

Company Policy and Procedures The Code of Professional Conduct

10:10 Forever Living Products Scandinavia AB

Contents

| | | |
|----------|--|-----------|
| 1 | Introduction..... | 6 |
| 1.1 | The company | 6 |
| 1.1.1 | Small financial outlay | 6 |
| 1.2 | The Concept | 6 |
| 2 | About the Company Policies and Procedures The Code of Professional Conduct | 6 |
| 2.1 | Presentation of the Company Policies and Procedures The Code of Professional Conduct | 6 |
| 2.2 | Changes | 7 |
| 3 | Agreement..... | 7 |
| 3.1 | Parties | 7 |
| 3.1.1 | Forever Living Products Scandinavia AB. Org.nr: 556534-5260..... | 7 |
| 3.1.2 | An independent distributor, so-called Independent Forever Business Owner, and second-named person distributors. | 7 |
| 3.2 | Term of the Agreement..... | 7 |
| 3.3 | Distributorship | 7 |
| 3.3.1 | Distributorships in general..... | 7 |
| 3.3.2 | Notifications..... | 8 |
| 3.4 | Rights..... | 8 |
| 3.4.1 | Forever | 8 |
| 3.4.2 | The FBO..... | 9 |
| 3.5 | Obligations | 9 |
| 3.5.1 | Forever | 9 |
| 3.5.2 | The FBO..... | 9 |
| 3.6 | Distributor agreement for companies..... | 11 |
| 3.6.1 | Terms and conditions for companies..... | 11 |
| 3.7 | VAT and tax | 11 |
| 3.7.1 | VAT registration | 11 |
| 3.7.2 | Discounts..... | 11 |
| 3.8 | Costs..... | 12 |
| 3.9 | Loss of income..... | 12 |
| 3.10 | Transfers..... | 12 |
| 3.10.1 | Transfers of rights and obligations | 12 |
| 3.10.2 | Transfers of distributorships in the event of death | 12 |
| 3.10.3 | Transfers of distributorships through separation | 13 |
| 3.11 | Penalties for breaches of the Company Policies and Procedures The Code of Professional Conduct and policies..... | 13 |
| 3.11.1 | Caution and warnings | 13 |
| 3.11.2 | Suspension | 13 |
| 3.11.3 | Deductions from payments | 13 |
| 3.11.4 | Incentives and other remuneration | 13 |
| 3.11.5 | Termination | 13 |
| 3.11.6 | Termination of the Agreement due to breach of agreement or insolvency | 13 |
| 3.12 | Expiration of the Agreement..... | 14 |
| 3.12.1 | Termination | 14 |
| 3.12.2 | Other early termination | 14 |
| 3.12.3 | Consequences of termination of the Agreement | 15 |
| 3.12.4 | Obligations when the Agreement ends | 15 |
| 4 | Definitions | 15 |
| 4.1 | Business presentation | 15 |

| | | |
|----------|--|-----------|
| 4.2 | Bonus, discount and profit | 15 |
| 4.2.1 | Personal discount..... | 15 |
| 4.2.2 | Novus Customer bonus | 16 |
| 4.2.3 | Novus Customer Pricing | 16 |
| | Preferred Customer Profit | 16 |
| 4.2.4 | Volume Bonus | 16 |
| 4.2.5 | Leadership Bonus (LB)..... | 16 |
| 4.3 | Case Credits (CC) | 16 |
| 4.3.1 | Personal CC | 16 |
| 4.3.2 | Novus Preferred Customer CC | 16 |
| 4.3.3 | Activity CC..... | 16 |
| 4.3.4 | New CC..... | 16 |
| 4.3.5 | Non-Manager CC..... | 16 |
| 4.3.6 | Pass-Thru CC | 16 |
| 4.3.7 | Total CC | 16 |
| 4.4 | Direct sales | 17 |
| 4.5 | Earned Trip | 17 |
| 4.6 | FBO (Independent Forever Business Owner) | 17 |
| 4.6.1 | Active FBO..... | 17 |
| 4.6.2 | Leadership Bonus-qualified Manager | 17 |
| 4.7 | Home country | 17 |
| 4.8 | Invited Trip | 17 |
| 4.9 | Customer (retail customer) | 17 |
| 4.10 | Forever's Customer Club (customer care programme)..... | 17 |
| 4.11 | Marketing Plan | 17 |
| 4.12 | Bonus-buying..... | 17 |
| 4.13 | Medical or health claims | 18 |
| 4.14 | Policy | 18 |
| 4.15 | Prices | 18 |
| 4.15.1 | Retail price (suggested retail price) | 18 |
| 4.15.2 | NCP PCP price/NCP PCP discount (Novus Preferred Customer Pricing) | 18 |
| 4.15.3 | Wholesale Price | 18 |
| 4.16 | Products | 18 |
| 4.17 | Prospect | 18 |
| 4.18 | Team/organization | 18 |
| 4.18.1 | Own team/organization..... | 18 |
| 4.18.2 | Recruit/sponsor | 18 |
| 4.18.3 | Sponsor | 18 |
| 4.18.4 | Manager..... | 18 |
| 4.18.5 | Upline..... | 19 |
| 4.18.6 | Downline..... | 19 |
| 4.18.7 | Firstline (personally sponsored FBO) | 19 |
| 4.18.8 | Non-Manager group (Open group)..... | 19 |
| 4.18.9 | Responsored FBO..... | 19 |
| 4.19 | Team Marketing/Network Marketing/Multi-Level-Marketing (MLM)..... | 19 |
| 4.20 | The Forever brand..... | 20 |
| 4.21 | Business area..... | 20 |
| 4.22 | Waiver | 20 |
| 4.22.1 | Activity Qualification Waiver | 20 |
| 4.22.2 | Leadership Bonus Qualification Waiver | 20 |
| 4.23 | Wholesale Qualified | 20 |
| 4.24 | 36-month rule (Valid from 1 Nov 2020) | 20 |
| 5 | Product purchases | 21 |
| 5.1 | Delivery | 21 |
| 5.2 | Orders and payment | 21 |
| 5.2.1 | Product purchases | 21 |

| | | |
|----------|---|-----------|
| 5.2.2 | Advance payment | 21 |
| 5.2.3 | Receiving orders..... | 21 |
| 5.2.4 | Bonus-buying | 21 |
| 5.2.5 | Purchases in another person's name | 21 |
| 5.3 | Buy-back | 21 |
| 5.3.1 | Returns at the end of the Agreement | 21 |
| 5.3.2 | Returns under right of withdrawal | 22 |
| 5.3.3 | Consequences (Marketing Plan, incentives, bonus etc.) | 22 |
| 5.3.4 | Profile material and printed material | 22 |
| 6 | Guarantee and insurance | 23 |
| 6.1 | Customer Satisfaction Guarantee | 23 |
| 6.1.1 | Retail/Novus Preferred Customer..... | 23 |
| 6.1.2 | FBO/Novus Preferred Customer | 23 |
| 6.1.3 | Consequences of a mismanaged customer guarantee | 23 |
| 6.2 | Products | 24 |
| 6.2.1 | Responsibility | 24 |
| 6.2.2 | Defective product | 24 |
| 7 | Marketing and sales..... | 24 |
| 7.1 | Brand | 24 |
| 7.1.1 | Brand use | 24 |
| 7.2 | Marketing..... | 25 |
| 7.2.1 | General rules..... | 25 |
| 7.2.2 | Internet policy (see also the "social media policy" on the website) | 26 |
| 7.3 | Medical, nutrition and health claims | 27 |
| 7.3.1 | Prevailing legislation and rules | 27 |
| 7.3.2 | Approved and non-approved claims..... | 27 |
| 7.3.3 | Medicinal products | 27 |
| 7.3.4 | Implicit medical intention | 27 |
| 7.3.5 | Examples of medical claims | 28 |
| 7.3.6 | Examples of non-medical claims..... | 28 |
| 7.3.7 | Examples of nutrition claims..... | 28 |
| 7.3.8 | Examples of health claims..... | 28 |
| 7.3.9 | Cosmetic products | 28 |
| 7.4 | Sales | 28 |
| 7.4.1 | Selling expenses | 28 |
| 7.4.2 | Profit | 28 |
| 7.4.3 | Prices..... | 28 |
| 7.4.4 | Products | 29 |
| 7.4.5 | Responsibility..... | 29 |
| 7.4.6 | Exports | 29 |
| 7.4.7 | Sales to companies | 29 |
| 7.4.8 | Place of sale | 29 |
| 7.4.9 | Online sales..... | 30 |
| 7.4.10 | External events | 30 |
| 8 | General obligations and responsibilities | 31 |
| 8.1 | GDPR | 31 |
| 8.1.1 | Events..... | 31 |
| 8.2 | Confidentiality | 31 |
| 8.2.1 | Data and documentation | 31 |
| 8.2.2 | Courts and official decisions | 32 |
| 8.3 | Force majeure | 32 |
| 8.3.1 | Liberating circumstances | 32 |
| 8.4 | Limitation on liability for damages..... | 33 |
| 8.5 | Disputes..... | 33 |
| 8.6 | Interpretation of the Agreement | 33 |

| | | |
|-----------|--|-----------|
| 8.6.1 | Entire agreement and related provisions | 33 |
| 8.7 | Duration | 33 |
| 9 | Marketing Plan | 33 |
| 9.1 | Marketing Plan levels | 33 |
| 9.1.1 | Novus Preferred Customer | 33 |
| 9.1.2 | Assistant Supervisor | 34 |
| 9.1.3 | Supervisor | 34 |
| 9.1.4 | Assistant Manager | 34 |
| 9.1.5 | Recognized Manager | 34 |
| 9.1.6 | Unrecognized Manager | 35 |
| 9.1.7 | Manager Recognition | 35 |
| 9.1.8 | Senior Manager | 36 |
| 9.1.9 | Soaring Manager | 36 |
| 9.1.10 | Sapphire Manager | 36 |
| 9.1.11 | Diamond Sapphire Manager | 36 |
| 9.1.12 | Diamond Manager | 36 |
| 9.1.13 | Double Diamond Manager | 36 |
| 9.1.14 | Triple Diamond Manager | 36 |
| 9.1.15 | Diamond Centurion Manager | 37 |
| 9.1.16 | Inherited and Transferred Manager: | 37 |
| 9.1.17 | Sponsored Manager | 37 |
| 9.1.18 | Other information about qualification | 37 |
| 9.1.19 | Recognition | 38 |
| 10 | Bonus structure | 39 |
| 10.1 | Bonus structure | 39 |
| 10.1.1 | Discounts | 39 |
| 10.1.2 | Commission | 39 |
| 10.1.3 | Volume Bonus from downline at the same level | 39 |
| 10.2 | Bonus structure per level | 39 |
| 10.2.1 | Novus Preferred Customer | 39 |
| 10.2.2 | Assistant Supervisor (Wholesale Qualified) receives: | 39 |
| 10.2.3 | Supervisor (Wholesale Qualified) receives: | 40 |
| 10.2.4 | Assistant Manager (Wholesale Qualified) receives: | 40 |
| 10.2.5 | Manager, recognized or unrecognized (Wholesale Qualified) receives: | 40 |
| 10.3 | Activity | 41 |
| 10.4 | How discounts are deducted | 41 |
| 10.5 | How commission is paid | 41 |
| 10.5.1 | In the event of a mistake | 41 |
| 10.6 | Leadership Bonus (LB) | 41 |
| 10.6.1 | The Leadership Bonus is paid as follows: | 41 |
| 10.6.2 | Qualification | 42 |
| 10.7 | Gem Bonus | 43 |
| 10.7.1 | Qualification | 43 |
| 10.7.2 | The Gem Bonus is paid as follows: | 43 |
| 10.7.3 | Downline Managers in other countries | 43 |
| 11 | Team | 43 |
| 11.1 | Team responsibilities | 43 |
| 11.1.1 | Customer Satisfaction Guarantee | 43 |
| 11.1.2 | Causing another FBO to cancel/responsored his/her agreement | 43 |
| 11.2 | Communication | 44 |
| 11.2.1 | Private/personal data | 44 |
| 11.3 | Recruitment | 44 |
| 11.3.1 | Procedures | 44 |
| 11.3.2 | Registration/recruitment rules | 44 |
| 11.3.3 | Breaches of the recruitment rules | 45 |

