed that such dispute shall be exclusively resolved pursuant to binding arbitration under the Commercial Rules of the American Arbitration Association with arbitration to occur at Miami Beach FL United States. The Arbitrator may award, in addition to declaratory relief, contractual damages and shall award reasonable attorney's fees and costs to the prevailing party. An award of attorney's fees and costs shall continue through any review, appeal or enforcement of an arbitration decision. The arbitration decision may be enforced in any court of competent jurisdiction. This provision shall not be construed so as to prohibit either party from obtaining preliminary or permanent injunctive relief in any court of competent jurisdiction. The parties each expressly waive

their right to collect consequential, punitive and exemplary damages from the other party.

#### **11.12 ENTIRE AGREEMENT**

The Policies and Procedures are incorporated into the Agreement and, along with the Terms and Conditions and Compensation Plan, constitute the entire agreement of the parties regarding their business relationship.

#### **11.13 SEVERABILITY**

If under any applicable and binding law or rule of any applicable jurisdiction, any provision of the Agreement, including these Policies and Procedures and Terms and Conditions, or any specification, standard or operating procedure which Company has prescribed is held to be invalid or unenforceable, Company shall have the right to modify the invalid or unenforceable provision, specification, standard or operating procedure or any portion thereof to the extent required to be valid and enforceable, and the Independent Sales Representative shall be bound by any such modification. The modification will be effective only in the jurisdiction in which it is required.

#### **11.14 LIMITATION OF DAMAGES**

**TO THE EXTENT PERMITTED BY LAW, COMPANY AND ITS INDEPENDENT SALES REPRESENTATIVES, OFFICERS, DIRECTORS, EMPLOYEES AND OTHER REPRESENTATIVES, SHALL NOT BE LIABLE FOR, AND INDEPENDENT SALES REPRESENTATIVE HEREBY RELEASE THE FOREGOING FROM, AND WAIVE ANY CLAIM FOR LOSS OF PROFIT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES WHICH MAY ARISE OUT OF ANY CLAIM WHATSOEVER RELATING TO COMPANY PERFORMANCE, NONPERFORMANCE, ACT OR OMISSION WITH RESPECT TO THE BUSINESS RELATIONSHIP OR OTHER MATTERS BETWEEN ANY COMPANY AND COMPANY, WHETHER SOUNDING IN CONTRACT TORT OR STRICT LIABILITY. COMPANY SHALL NOT EXCEED AND IS HEREBY EXPRESSLY LIMITED TO, THE AMOUNT OF UNSOLD COMPANY SERVICES AND/OR PRODUCTS OF COMPANY OWNED BY THE INDEPENDENT SALES REPRESENTATIVE AND ANY COMMISSIONS OWED TO THE INDEPENDENT SALES REPRESENTATIVE.**

#### **11.15 NOTICE**

Any communication, notice or demand of any kind whatsoever which either the Independent Sales Representative or Company may be required or may desire to give or to serve upon the other shall be in writing and delivered by electronic communication whether by telex, telegram, Email or telecopy (if confirmed in writing sent by registered or certified mail, postage prepaid, return receipt requested). Any such communication, notice or demand shall be deemed to have been given or served on the date of confirmed dispatch, if by electronic communication, or on the date shown on the return receipt or by other evidence if delivery is by mail.

#### **Home Office:**

#### **Elite Fit Forever**

4302 Alton Road

Miami Beach FL 33140

United States

**Email: [info@elitefitforever.com](mailto:info@elitefitforever.com)**

**Phone: 305.902.2358**

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