| | | |
|-----------|--|-----------|
| 11.4 | Responsoring Policies..... | 46 |
| 11.4.1 | Responsor for Novus Preferred Customers (the 6-month rule) | 46 |
| 11.5 | Re-registration | 46 |
| 11.6 | International sponsoring Policies | 46 |
| 11.6.1 | Procedures | 47 |
| 11.6.2 | Legislation and rules | 47 |
| 11.6.3 | Market level | 47 |
| 11.6.4 | Sponsor | 47 |
| 11.6.5 | Recruitment | 47 |
| 11.6.6 | Team | 47 |
| 11.6.7 | Activity | 47 |
| 12 | Re-location | 48 |
| 13 | Incentives | 48 |
| 13.1 | Forever2Drive (Earned Incentive) | 48 |
| 13.1.1 | Qualifications | 48 |
| 13.1.2 | Reward levels..... | 49 |
| 13.1.3 | Payment | 49 |
| 13.1.4 | Qualifying for a higher level | 49 |
| 13.1.5 | Re-qualification | 49 |
| 13.1.6 | Application | 49 |
| 13.2 | Eagle Manager..... | 50 |
| 13.2.1 | Qualification requirements..... | 50 |
| 13.2.2 | Qualifying as a Senior Manager or higher..... | 50 |
| 13.2.3 | New CC..... | 50 |
| 13.2.4 | Level at the beginning of qualification..... | 50 |
| 13.2.5 | Business area | 51 |
| 13.2.6 | The FBO becomes a Manager after the qualification period begins | 51 |
| 13.2.7 | Rewards | 51 |
| 13.3 | Global Rally..... | 51 |
| 13.3.1 | Qualification requirements and rewards..... | 51 |
| 13.4 | Chairman's Bonus..... | 52 |
| 13.4.1 | Definitions..... | 52 |
| 13.4.2 | Core requirements..... | 52 |
| 13.4.3 | Chairman's Bonus Manager level requirements..... | 53 |
| 13.4.4 | Chairman's Bonus Manager Level 1 | 53 |
| 13.4.5 | Chairman's Bonus Manager Level 2 | 53 |
| 13.4.6 | Chairman's Bonus Manager Level 3 | 54 |
| 13.4.7 | Other | 54 |
| 13.5 | Chairman's Bonus – share of the bonus pool..... | 54 |
| 13.5.1 | Calculating the bonus | 54 |
| 13.5.2 | Allocation | 55 |
| 13.6 | Chairman's Bonus Global Rally Rewards..... | 55 |
| 13.7 | Global Leadership Team (GLT) | 55 |
| 13.7.1 | Global Retreat for the Global Leadership Team (GLT) | 55 |
| 13.8 | Incentive Trips | 55 |
| 13.8.1 | Invited Trip – explanation | 55 |
| 13.8.2 | Earned Trip – explanation | 56 |
| 13.8.3 | General qualification rules..... | 56 |
| 13.9 | KEY Scandinavia..... | 56 |
| 13.9.1 | Qualification requirements..... | 56 |
| 13.9.2 | KEY Scandinavia Platinum | 57 |
| 13.10 | The FBO's liability to pay compensation for travel and accommodation paid for by Forever | 57 |
| 13.10.1 | Pre-accept | 57 |
| 13.10.2 | Cancellation, rebooking and amendments | 57 |
| 13.10.3 | Guests in the event of cancellation | 57 |
| 13.10.4 | Travel insurance..... | 57 |

| | | |
|---------|--|----|
| 13.10.5 | Cancellation in the event of acute illness | 57 |
| 13.10.6 | Cancellation without a valid reason..... | 57 |
| 13.10.7 | No show | 58 |
| 13.10.8 | Checking the information | 58 |
| 13.10.9 | See also the rules/cancellation rules that apply in each specific travel situation. | 58 |

1 Introduction

1.1 The company

Forever Living Products Scandinavia AB (known as “Forever”) is a Swedish company whose geographical business area comprise Norway (including Svalbard), Denmark (including Greenland and the Faroe Islands), Finland (including Åland) and Sweden. Forever is a subsidiary of Forever Living Products International Inc., which sells and distributes products relating to health, nutrition and beauty. Forever sells products to independent distributors (called “Independent Forever Business Owners” or “FBOs”).

Forever has a bonus system that gives active FBOs discounts based on their own purchases and commission based on their own team’s product sales, in accordance with the prevailing rules in the bonus structure.

1.1.1 Small financial outlay

Forever does not set a minimum purchase threshold, which gives new FBOs the opportunity to try out the working method without making a big financial outlay.

1.2 The Concept

Forever has developed a business concept (“the Concept”) whereby products are distributed via independent FBOs to the retail customer through direct sales. Forever’s business is based on the Concept and relies on the consistent application of the Concept by the FBOs. The Concept includes training, various incentives and a system for recruiting new FBOs to increase sales as well as support for FBOs through ongoing training and further incentives. The Concept also includes a non-exclusive right for FBOs to use Forever’s brand, other trade names, product images, descriptions and other copyright protected material along with Forever’s know-how, business strategies, sales methods, marketing material and access to a web-based retail solution.

2 About the Company Policies and Procedures The Code of Professional Conduct

2.1 Presentation of the Company Policies and Procedures The Code of Professional Conduct

These Company Policies and Procedures The Code of Professional Conduct (also known as the “Agreement” and/or “Distributor Agreement”) regulate Forever’s and the FBO’s basic rights and obligations to each other (sections 2, 3 and 8), explain terminology and describe how Forever is structured as an organization and the FBO’s position within the organization (section 4), describe how to make product purchases (section 5) and which rules the FBO must observe when making a purchase (sections 6 and 7). These Company Policies and Procedures The Code of Professional Conduct also describe Forever’s Marketing Plan (section 9) and bonus structure (section 10), and include various rules regarding teams (section 11), re-location (section 12) and incentives (section 13).

2.2 Changes

Forever reserves the right to make changes to any of its rules or policies. The FBO shall be notified of changes by e-mail or via the website at least thirty (30) days before they come into effect. The FBO undertakes to inform Forever by the end of the 30 days at the latest if he/she does not accept the change. Otherwise the FBO shall be bound by the change. If the FBO does not accept the change, Forever has the right to cancel the Agreement with immediate effect.

3 Agreement

This Agreement refers to operations in the country or geographical area where the FBO is registered.

3.1 Parties

3.1.1 Forever Living Products Scandinavia AB. Org.nr: 556534-5260

Kvarnbygatan 2B, 431 34 Mölndal, Sweden
Hereafter referred to as "Forever" or "the office".

3.1.2 An independent distributor, so-called Independent Forever Business Owner, and second-named person distributors.

Hereafter referred to as the "FBO" and "second-named person".

3.2 Term of the Agreement

The Agreement comes into force when the prospect has registered all the necessary information in the application form to become an FBO on Forever's website and in connection with this approved Agreement and every document to which the Agreement refers. The Agreement is valid until further notice. This Agreement is reaffirmed every time an order is placed on Forever's website.

3.3 Distributorship

3.3.1 Distributorships in general

3.3.1.1 The FBO is not employed by Forever, instead under this Agreement he/she has the right to distribute and sell Forever's products as an independent distributor and recruit new FBOs as described in more detail in §3.4 and §3.5.

3.3.1.2 An FBO shall undergo a certain level of training and meet the requirements set out in this Distributor Agreement. Sales of Forever's products shall be in accordance with Forever's concept, sales strategy and other requirements, which are set out in this Distributor Agreement, and with Forever's other instructions. The FBO may only sell Forever's products to retail customers or other FBOs.

3.3.1.3 During the term of the Agreement and for twelve (12) months after that, the FBO may not be engaged in action which means that another FBO or Forever customer becomes a seller or equivalent in another Team/Network Marketing company (see also the direct selling association's code of conduct) or that another FBO ceases to be an FBO. If this rule is broken, the Agreement with the FBO may be cancelled.

3.3.1.4 During the term of the Agreement, the FBO may not appear in marketing material for other Teams/Network Marketing companies.

3.3.1.5 Furthermore, during the term of the Agreement and after that the FBO may not attempt to build up or establish a business operation that could be detrimental to other FBOs, his/her team or Forever.

- 3.3.1.6 The FBO may not speak disparagingly to other FBOs or third parties about other FBOs in such a way that could be detrimental to the other FBOs, Forever, Forever's products/services, the Marketing and Remuneration plan or Forever's employees.
- 3.3.1.7 A distributorship may not be shared by more than one person. Up until spring 2015, married couples and cohabiting partners could share a distributorship. Notwithstanding what is written above about shared distributorships not being permitted, this does not affect shared distributorships registered with Forever before spring 2015. See §11.3.2 for further information.
- 3.3.1.8 In the event of a divorce/separation, one of the parties in a shared distributorship can be re-recruited under his/her first sponsor with a new ID number and with the same Marketing Plan level as before, but at no higher than Manager level. This must be carried out within one hundred and eighty (180) days of the divorce/separation decision. If he/she is at Manager level in the Marketing Plan, he/she will become an Inherited Manager.
- 3.3.1.9 Requests to remove a name from a distributorship must be made in writing to the office and signed by both parties concerned. No change can be taken into account without signatures.
- 3.3.1.10 The FBO undertakes to run the business in a lawful, ethical and moral way, to obtain all permits required by law, not to make any exaggerated, misleading or false claims about the products and Forever or Forever's bonus structure and not to do anything that could have a negative impact on Forever or any of its FBOs. The FBO's business is regulated by the following laws and regulations, among others:
- Ethical practices of direct selling parties
 - The Medicinal Products Act
 - The Distance Contracts Act
 - The Marketing Practices Act
 - The Food Act
 - GDPR

3.3.2 Notifications

- 3.3.2.1 Notifications shall be considered to have reached the FBO by Forever providing the information on its website, in other Forever material intended for FBOs or by means of an e-mail to an e-mail address provided by the FBO.
- 3.3.2.2 Cancellations must be made in writing to the Forevers address.
- 3.3.2.3 Changes to names and addresses are made directly on the website by the FBO. Changes can also be notified via the company's website or in writing using a special form for changes to personal details.

3.4 Rights

3.4.1 Forever

- 3.4.1.1 Forever may cease to provide products if:
- a) The product cannot be sold in the country with adequate profitability for Forever.
 - b) The product does not meet the requirements set by applicable legislation.
 - c) Continued marketing of the product would harm Forever's reputation.
 - d) Another reason worthy of consideration exists.

3.4.2 The FBO

- 3.4.2.1 Forever hereby grants the FBO a non-exclusive right to market and sell the products in our country in accordance with the prevailing terms and conditions. This right only applies to products that the FBO is entitled to distribute under this Agreement. These products are ordered directly from Forever.
- 3.4.2.2 Forever grants the FBO a non-exclusive right to recruit/sponsor new FBOs in the countries in which Forever is represented in accordance with the prevailing rules in our country.
- 3.4.2.3 This Agreement creates no legal relations other than a distribution agreement between Forever and the FBO. The Agreement shall therefore not be considered to constitute an agency agreement, commission agreement, employment relationship or similar. The FBO is at liberty to have more than one client. Observe the rule on recruitment to other networks §3.3.1.3.
- 3.4.2.4 The FBO decides the scope of his/her work input and working hours. The FBO is at liberty to engage assistants.

3.5 Obligations

3.5.1 Forever

- 3.5.1.1 By signing this Agreement, Forever undertakes to supply products to the FBO and provide discounts and pay commission in accordance with the prevailing terms and conditions. Forever may stop supplying products in accordance with §3.4.1.1.
- 3.5.1.2 If Forever intends to offer particular FBOs the right to market and sell a new product or offer more favourable sales terms than those that were previously applied, a corresponding offer shall be made to Forever's other FBOs, who work under similar market conditions.
- 3.5.1.3 In particular, it is Forever's duty to continuously inform the FBO of:
 - a) Forever's price policy and sales strategy.
 - b) Forever's delivery capacity if it is expected to fall below what Forever pledged or what the FBO may have expected for other reasons.

3.5.2 The FBO

- 3.5.2.1 The FBO shall buy and sell the products under its own name and for itself. The FBO is not authorized to represent Forever or bind it legally. The FBO may not claim that it is a senior executive, employee, part-owner, authorized representative or owner of Forever.
- 3.5.2.2 The FBO may not sell Forever's products for resale to people who are not registered FBOs. The FBO may only sell Forever's products to other registered FBOs and/or retail customers. See also §7.4.8.2.

- 3.5.2.3 The FBO accepts that Forever applies self-billing. Forever therefore undertakes to issue a self-billing document (bonus recap) for the bonus requirement in the FBO's name. The self-billing document, i.e. the bonus recap, is numbered sequentially for each FBO. Forever retains the original self-billing document and sends a copy to the FBO. In each situation, the self-billing document shall be considered to be an invoice issued by the FBO with Forever as the recipient.

The FBO is deemed to have accepted the self-billing document as an invoice if he/she does not protest the contents within seven (7) days of the issue date and notify Forever thereof in accordance with §3.3.2. The FBO is liable to pay compensation for any damage as a result of the protest not being submitted or being submitted late. The FBO undertakes to provide relevant information and follow the prevailing requirements on self-billing. The FBO is therefore obliged to report the output VAT in accordance with the invoice issued by Forever, for example. Responsibility for the accuracy of the invoices therefore always falls to the FBO.

- 3.5.2.4 At Forever's request and within a reasonable period of time, the FBO shall be able to report the sales and stock balance per month for the past one (1) year.

- 3.5.2.5 The FBO shall state in its stationery, invoices, marketing materials, online and in other contacts with third parties that it is an Independent Forever Business Owner.

- 3.5.2.6 The FBO should convey realistic expectations in recruitment and not make exaggerated claims about Forever or the rewards in the Marketing Plan, either in face-to-face meetings or on social media. This includes unauthorized statements regarding income. Income forecasts are only permitted with the written consent of Forever or in information/presentations provided by Forever.

- 3.5.2.7 The FBO is obliged to offer "potential FBOs" the opportunity to attend a business presentation before recruitment. See §11.3.2.3 for further information.

- 3.5.2.8 The FBO shall inform Forever of circumstances that Forever may be expected to have an interest in knowing. The FBO shall provide Forever with relevant documentation and bear the costs that arise as a result of measures that Forever has to take due to this information, and/or the measures that Forever has to take as a result of the FBO not informing Forever. The FBO shall immediately inform Forever if:

- a) There are changes in the geographical area in which the FBO and/or the second-named person operates.
- b) There are changes to the FBO's and/or the second-named person's place of residence or tax status.
- c) The FBO and/ second-named person are declared bankrupt.
- d) The FBO and/or second-named person enter composition proceedings.
- e) The FBO and/or second-named person suspend his/her/their payments.
- f) The FBO and/or second-named person are granted or apply for company reorganization.
- g) The FBO and/or second-named person prepare a balance sheet for liquidation purposes.
- h) The FBO and/or second-named person are considered to have become insolvent in some other way.
- i) Circumstances arise that affect a shared distributorship, such as separation or death, in accordance with that set out in §3.3.1.8 and §3.3.1.9.
- j) The FBO and/or second-named person become aware of an infringement of Forever's brand.

- 3.5.2.9 The FBO shall notify Forever of all complaints about the products. It is the duty of the FBO to carefully follow up all complaints so that the goodwill enjoyed by Forever and the products cannot be called into question by customers.
- 3.5.2.10 If an FBO has questions about or thinks that an error has been made regarding bonuses, an activity, fees or changes, the FBO must notify Forever within sixty (60) days of the date of the alleged error or incident. Forever is not responsible for any errors, omissions or problems that have not been reported within sixty (60) days.
- 3.5.2.11 The FBO is urged to read and keep abreast of the information in:
- The Company Policies and Procedures The Code of Professional Conduct (this document)
 - Forever Magazine
 - E-mails
 - Forever's website
 - Forever Scandinavia's app
 - Other literature approved by Forever and articles at the disposal of Forever.
- 3.5.2.12 When Forever communicates that information has been updated, the FBO is responsible for ensuring that literature containing incorrect, out-of-date information is no longer used.

3.6 Distributor agreement for companies

If the FBO and Forever enter into a distributor agreement for companies, the FBO's company shall become a party to this Distributor Agreement.

3.6.1 Terms and conditions for companies

Go to "My profile" on the website to find out more about registering a company.

3.7 VAT and tax

3.7.1 VAT registration

- 3.7.1.1 Forever pays bonuses and the statutory VAT to FBOs who are VAT registered and have a F-tax (corporation tax) card if the FBO has informed Forever thereof. FBOs who are not eligible for F-tax and not VAT registered receive lower bonuses (i.e. minus tax and social security contributions) in accordance with the rules of the Tax Agency (Skatteverket).
- 3.7.1.2 If eligibility for VAT registration and F-tax is withdrawn or ceases, the FBO is duty bound to inform Forever immediately. Such changes must be registered in accordance with §3.5.2.7. The FBO is liable to pay compensation for any damage as a result of not informing Forever or of informing Forever too late.
- 3.7.1.3 Forever urges FBOs who run their businesses professionally to register for VAT with the Tax Agency, and then to notify Forever.
- 3.7.1.4 It is the responsibility of FBOs living abroad to make sure that the taxes due abroad are paid to the correct authority.

3.7.2 Discounts

- 3.7.2.1 The FBO is paid his/her discounts including VAT.

3.8 Costs

If, in accordance with this Agreement, a party is duty bound to take a particular measure, the party bears the cost of such a measure, unless otherwise stated.

3.9 Loss of income

The FBO cannot demand compensation from Forever or the company's employees for loss of income.

3.10 Transfers

3.10.1 Transfers of rights and obligations

3.10.1.1 The parties may not transfer their rights and obligations as set out in this Agreement, with the exception of in the event of death or separation. This must be in accordance with the prevailing terms and conditions in our country.

3.10.1.2 Notwithstanding that stated in §3.10.1.1, the parties may agree in writing to transfer rights and obligations by the FBO, the FBO's company and Forever entering into a distributor agreement for companies.

3.10.2 Transfers of distributorships in the event of death

3.10.2.1 In the event of death, whereby two (2) parties, who are married or live together, are registered as FBOs under the same ID number, the surviving party takes over the distributorship alone.

3.10.2.2 If the FBO's distributorship is transferred by means of a legacy or will, the heir/beneficiary must be of age (18 years old) in order to run the distributorship. If the heir/beneficiary is not of age, his/her legal guardian should run the distributorship instead until he/she comes of age. The legal guardian should obtain the chief guardian's consent to run the distributorship and meet the requirements for an FBO set out in the Agreement.

3.10.2.3 The heir/beneficiary or legal guardian must confirm the addition to the Distributor Agreement in writing with a signature.

3.10.2.4 The legal guardian shall retain his/her status as an FBO provided that the agreements regarding distributorship are met and until the minor comes of age.

3.10.2.5 The legal guardian is responsible for actions committed and, if the actions affect the implementation of the distributorship, ensure compliance with the Distributorship Agreement. Non-compliance with this Agreement may mean that the Distributor Agreement is cancelled.

3.10.2.6 When a person accesses a distributorship through inheritance or a will, the highest level this person can be is Manager. Distributorships at a lower level than Manager are inherited at the applicable level. Bonuses are paid at the same level and with the same requirements that applied for the deceased, but the heir/beneficiary will not be recognized at a higher level than Manager.

3.10.2.7 All FBOs' Sponsored Managers are classed as Inherited Managers and levels above Manager are reached as they qualify as Sponsored Managers or as new Sponsored Managers are created in the team.

3.10.2.8 Those who take over a distributorship through inheritance or a will are exempt from the requirement to be active for the first three (3) months after Forever is informed of the death.

3.10.3 Transfers of distributorships through separation

- 3.10.3.1 During the divorce/separation process, Forever continues its payments into the bank account specified by the FBO who signed this Agreement in his/her capacity as FBO, and not to the second-named person, in the same way as before the divorce/separation process was initiated.
- 3.10.3.2 The FBO and second-named person jointly, or the court, determine which of the spouses/partners shall take over the existing distributorship.
- 3.10.3.3 The party who does not take over the existing distributorship, can choose to register his/her own distributorship at the same level, but no higher than Manager. This party must choose the same sponsor as before the divorce/separation. The party's distributorship shall be treated as Inherited until the party has requalified.
- 3.10.3.4 Forever shall be informed of decisions in accordance with §3.10.3.2 in writing using a special form. The form shall be signed by both parties and include a decision that one of the parties has resigned from the distributorship and that all FBOs sponsored by the shared distributorship shall transfer to the remaining party's downline. The distributorship shall be considered to be transferred to the remaining FBO solely and he/she shall subsequently be entitled to all discounts, commission and other distinctions due to the FBO.

3.11 Penalties for breaches of the Company Policies and Procedures The Code of Professional Conduct and policies

3.11.1 Caution and warnings

If the FBO breaches this Agreement, documents to which it refers or other rules and policies set by Forever, the FBO may receive a caution and a run-through of the applicable procedures. If the FBO breaches the same rule again, the FBO may receive a warning. A second (2nd) warning could result in suspension of the FBO in accordance with §3.11.2 or deductions in accordance with §3.11.3. If the FBO is warned more than two (2) times, Forever has the right to cancel the Agreement between Forever and the FBO with immediate effect.

3.11.2 Suspension

Forever has the right to block the FBO from the website, from buying products and from other marketing channels or benefits supplied by Forever temporarily, for a short or long period, if the FBO breaches or is suspected of breaching this Agreement or other laws and regulations.

3.11.3 Deductions from payments

Forever is entitled to make deductions from payments of discounts or commission to the FBO in the event of a breach of this Agreement.

3.11.4 Incentives and other remuneration

Forever has the right to correct or withdraw CC, qualifications or other rewards/remuneration in the event of a breach of this Agreement.

3.11.5 Termination

Serious breaches of the Company Policies and Procedures The Code of Professional Conduct and policies result in the immediate termination of this Agreement.

3.11.6 Termination of the Agreement due to breach of agreement or insolvency

- 3.11.6.1 Where no other grounds for termination are specifically provided for in this Agreement, the parties have the right to terminate this Agreement with immediate effect in the event of a material breach by the counterparty or repeated breaches of this Agreement.

- 3.11.6.2 Furthermore, the same right to terminate this Agreement shall exist if the FBO and/or second-named person apply for bankruptcy, suspend payments, enter into composition proceedings, are granted or apply for company reorganization, prepare a balance sheet for liquidation purposes or are otherwise considered to have become insolvent.
- 3.11.6.3 The Agreement shall be terminated without undue delay, otherwise the grounds for termination may not be invoked. In cases other than those specified in §3.11.6.1 and §3.11.6.2, a party shall request that the counterparty take corrective action within thirty (30) days before the Agreement is terminated and redress can be obtained.
- 3.11.6.4 No request to take corrective action is required if the breach of agreement is such that it renders continued trusting collaboration between the parties impossible. In such a case, the Agreement can be terminated with immediate effect.

3.12 Expiration of the Agreement

When the Agreement ends, the Agreement ceases to apply simultaneously in all of the countries in which the FBO is registered as an FBO.

3.12.1 Termination

The FBO has the right to terminate the Agreement at any time. Such notice of termination must be in writing using Forever's own termination form and the notice period begins when Forever receives and processes the notice and returned products. If the FBO chooses to terminate the Agreement, the Agreement is deemed to be terminated in its entirety.

- 3.12.1.1 Forever has the right to terminate the Agreement at any time with a reasonable notice period, which must not exceed three (3) months. Forever can choose to terminate the Agreement in its entirety with the FBO and second-named person, or only in relation to either the FBO or the second-named person.
- 3.12.1.2 If the Agreement is terminated, the FBO is entitled to return products in accordance with §5.3.1.

3.12.2 Other early termination

- 3.12.2.1 In addition to what has otherwise been provided for in this Agreement, Forever is entitled in accordance with that stated below to terminate this Agreement with immediate effect if any of the following occur:
- The FBO provides incorrect information about the field of application or effectiveness of Forever's products.
 - The FBO provides incorrect information about how much a person can earn as an FBO for Forever.
 - The FBO takes part in or is involved in action (directly or indirectly) that harms Forever's business or gives Forever or its Marketing Plan, bonus structure a bad reputation.
 - The FBO breaches the terms of Forever's Customer Club.
- 3.12.2.2 The Agreement could also be terminated with immediate effect if Forever has good reason to suspect that the FBO is not operating its business in a lawful, ethical or moral way and if the FBO fails to convince Forever otherwise after being asked to correct his/her behaviour.

- 3.12.2.3 If the FBO and, where applicable, the second-named person run the business through a company and the FBO or, where applicable, the second-named person decides to transfer shares or a participating interest in the company in full or in part or the FBO's or, where applicable, the second-named person's, shares or participating interest in the company pass in full or in part to another party in connection with divorce/separation, bankruptcy, death or another incident, this Agreement shall immediately cease to be valid, unless Forever has given written consent for the Agreement to continue.

3.12.3 Consequences of termination of the Agreement

- 3.12.3.1 Upon termination of the Agreement, the FBO loses all privileges and contractual rights as well as the right to distribute Forever's products. Termination of the Agreement also means that the right to earn and receive discounts and commission ceases.
- 3.12.3.2 When the Agreement ends, the FBO loses all rights to his/her current level in the Marketing Plan and all downlines that have been established at that time. This applies to all Forever businesses, including those in other countries.
- 3.12.3.3 When the Agreement ends, the FBO's team is moved to the immediate upline. A Sponsored Recognized Manager who voluntarily terminated being an FBO, will continue to be counted in his/her former Sponsor's Manager Pin Level.
- 3.12.3.4 Twelve (12) months after the Agreement ends, the FBO may apply to re-register in accordance with the prevailing rules in our country.
- 3.12.3.5 When the Agreement ends, the FBO may come to an agreement with Forever whereby Forever buys back sellable products. The FBO whose Agreement is terminated by Forever, has the right to ask Forever to buy back his/her sellable products in accordance with the prevailing buy-back rules in our country. The products in question must be returned to our office in plenty of time for the office to be able to arrange the buy-back within 12 months. However, Forever is not be obliged to buy back products if Forever deems that the FBO has been bonus-buying contrary to §5.2.4 or if Forever has terminated the Agreement supported by §3.12.2.

3.12.4 Obligations when the Agreement ends

- 3.12.4.1 Upon the Agreement being terminated by Forever, the FBO shall, at the request of Forever, return or compensate Forever for discounts or commission paid after the date of the actions that led to the Agreement being terminated. Discounts and commission lost as a result of such a termination of the Agreement shall pass to the first FBO upline who has not broken the provisions of this Agreement.

4 Definitions

4.1 Business presentation

Presentation of the industry, business, products, and business opportunity. Refer also to §11.3.2.3 for information about video presentations.

4.2 Bonus, discount and profit

~~A bonus is the discount on your own purchases plus commission on your team's sales~~

4.2.1 Personal discount

Discount on your own purchases.

- 4.2.2 ~~Novus Customer bonus~~**
~~Commission on purchases made by firstline FBOs at the Novus Customer level.~~
Preferred Customer Price:
 The price at which the products are sold to Preferred Customer.
- 4.2.3 ~~Novus Customer Pricing~~**
~~Commission, 15 %, on purchases made by downlines who have not achieved the Wholesale Price (see §4.15.3 for a definition of Wholesale Price).~~
Preferred Customer Profit
 25% of the SRP of purchases made by Preferred Customers which is paid to the Sponsoring FBO, until the Preferred Customer has purchased a Start Your Journey Pak or product equaling 2 Case Credits within any 2-consecutive-Month period.
- 4.2.4 Volume Bonus**
 Commission on your own Non-Manager team's purchases.
- 4.2.5 Leadership Bonus (LB)**
 Commission on purchases made by downline Managers' team. Paid to Managers who have qualified for a Leadership Bonus. See §10.6.2.3 for further information.

4.3 Case Credits (CC)

The products' internal value. The value used to calculate monthly sales and to qualify for levels in accordance with the Marketing Plan and for incentives.

- 4.3.1 Personal CC**
 CC generated through personal purchases.
- 4.3.2 ~~Novus Preferred~~ Customer CC**
 CC generated through personal purchases made by firstlines in the home country, see §4.7 for home country while they are ~~Novus Preferred~~ Customer level.
- 4.3.3 Activity CC**
 A combination of Personal CC and ~~Novus Preferred~~ Customer CC.
- 4.3.4 New CC**
 New CC comprise firstlines, i.e. personally sponsored FBOs, Non-Manager CC. CC from these firstlines are counted over a 12-month period from the month the FBO is recruited.
 CC after a firstline has achieved Manager level are not counted as New CC.
- Example: Anna is a Manager. Anna recruits Bengt on 21 February. Bengt's CC, and CC from the people Bengt recruits, count as Anna's New CC from February until January the following year, or until the day Bengt becomes a Manager.
- 4.3.5 Non-Manager CC**
 Personal CC generated through purchases made by firstlines (and their downline) who have not achieved Manager level.
- 4.3.6 Pass-Thru CC**
 Personal CC generated through purchases made by inactive downline Managers' Non-Manager group. They do not count as Non-Manager CC to qualify for incentives. They are, however, part of the Total CC.
- 4.3.7 Total CC**
 The sum total of all the FBO's CC.
- 4.3.7.1** Total CC are based on Personal CC, Non-Manager CC and:
- 40% of the first-generation Managers' CC
 - 20% of the second-generation Managers' CC
 - 10% of the third-generation Managers' CC

4.4 Direct sales

Sales that always take place somewhere other than a shop. They take place on the customer's terms. The customer decides where the business conversation takes place. Direct sales are usually by means of a demonstration and description by a seller, called a direct seller. (Further information is available on the direct selling association's website).

4.5 Earned Trip

A trip that FBOs can qualify for. See detailed explanation in §13.8.2. The FBO taxes everything in his/her own company and companions cannot be considered tax deductible in the FBO's company. The FBO and companion are responsible for all tax consequences.

4.6 FBO (Independent Forever Business Owner)

~~A person who is of age, at least 18 years old, and operates a business or a legal entity that has signed a valid agreement with Forever.~~

One who, after purchasing a Start Your Journey Pak or placing orders equaling 2 Case Credits for one or two consecutive calendar months, becomes Assistant Supervisor, required is first step in Forever's Marketing Plan.

4.6.1 Active FBO

An FBO who has achieved four (4) activity CC (including at least one (1) Personal CC) over one (1) calendar month.

4.6.2 Leadership Bonus-qualified Manager

A Recognized Manager who has met the qualification requirements for a Leadership Bonus in a particular calendar month. See §10.6.2.3 for further information.

4.7 Home country

The business area/country that the FBO has stated that he/she lives in/belongs to.

4.8 Invited Trip

A trip that the company invites the FBO to and the FBO does not have to qualify for. See detailed explanation in §13.8.1. The FBO taxes everything in his/her own company and companions cannot be considered tax deductible in the FBO's company. The FBO and companion are responsible for all tax consequences.

4.9 Customer (retail customer)

A person who buys products from an Independent Forever Business Owner.

4.10 Forever's Customer Club (customer care programme)

A web-based customer club with separate agreements between the FBOs and Forever, where FBOs can register their customers.

4.11 Marketing Plan

The Marketing Plan is Forever's career ladder. The FBO's level in the Marketing Plan determines what discounts, commission and rewards he/she is entitled to. The Marketing Plan is described in more detail in section 9.

4.12 Bonus-buying

A method of making strategic purchases with the aim of maximising remuneration, bonuses or qualification when an FBO does not have genuine demand for the products bought. Orders should not be placed or requested until 75% of the previous purchase has been used. Bonus-buying and requests for Bonus-buying may constitute grounds for termination of the Agreement. Bonus-buying

can result in loss of discount, commission and new qualifications for motivation and profit-sharing programmes. Bonus-buying and requests for Bonus-buying are strictly forbidden.

4.13 Medical or health claims

A medical claim is a claim which states that the product is intended to treat or cure particular symptoms, prevent illness or affect normal bodily functions. A health claim is a claim on labels, advertisements or other marketing which states that consuming a certain type of food can result in health benefits.

4.14 Policy

General term for Forever's various rules, practices and the interpretation of this Agreement.

4.15 Prices

4.15.1 Retail price (suggested retail price)

The recommended sales price used to calculate discounts and commission.

4.15.2 ~~NCP PCP price/NCP PCP discount~~ (~~Novus Preferred Customer Pricing~~)

The retail price less a ~~15~~ 5 % discount. Applies until the ~~FBO's Preferred Customer~~ purchases total at least two (2) Personal CC within a maximum period of two (2) consecutive calendar months.

4.15.3 ~~Wholesale Price~~

~~The retail price less a 30% discount. Applies after the FBO's purchases total at least two (2) Personal CC within a maximum period of two (2) consecutive calendar months.~~

4.16 Products

Forever's products with CC value.

4.17 Prospect

A future ~~Preferred Customer~~/FBO who is in the process of being sponsored.

4.18 Team/organization

4.18.1 Own team/organization

Group of all the FBO's downlines.

4.18.2 Recruit/sponsor

Sign up a new FBO.

4.18.3 Sponsor

An FBO who personally recruits another FBO. See §4.18.5.

4.18.4 Manager

An FBO who has achieved Manager level or higher in the Marketing Plan.

4.18.4.1 Upline Manager

An upline FBO at Manager level or higher.

4.18.4.2 Downline Manager

A downline FBO at Manager level or higher.

4.18.4.3 Recognized Manager

See §9.1.5.

4.18.4.4 Unrecognized Manager
See §9.1.6.

4.18.4.5 Inherited Manager
See §9.1.15.

4.18.4.6 Sponsored Manager
See §9.1.17.

4.18.4.7 Transferred Manager
See §9.1.16.

4.18.4.8 Gem Manager
The collective name for the top six (6) positions in the Marketing Plan. Manager levels including and higher than Sapphire Manager, see § 9.1.

4.18.5 Upline

The FBO/sponsor who recruited the FBO, his/her sponsor etc. (see figure below).



A is a sponsor of B,
B is a sponsor of C,
and C is a sponsor of D.
A, B and C are all uplines to D.
And B, C and D are downlines to A.

4.18.6 Downline

Personally recruited Preferred Customer/FBOs and the people that he/she recruited (see figure above).

4.18.7 Firstline (personally sponsored FBO)

One or more downlines that the FBO personally recruited or inherited.

4.18.8 Non-Manager group (Open group)

Group of downlines that has still not achieved Manager level.

4.18.9 Responsored FBO

An FBO who used to have another sponsor but chose to change upline following inactivity.

4.19 Team Marketing/Network Marketing/Multi-Level-Marketing (MLM)

There are many terms to describe the method Forever has chosen for distributing its products. The principle is based on offering independent distributors an opportunity to start their own business and sell products, instead of having expensive overheads for shops, employees and marketing. The independent distributor also has an opportunity to create a team of distributors by recruiting other

independent distributors. The company then pays remuneration/bonuses on products sold in the team.

4.20 The Forever brand

The company's figurative mark, Forever Living Products, "Forever", Forever's company logo and registered products.

4.21 Business area

The country or countries that come under the same Forever office. For example, Scandinavia which comprises Denmark, Finland, Norway and Sweden.

4.22 Waiver

Information about the FBO's activity and qualification for the Leadership Bonus in the business area is sent (via a waiver) from the Manager's business area to other business areas. The aim of this is to avoid requirements on duplicate qualification so that Volume and Leadership Bonuses can be paid out in other countries.

4.22.1 Activity Qualification Waiver

An FBO who is active in his/her home country receives an Activity Qualification Waiver for all other business areas the following month.

4.22.2 Leadership Bonus Qualification Waiver

A Recognized Manager who is active (or has an Activity Qualification Waiver) and meets the requirements for the Leadership Bonus within one business area (other than the home country) receives a Leadership Bonus Qualification Waiver for all other business areas the following month.

4.23 ~~Wholesale-Qualified~~

~~An FBO who has achieved two (2) Personal CC in his/her home country within a maximum period of two (2) consecutive calendar months.~~

4.24 36-month rule (Valid from 1 Nov 2020)

- ~~• An FBO who has not placed an order for thirty six (36) consecutive calendar months will be removed from the Company's database and lose access to any downlines and bonuses or other related benefits.~~
- ~~• An FBO who has been removed from the Company's database due to the 36-month rule is authorized to be recruited again by any team, but without restoring the previous level in the Marketing Plan or downlines.~~
- An FBO who has not made a purchase for 36 consecutive calendar Months will be automatically archived and forfeit all rights to any downline organization and any bonuses or other benefits generated thereby.
- If the FBO is a Sponsored Recognized Manager and has one or more 1st Generation Recognized Managers in his/her team, these Managers will be classed as Inherited Managers with the new Sponsor.
- ~~• The terminated Sponsored Recognized Manager will continue to be counted in his/her former Sponsor's Manager Pin Level.~~

5 Product purchases

5.1 Delivery

The **Preferred Customer**/FBO is obliged to pay the costs relating to delivery in accordance with the rules applied by Forever.

5.2 Orders and payment

The prevailing rules applied by Forever regarding payment, price, delivery and volume apply to orders, payment and delivery of the products.

~~A Novus Customer or Wholesale Qualified FBO who has not placed an order for thirty-six (36) consecutive months, will be removed from the company's database. See § 4.24~~

5.2.1 Product purchases

Unless otherwise stated by Forever, orders can be placed via Forever's website, app or order form.

5.2.2 Advance payment

The **Preferred Customer**/FBO pays for all orders, including taxes, fees and carriage in advance before delivery. The obligation to pay stands even if no payment has been made before delivery, irrespective of the reason.

5.2.2.1 Payment is made when placing an order through direct payment/card payment. If no payment is made the order is automatically cancelled.

5.2.2.2 Payment for orders must reach Forever in accordance with the rules at the month end in question so as to be used as a basis for calculating discounts and commission for that month.

5.2.3 Receiving orders

All orders are inspected by the FBO on receipt and any instructions about delivered products shall be followed.

5.2.4 Bonus-buying

Bonus-buying is strictly forbidden and can result in loss of discount, commission and new qualifications for incentives. Bonus-buying may constitute grounds for termination of the Agreement. See also §4.12.

5.2.5 Purchases in another person's name

Preferred Customer/FBOs may not purchase products in another person's name or using an ID number other than their own.

5.3 Buy-back

5.3.1 Returns at the end of the Agreement

5.3.1.1 When the Agreement ends, the FBO has the right to ask Forever to buy back his/her sellable products. With buy-backs, Forever repays the purchase price less deductions for any discounts and commission that have been paid and a deduction of 10% of the purchase price to cover administrative costs. Other charges, such as postage costs, are not refunded.

5.3.1.2 Sellable products (see form on "Terminating a distributorship") are products with CC value that have been purchased directly from Forever over the past twelve (12) months.

5.3.1.3 Products returned after the Agreement has ended must reach Forever within twelve (12) months of the purchase date.

5.3.1.4 If a **Novus Preferred** Customer or FBO who is finishing returns a Combo pack with a product missing, the **Novus Preferred** Customer or FBO will be repaid for the individual products. Deductions for upline are, however, calculated as though the whole Combo pack had been returned, in terms of both CC and bonus adjustment. See also §5.3.1.1.

5.3.1.5 However, Forever is not obliged to buy back products if Forever deems that the FBO has been bonus-buying contrary to §5.2.4 or if Forever has terminated the Distribution Agreement supported by §3.12.2.

5.3.2 Returns under right of withdrawal

The FBO has a period of fourteen (14) calendar days to change their mind about the Agreement with Forever, without having to state a reason for doing so. The FBO shall inform the office in writing (withdrawal and termination form) of their decision to change their mind about the Agreement. Once Forever has received the decision and the complete order purchased by the FBO (all products must be unused and in saleable condition, along with the marketing material), Forever shall give a full refund of all monies paid by the FBO. When applying the right of withdrawal, the FBO's Agreement shall be terminated and the FBO is welcome to re-apply in accordance with §3.12.3.4 or to buy products from another FBO as a customer.

5.3.3 Consequences (Marketing Plan, incentives, bonus etc.)

5.3.3.1 When the Agreement ends, Forever reserves the right to claim back all payments of discounts, commission, other remuneration and refunds for returned products, and reverse CC for returned products from the FBO and the whole of his/her affected upline. Deducting CC may result in a loss of level achieved in the Marketing Plan or other qualification for the upline.

5.3.3.2 When returning products that are included in one of Forever's boxes, the upline's CC will be reduced by the value of the whole box – whether or not all products are returned.

5.3.4 Profile material and printed material

If changes are made to profile material and printed material, Forever does not withdraw material that has already been printed unless such a decision is made by Forever's corporate management. Profile material is not refunded when the Agreement ends.

6 Guarantee and insurance

6.1 Customer Satisfaction Guarantee

See §5.3.2.

6.1.1 Retail/~~Novus~~ Preferred Customer

6.1.1.1 Forever offers a ninety-day (90-day) Customer Satisfaction Guarantee for products the retail customer has bought from an FBO or as a ~~Novus~~ Preferred Customer. The guarantee gives retail customers who are not satisfied with a product the right to return the product to the FBO. ~~Preferred Customer returns to Forever office.~~ The right of return also applies if the retail customer/~~Novus~~ Preferred Customer has used the product in full or in part. The FBO is duty bound to accept the return from the retail customer provided that the FBO receives the request to return the product within the time specified in the Customer Satisfaction Guarantee. The retail customer must also produce a receipt for the purchase together with fully or partly used products. Provided that the retail customer has met the above requirements, the FBO shall refund the full purchase price of the product in question when the retail customer returns the product to the FBO. The Customer Satisfaction Guarantee begins to apply the date the retail customer/~~Novus~~ Preferred Customer receives the product.

6.1.1.2 In the event of a faulty product, our rules and the rules of each country apply.

6.1.1.3 The retail customer/~~Novus~~ Preferred Customer is entitled to cancel the purchase without stating a reason and the FBO shall in that case offer a full refund in accordance with prevailing laws.

6.1.1.4 For customers who become FBOs, the right of return in accordance with §3.12.3.5 does not apply to products purchased for private use – whether or not the products are purchased before or after the distributorship is registered.

6.1.2 FBO/~~Novus~~ Preferred Customer

6.1.2.1 The FBO has the right to receive remuneration from Forever for the retail customers use of the Customer Satisfaction Guarantee. The FBO/~~Novus~~ Preferred Customer shall return the products to Forever in accordance with Forever's prevailing rules on such returns. Provided that the right of return has been applied correctly by the FBO, the FBO is entitled to receive remuneration for the corresponding product from Forever in its next order. Products that were bought from Forever more than one hundred and eighty (180) days ago are not covered.

6.1.3 Consequences of a mismanaged customer guarantee

6.1.3.1 If the FBO fails to meet its obligation in accordance with §6.1.1.3, the retail customer has the right to turn directly to Forever and invoke the right of return. Provided that the retail customer can produce a receipt for the purchase and return the product and packaging to Forever within a maximum of ninety (90) days, Forever refunds the price paid by the retail customer for the product.

6.1.3.2 If Forever has to compensate the retail customer in accordance with §6.1.3.1, Forever is entitled to deduct the equivalent amount refunded to the retail customer from the discount or commission paid to the FBO. The FBO accepts that Forever applies the following order of priority for the deduction: The FBO, the FBO's sponsor or a Manager in the FBO's upline. All of those specified could be liable to refund bonuses relating to the refunded sum.

- 6.1.3.3 If, in Forever's assessment, the right of return is abused by the FBO, Forever reserves the right to terminate the Distributor Agreement with immediate effect.

6.2 Products

6.2.1 Responsibility

- 6.2.1.1 Forever Living Products International Inc. has signed product liability insurance which insures Forever and the FBO in the event of any defects to products that find their way to customers and cause illness or other adverse reactions during correct consumption or use.
- 6.2.1.2 In cases where FBO learns about an adverse reaction from a retail customer, the FBO is advised to contact Support for a report on side effects.
- 6.2.1.3 Forever guarantee that all products sold follow the prevailing provisions.
- 6.2.1.4 Forever is responsible for direct damage the products cause the FBO or a third party (product damage) during the correct use of the products as set out in mandatory legislation.
- 6.2.1.5 Forever is not responsible for damage caused by the FBO.

6.2.2 Defective product

Forever provides a full right to replace defective products in accordance with prevailing legislation.

7 Marketing and sales

7.1 Brand

7.1.1 Brand use

- 7.1.1.1 Forever's products and business opportunity may only be marketed using the Forever Living Products brand, which is owned by the company of the same name. The FBO's own name, registered company or other concept names may only be used to market the individual FBO and/or the team and when recruiting new FBOs as set out in this Agreement.
- 7.1.1.2 In accordance with the prevailing rules in our country, Forever guarantees that all brands to be used in accordance with this Agreement enjoy full legal protection. In the event of shortcomings in this respect, Forever shall compensate the FBO for direct damage he/she suffers due to the products being marketed under Forever's brands.
- 7.1.1.3 The right to use Forever's brands, which the FBO enjoys by means of this Agreement, is solely for the purpose and to the extent set out above. The FBO receives no other rights to Forever's brands. The FBO's right to use Forever's brands in accordance with this point is restricted to the Agreement's period of validity.
- 7.1.1.4 See also the definitions in §4.20.

7.2 Marketing

7.2.1 General rules

- 7.2.1.1 Forever and the FBO shall comply with the prevailing terms, conditions and codes of conduct for marketing drawn up by each country's direct selling association, or the Direct Sales Association (DSA) in countries where Forever Scandinavia is not a member of the national association. These ethics are available on the websites of each country's association for direct sales companies and on www.dsa.org.
- 7.2.1.2 Marketing shall be designed to consolidate and strengthen the products' reputation.
- 7.2.1.3 Forever's products and/or brand must not be given deliberate external exposure, for example through signage or in window displays. Temporary trade shows and private homes are exceptions to this rule.
- 7.2.1.4 The FBO may not sell or be involved in Forever's products or literature being sold or displayed in health food shops, pharmacies, kiosks, wholesalers and retailers or in other public or permanent retail outlets.
- 7.2.1.5 Within the framework of the FBO's independent right to market the products, Forever reserves the right to assign the FBO certain marketing material or stipulate that certain marketing measures may not be taken.
- 7.2.1.6 The FBO is responsible for ensuring that the marketing it carries out independently or together with Forever does not breach applicable market law. Any damages, penalties, fines or other administrative fees shall be born solely by the FBO. However, this shall not apply to marketing material sent by Forever to the FBO which the FBO declared that it could not guarantee the validity of in market law.
- 7.2.1.7 FBOs who wish to produce marketing products should, as far as possible, use Forever's literature. Marketing material should clearly follow Forever's graphic profile and only cover Forever's products, approved for the market the FBO is targeting. This applies irrespective of the method of marketing or where the marketing takes place. Images with Forever's brands and products shall primarily be obtained from Forever's Scandinavian image bank. Material that can be perceived as unethical, misleading or damaging to Forever's brands in some other way is not be permitted and, in the event of a breach of the set quality standards, shall be removed if requested. Material produced by the FBO must clearly state that the sender is an "Independent Forever Business Owner" and provide contact details.
- 7.2.1.8 Marketing shall be legal, decent and honest etc. Marketing must not be misleading. Information about earning opportunities in particular must be realistic. Exaggerated, unfounded and false claims may lead to the Distributor Agreement being terminated.
- 7.2.1.9 When marketing to recruit new FBOs, Forever must not be portrayed as an employer.
- 7.2.1.10 Forever's brand, registered product names or paraphrases and abbreviations may not be used for recruitment in public places or in advertising. There are exceptions when recruiting new FBOs via websites controlled by the FBO, such as the FBO's own blog or Facebook page. See §7.2.2 for specific rules on marketing online and §7.4.10 for specific rules on Events. The FBO always takes full responsibility for any legal disputes related to the FBO's advertising.

- 7.2.1.11 Responsibility for the content and accuracy of published editorial articles rests solely with the editor in the relevant media context. Forever neither approves nor controls such matters. Forever strives to offer information about the products upon request within the scope of the financial frameworks. The FBO shall be aware that if he/she offers payment for editorial articles, this process is identical to advertising.
- 7.2.1.12 The FBO shall market the products in the condition in which they are delivered and shall not interfere in any way that removes Forever's brand or take other similar measures if such a measure does not comply with the mandatory legislation in the country. Attaching a separate brand or other characteristic is, however, permitted provided that no original marking is covered.
- 7.2.1.13 Products with packaging or labelling etc. that is inaccurate may, with Forever's permission and in accordance with Forever's instructions, be corrected by the FBO if he/she is able to see to this.
- 7.2.1.14 Forever's products may not be marketed with products from other companies.
- 7.2.1.15 When Forever's brands are used, they must be clearly shown along with the FBO's contact details and the text "Independent Forever Business Owner". All of this must appear together in one place.
- 7.2.1.16 An FBO is not permitted to market or sell sales material, training material, websites or apps that are not provided by Forever, except to the FBO's own downlines. Material offered for sale to the FBO's own downline must be approved by Forever and sold at a reasonable price.
- The material shall comply with the prevailing legislation.
 - Forever Living Products must not appear to be the company that produced the material or behind the material.
- 7.2.2 Internet policy (see also the "social media policy" on the website)**
- 7.2.2.1 Forever's products and brands may only be displayed online in accordance with this Agreement. The use of Forever's brands in connection with domain names or web addresses is forbidden.
- 7.2.2.2 The term "web pages" includes all forms of digital pages that are available on the Internet and deliver content in the form of text, images, videos or audio to visitors, including blogs, social media (such as Facebook, Instagram, Twitter and YouTube) as well as video blogs and apps.
- 7.2.2.3 General demonstrations/marketing of Forever's brands and products must comply with Forever's graphic profile. Images with Forever's brands and products shall primarily be obtained from Forever's Scandinavian image bank. Links, images, texts or web pages that can be perceived as unethical, misleading or damaging to Forever's brands or products in some other way are not permitted and, in the event of a breach of the set quality standards, shall be removed if requested. Presentation pages produced by the FBO must clearly show that the page is owned by an "Independent Forever Business Owner" and must have contact details.
- 7.2.2.4 FBOs who display Forever's brands and products on the Internet are duty bound to keep images and texts up to date in accordance with the prevailing material and policies on Forever's website.

- 7.2.2.5 In Scandinavia, sales of and price information for Forever's products are only permitted on Forever's approved webpages, "MyAloeVera". Online sales that do not require personal contact are not permitted. Neither may the FBO use online shops or apps that he/she has developed.
- 7.2.2.6 General links to Forever's home page or to "MyAloeVera" are permitted. Links from "MyAloeVera" to another page are not permitted, with the exception of links placed on the page by Forever or pages that have been approved by Forever.
- 7.2.2.7 All forms of bought advertising on the Internet relating to Forever's brands is prohibited, in terms of both the products and the business opportunity. Marketing and recruitment shall only take place at the FBO's so-called fixed places, i.e. the FBO's own blog, Facebook page, Instagram account or similar.
- 7.2.2.8 Forever's brands and products may not appear on sponsored or bought links in search engines (often associated with pay per click or other paid-for advertising where the relevance increases in proportion to the sum invested), neither on the primary advertising site or on the page reached by clicking on the advertisement.
- 7.2.2.9 Examples of banned advertising include inviting others to share or like your posts and offering benefits of some kind if they do so. Enabling people to win a product through sharing a post is considered paid advertising as is giving a product as a gift in return for visibility.

7.3 Medical, nutrition and health claims

Since Forever's products are classed as food, food supplements and cosmetics, they may not be sold with medical claims or with unpermitted nutrition or health claims. The ban on making medical claims applies in all contexts where the aim is to market or sell the products or business concept, such as seminars, product presentations, printed material, hashtags and websites. Material not produced by Forever is subject to these rules if it is shown in connection with marketing or sales. Similarly FBOs and invited speakers are also included.

7.3.1 Prevailing legislation and rules

The FBO is responsible for complying with the legislation and rules in the country/countries in which he/she operates.

7.3.2 Approved and non-approved claims

No FBO or second-named person may make claims about the products' treating or healing properties. Only statements or claims that are officially approved by Forever Scandinavia or that appear in the official Forever material may be used. No FBOs may make claims that Forever's products are effective in treating, preventing, diagnosing or curing any illness. Medical claims about Forever's products are strictly forbidden. The FBO shall recommend that any customer under the care of a doctor or undergoing medical treatment consults medical professionals before making changes to his/her diet. Neither may positive claims from customers and newspaper quotes be used with medical claims. Only approved, registered claims may be used for nutrition and health claims.

7.3.3 Medicinal products

The claims made about a product are crucial to its classification. A good sold with medical claims is classified as a medicinal product.

7.3.4 Implicit medical intention

The term medicinal product encompasses all products – with or without proven effect – claimed by the seller to have an effect. However, it is not only direct claims in marketing that play a role in how a product is classified.

Factors such as the ingredients, use in folk medicine, pharmaceutical form, dosage instructions and product name etc. are important. Writing application areas and then stating, for example,

nasal congestion, muscle ache, psoriasis, gout and similar conditions is also viewed as making medical claims and is prohibited.

The Medicinal Products Act defines medicinal products as goods that are intended to be supplied for people or animals. In other words, it makes no difference whether the product is intended for animals or people, the same rules apply in both cases.

7.3.5 Examples of medical claims

“Reduces anxiety”, “relieves headaches”, “for joint pain”, “for eczema”, “improved wound healing”, “for impotence”, “for stomach complaints” or a suggestion of “anti-smoking cure”.

Claims that the product “protects”, “counters/strengthens”, “creates a better gut environment” can be compared to prevention.

Statements such as “antioxidants protect against the ravaging effects of free radicals on the body”, “counteracts or prevents colds” or “strengthens the immune system”, are viewed as medical claims.

The claim that a product “increases performance” can also be viewed as a medical claim.

7.3.6 Examples of non-medical claims

Provided that the claims are not made in connection with or allude to an illness, general claims themselves are not usually viewed as medical claims.

Example:

- Softening (cleansing products)
- Relaxing (about massage oils)
- Soothing and refreshing (about throat lozenges)
- Reduces itching
- Comprehensive nutritional content

7.3.7 Examples of nutrition claims

A nutrition claim states or suggests that a food has beneficial nutritional properties, such as “low fat content”, “without added sugar” and “rich in fibre”.

7.3.8 Examples of health claims

A health claim is a claim on labels, advertisements or other marketing which states that consuming a certain type of food can result in health benefits.

7.3.9 Cosmetic products

There is special legislation covering cosmetic products. No claims at all can be made about cosmetic products, rather several different regulations steer how the marketing can be designed. The text, name, brands, images and symbols, figurative or not, used in the product’s labelling and in advertising for cosmetic products may not indicate any property or function that the products in question do not have.

7.4 Sales

7.4.1 Selling expenses

The FBO is responsible for all selling expenses incurred.

7.4.2 Profit

The FBO retains all surpluses from sales, irrespective of the size, as profit.

7.4.3 Prices

The FBO is free to set its own prices for the products he/she sells. FBOs may not discuss pricing with each other.

7.4.4 Products

- 7.4.4.1 Forever does not sell any products that are known to have side effects or other negative reactions. In a few cases an individual customer may have an unforeseen reaction to a specific product that is, however, not defective. In such cases, the FBO should advise the customer to stop using the product and consult his/her doctor. The FBO should contact Support to find out if a report on side effects needs to be filled out.
- 7.4.4.2 Outer packaging that is not labelled for the Scandinavian market serves as transport packaging only and should therefore be removed before selling on

7.4.5 Responsibility

- 7.4.5.1 The FBO has product liability him/herself in accordance with the legislation to sell products in sealed packaging with a best before date, for example.
- 7.4.5.2 In its sales and marketing, the FBO shall comply with the terms and conditions drawn up regarding marketing, sales and right of return for the customer.
- 7.4.5.3 The FBO is duty bound to give customers Forever's information about the Customer Satisfaction Guarantee when they make their first purchase. Information about the guarantee can be found on the receipt pad and on Forever's website. Under the Swedish Distance and Doorstep Sales Act, the customer has the right to withdraw from the purchase within fourteen (14) days. The deadline is counted from the date the customer was given information about the right of withdrawal. Forever also offers a ninety-day (90-day) Customer Satisfaction Guarantee, see §6.1.1.1.
- 7.4.5.4 Forever holds the FBO who sold the product(s) in the first stage responsible for ensuring that the Distributor Agreement is upheld in all stages.
- 7.4.5.5 With all sales, the FBO shall comply with the code of conduct set by the direct selling association in the respective country.
- 7.4.5.6 The FBO is obliged not to voice claims, recommend treatment or give advice for which he/she does not have the expertise or training. If Forever's products are used in a way that is inconsistent with Forever's instructions (see also customer literature produced by Forever), Forever is not responsible for the product's effectiveness in this respect, and neither is it responsible for complaints from an FBO or customer regarding a product's effectiveness.
- 7.4.5.7 The FBO is responsible for fulfilling the requirements on labelling the products in accordance with the prevailing rules in our country.

7.4.6 Exports

The FBO may not buy products to export to another country.

7.4.7 Sales to companies

The products may also be sold to companies or employers who in turn pass on the products to their employees. Forever holds the FBO who sold the product(s) to such buyers responsible for ensuring that the Distributor Agreement is upheld.

7.4.8 Place of sale

The FBO may not sell or be involved in Forever's products or literature being sold or displayed in health food shops, pharmacies, kiosks, wholesalers and retailers or in other public or permanent retail outlets.

- 7.4.8.1 The FBO is permitted to sell products to existing Forever customers from the same address as another business provided that the products are not displayed and that it is clear that the products have not been purchased from the other business.
- 7.4.8.2 One basic requirement is that the person is registered as an FBO and must be over eighteen (18) years old. This means that children and young people are not allowed to sell Forever's products for their school or sports club, even to raise money for their class or club.
- 7.4.8.3 Business people who use the products in their professional capacity and at their place of business, such as hairdressers, skin therapists, nurses, doctors, physiotherapists, dentists, vets and similar are exceptions from the rule and are allowed to exhibit and sell products in their treatment room/place of business. Literature may be displayed in the place of business but not in a window display. The place of business may not primarily be a retail outlet, rather it must mainly be adapted to supply a service. At least 50% of revenue from the business shall come from providing services and not from product sales.
- 7.4.8.4 Products intended for consumption may be sold in restaurants and similar eateries in glasses or single-portion packs.

7.4.9 Online sales

See our Internet-policy §7.2.2

7.4.10 External events

- 7.4.10.1 An event is defined as follows:

- Arranged by a professional organizer
- Is open to everyone, i.e. not exclusively for a closed group
- The majority of the exhibitors run a commercial business (business people)

Official sporting and animal competitions are comparable with events.

Sales in a closed group to guests invited in advance do not fall under the rules on events, rather they are permitted if they meet the rules in §7.4.

- 7.4.10.2 The event may not be longer than nine days and may only happen once a year. There is an exception for seasonal events (such as Christmas events) which can last up to two months. Each ID number can take part up to four times in this period. FBOs may not take part in events such as flea markets, car boot sales or events where second-hand goods are sold.
- 7.4.10.3 It is not permitted to attend an event solely with the aim of recruiting new FBOs without presenting Forever's whole concept, including the products.
- 7.4.10.4 When participating, selling and marketing at trade shows and other events, the FBO must use Forever's official materials, such as tablecloths, roll-up banners and pens. Forever's products must be marketed in their own place, which means the FBO may not display or sell other goods together with Forever's products.
- 7.4.10.5 Any involvement in events at which Forever's brands or products are used must be registered on the Forever office website. Registration must be applied for by a Senior Manager or higher, or a KEY member under the Event link. Registration must take place no later than fourteen (14) days before the event takes place.
- 7.4.10.6 Upon registration, the FBO is obliged to notify the event organizer that Forever's products are being marketed/sold.

- 7.4.10.7 The FBO may not ask the event organizer to regulate the number of FBOs taking part in a particular event.
- 7.4.10.8 Sales of Forever's products at events must take place in a designated place and may not include other material or other products than Forever's.

8 General obligations and responsibilities

8.1 GDPR

Personal data about the FBO and/or the second-named person is collected and processed by Forever in connection with the application of this Agreement.

We collect certain data about you so as to provide you with a good service. The data is used to provide you with information (for example, about new products or price changes), to manage orders and execute orders, to administrate your payments to Forever, to calculate discounts and commission, to report to authorities such as the tax authorities and similar as well as to manage the other contacts you may have with Forever.

The personal data is transferred to other companies within the Group to which Forever belongs and to business partners who handle payments, deliveries and travel bookings, etc. This means that your personal data is also transferred to countries outside of the EEA. To ensure that all personal data is handled in accordance with GDPR, we have drawn up data processor agreements with our external suppliers. The FBO consents to data on purchase volumes and contact details being disclosed upline. The upline is contacted in the event of any problems relating to orders, bonuses or the distributorship.

You are entitled to ask to see the personal data we have registered for you. If the data is inaccurate, incomplete or irrelevant you have the right to ask for the data to be amended or deleted.

If you would like further information, please contact the Swedish Data Protection Authority (web address). The easiest way to amend your data with Forever is under "My profile" on our website.

The Forever website has links to other websites. Forever is not responsible for how personal data is processed on such websites.

8.1.1 Events

Images and films from events may be used in Forever's communication.

8.2 Confidentiality

8.2.1 Data and documentation

- 8.2.1.1 Data and documentation that is exchanged within the framework of this Agreement or that a party learns in some other way within the framework of this Agreement shall be bound by confidentiality if it concerns Forever's know-how, sales strategies, organizational structure, trade secrets or other information that is not generally accessible and is connected to Forever's business operations. The obligation to observe confidentiality continues to apply after the Agreement ends. Parties to this Agreement may not, either during the term of the Agreement or thereafter, disclose data that is bound by confidentiality.

- 8.2.1.2 The term “data and documentation” encompasses all material and information, including forms, patterns, compilations, programs, equipment, methods, technologies or processes, which:
- a) Have an independent economic value, whether actual or potential, from not being generally known and/or from being known by individual third parties who can obtain economic value from owning or disclosing the data or documentation.
 - b) Are kept in such a way that reasonable efforts are made to preserve confidentiality.
- 8.2.1.3 Data and documentation obtained within the framework of this Agreement may only be disclosed by a party to meet the obligations of this Agreement.
- 8.2.1.4 If it is established that certain information, which under this Agreement may not be disclosed, has come to the knowledge of a third party, this shall be considered to have taken place through actions by the party who received the information from Forever, unless demonstrated otherwise.
- 8.2.1.5 If a party breaches the provisions in §8.2.1.2, §8.2.1.3 or §8.2.2, the counterparty is entitled to terminate this Agreement with immediate effect.
- 8.2.2 Courts and official decisions**
- §8.2.1.2 does not prevent a party to this Agreement from disclosing or revealing data or documentation that must be disclosed in accordance with a court judgement/order. Forever must be notified immediately of such an order and of exactly what data and documentation the order relates to.

8.3 Force majeure

8.3.1 Liberating circumstances

- 8.3.1.1 A party is liberated from the consequences of omitting to fulfil its obligations in accordance with this Agreement if the omission is based on circumstances that render it impossible or far more difficult to fulfil the agreed obligation or if such a circumstance renders the obligation unreasonably onerous. All provided that the circumstances cannot be predicted or are otherwise beyond the party’s reasonable control and all reasonable efforts are made to remedy the circumstances.
- 8.3.1.2 Liberating circumstances shall include war, a war-like state, official action, natural disaster, labour market conflict or comparable event, fire, sabotage, transport stoppage, etc.
- 8.3.1.3 A party that wants to declare liberating circumstances in accordance with §8.3.1, must notify the counterparty thereof, otherwise liberating circumstances may not be cited.
- 8.3.1.4 When the valid obstacle to fulfilling the obligation no longer exists, the party that cited the liberating circumstance shall meet its obligations in accordance with the Agreement, provided that it is reasonable to demand this. If the obstacle lasts for more than thirty (30) days, the parties shall enter into negotiations about whether the Agreement shall continue to apply. If no consensus is found after the negotiations, the parties are entitled to terminate the Agreement with immediate effect.
- 8.3.1.5 If a valid obstacle to a party meeting its agreed obligation arises, the counterparty is entitled to withhold an obligation that can be considered to correspond to the obligation.

8.4 Limitation on liability for damages

Under no circumstances is Forever responsible for indirect losses or damage caused by the FBO and/or second-named person, or for direct damage or losses that exceed the value of the FBO's order, on which the claim is based, unless mandatory legislation states otherwise.

8.5 Disputes

Disputes that arise from or relate to this Agreement, its validity or non-validity, the distributor relationship or Forever's products shall ultimately be decided through arbitration in accordance with Forever US's and Forever Living Products International Inc's prevailing guidelines on dispute resolution, which can be found on the website www.foreverliving.com. The arbitration proceedings shall take place in Maricopa County in Arizona, USA. The language used in the proceedings shall be English.

If the FBO and/or second-named person want to make a claim against Forever's foreign parent company or subsidiaries, which is not covered by this arbitration clause, the FBO and/or second-named person is duty bound to also let such a dispute be decided in arbitration proceedings in the way described above.

8.6 Interpretation of the Agreement

8.6.1 Entire agreement and related provisions

8.6.1.1 This Agreement, together with every document to which it refers and the rules and guidance documentation provided by Forever on its website, shall constitute the parties' entire agreement on all issues relating to this Agreement and supersede all previous agreements, unilateral commitments and obligations that contravene this Agreement. This entire agreement is referred to as the "Agreement", "Distributor Agreement" and/or "Company Policies and Procedures The Code of Professional Conduct".

8.6.1.2 The provisions set out under section 8 of this Agreement shall apply for the whole Agreement.

8.6.1.3 Should any of the provisions in this Agreement be declared invalid or not enforceable by a court or authority, the rest of the Agreement shall continue to apply between the parties.

8.7 Duration

The agreements in the "Confidentiality", "Disputes" and "Limitation on liability for damages" sections shall apply henceforth and for all time.

9 Marketing Plan

9.1 Marketing Plan levels

9.1.1 ~~Novus Preferred Customer~~

~~An FBO who has not achieved Assistant Supervisor level or higher~~

~~An FBO always begins at Novus Customer level.~~

~~A Novus Customer cannot recruit new FBOs until he/she is Wholesale Qualified.~~

~~The Preferred Customer is solely a consumer of FLP products. He/She is not licensed to sell FLP products, sponsor other Preferred Customers, or receive any compensation from FLP.~~

9.1.2 Assistant Supervisor

If the FBO ~~and his/her team's~~ registered product purchases in the home country correspond to two (2) CC within a maximum period of two (2) consecutive calendar months, the FBO qualifies to be an Assistant Supervisor and this is acknowledged by the company with

- A pin

9.1.3 Supervisor

If the FBO and his/her team's registered product purchases correspond to twenty-five (25) CC within a maximum period of two (2) consecutive calendar months, the FBO qualifies as a Supervisor and this is acknowledged by the company with

- A pin

9.1.4 Assistant Manager

If the FBO and his/her team's registered product purchases correspond to seventy-five (75) CC within a maximum period of two (2) consecutive calendar months, the FBO qualifies as an Assistant Manager and this is acknowledged by the company with

- A pin

9.1.5 Recognized Manager

There are two (2) ways to qualify as a Recognized Manager:

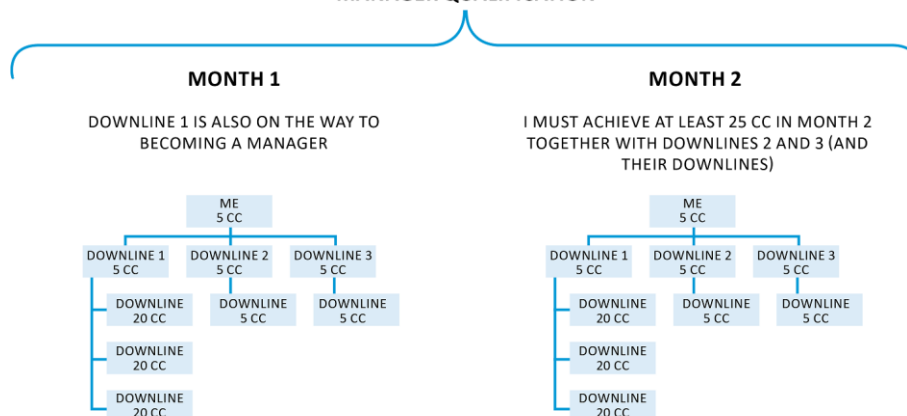
1. Through FBO's personal and Non-Manager CC generated one hundred and twenty (120) CC within one (1) or two (2) consecutive calendar months.
2. Through FBO's personal and Non-Manager CC generated one hundred and fifty (150) CC within three (3) or four (4) consecutive calendar months.

A Recognized Manager is acknowledged by the company with:

- En gold-gilt pin
- New Manager Day

- 9.1.5.1 An FBO becomes a Recognized Manager if he/she is active during all the qualification months and meets one of the following criteria:
- He/she qualifies as a Manager at least one (1) month earlier than any downline Manager.
 - If an FBO qualifies as a Manager the same month that any of his/her downlines qualify as a Manager, irrespective of country, in the final qualification month the FBO must achieve at least twenty-five (25) Personal CC or Non-Manager CC from downlines outside of the line that qualifies as a Manager the same month.

MANAGER QUALIFICATION



- 9.1.5.2 An FBO that achieves Manager level in the Marketing Plan undertakes to follow Forever's code of conduct for leadership.

9.1.6 Unrecognized Manager

A Manager who does not fulfil the terms of §9.1.5 is considered to be an Unrecognized Manager.

9.1.6.1 An Unrecognized Manager can qualify for a personal discount, ~~NCP PCP~~ and Volume Bonus, but cannot qualify for a Leadership Bonus or other incentives that require Manager level, such as the Chairman's Bonus, Forever2Drive and Eagle Manager.

9.1.6.2 An Unrecognized Manager can become a Recognized Manager at a later date:

- by achieving one hundred and twenty (120) Personal or Non-Manager CC in a single business area within a maximum period of two (2) consecutive calendar months.
- by achieving one hundred and fifty (150) Personal or Non-Manager CC in a single business area within three (3) or four (4) consecutive calendar months.
- by being active in all the qualification months.
- if qualification as a Manager takes place the month directly after the FBO became an Unrecognized Manager, the FBO may count all CC that do not come from the line that qualified as a Manager the month before he/she qualified as a Recognized Manager.
- if an FBO qualifies as a Manager the same month that any of his/her downlines qualify as a Manager, irrespective of country, in the final qualification month the FBO must achieve at least twenty-five (25) Personal CC or Non-Manager CC from downlines outside of the line that qualifies as a Manager the same month. See diagram in §9.1.5.1.

CC generated in downlines that used to be Manager level may not be included, irrespective of whether these CC were generated before becoming a Manager.

9.1.6.3 An FBO who has been an Unrecognized Manager receives a Leadership Bonus from the date he/she became a Recognized Manager.

9.1.7 Manager Recognition

A Recognized Manager can qualify for Manager Recognition in one (1) of two (2) ways, which cannot be combined.

- Accumulate new firstline Recognized Managers, i.e. Sponsored; or
- Accumulate Eagle Manager downlines.
- Only Eagle Manager downlines developed the year that the Manager met the core requirements can be included in his/her total. The qualified Manager must meet the following core requirements in the May-April after qualifying as a Recognized Manager:
 1. Be active each month
 2. Be LB qualified. CC generated in the months that he/she is not LB qualified will not count towards this incentive.
 3. 720 Total CC in his/her home country, and
 4. 100 New CC in any country, and
 5. Sponsor and develop two (2) new Supervisors in any country.
- There is no time limit for the required accumulation of Managers or Eagle Manager downlines.
- A Manager who achieves the core requirements during the qualification period can retroactively count Eagle Manager Downlines from each previous qualification period in which he/she also met the core requirements.
- Each Eagle Manager downline can only be counted once (1 time) by each qualifying Upline Manager.

- A Recognized Sponsored Manager who has been removed from the Company's database due to suspension or change of Sponsor or the 36-month rule, will continue to be counted in his/her former Sponsor's Manager Pin Level.

9.1.8 Senior Manager

- Accumulate two (2) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate one (1) Eagle Manager downline.
- The Senior Manager will be awarded a gold-gilt pin with two (2) garnets.

9.1.9 Soaring Manager

- Accumulate five (5) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate three (3) Eagle Manager downlines.
- The Soaring Manager will be awarded a gold-gilt pin with four (4) garnets.

9.1.10 Sapphire Manager

- Accumulate nine (9) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate six (6) Eagle Manager downlines.
- The Sapphire Manager will be awarded a gold-gilt pin with four (4) sapphires, a four-day, three-night all-expenses paid trip to a high-class resort within Scandinavia. This trip is an Earned Trip (see explanation in §13.8.2).

9.1.11 Diamond Sapphire Manager

- Accumulate seventeen (17) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate ten (10) Eagle Manager downlines.
- The Diamond-Sapphire Manager will be awarded a gold-gilt pin with two (2) diamonds and two (2) sapphires, a specially designed sculpture and a five-day, four-night all-expenses-paid trip to a luxury resort within Scandinavia. This trip is an Earned Trip (see explanation in §13.8.2).

9.1.12 Diamond Manager

- Accumulate twenty-five (25) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate fifteen (15) Eagle Manager downlines.
- The Diamond Manager will be awarded a gold pin with two (2) diamonds, a beautifully designed diamond ring, a seven-day, six-night all-expenses-paid trip to a luxury resort outside the Scandinavia. This trip is an Earned Trip (see explanation in §13.8.2).
- A Waiver of CC requirements for Forever2Drive and the Volume Bonus, provided that a minimum of twenty-five (25) Sponsored Managers are active each month.

9.1.13 Double Diamond Manager

- Accumulate fifty (50) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate twenty-five (25) Eagle Manager downlines.
- The Double Diamond Manager will be awarded a gold pin with two (2) diamonds, an exclusive pen accessorized with diamonds, a ten-day, nine-night all-expenses-paid-trip to South Africa. This trip is an Earned Trip (see explanation in §13.8.2).

9.1.14 Triple Diamond Manager

- Accumulate seventy-five (75) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate thirty-five (35) Eagle Manager downlines.
- The Triple Diamond Manager will be awarded a gold pin with three (3) diamonds, an exclusive watch, a specially designed sculpture, a fourteen-day, thirteen-night all-

expenses-paid trip around the world. This trip is an Earned Trip (see explanation in §13.8.2).

9.1.15 Diamond Centurion Manager

- Accumulate one hundred (100) firstline Recognized Managers, i.e. Sponsored, (national or international) or;
- Accumulate forty-five (45) Eagle Manager downlines.
- The Diamond Centurion Manager will be awarded a gold pin with four (4) diamonds.

9.1.16 Inherited and Transferred Manager:

- a) A Manager is considered Inherited if he/she is moved to a different Sponsor under the 12-month LBQ rule, or if his/her Sponsor is terminated or responsored. In such case, he/she becomes an Inherited Manager to his/her new Sponsor.
- b) A Manager is considered Transferred according to Policy outlined in Section 4.01(h) until he/she requalifies as a Sponsored Manager on a Country by Country basis.
- c) Inherited and Transferred status does not affect the Volume Bonus or Leadership Bonus paid to any Manager or to his/her upline.
- d) An Inherited or Transferred Manager does not count for the upline Manager's Case Credit reduction for the Earned Incentive Program, or Gem Manager Level.
- e) An Inherited or Transferred Manager can re-qualify as a Sponsored Manager on a Company by Company basis by meeting the following requirements:
 - Generate a total of 120 Personal and Non-Manager Case Credits in the Operating Company where he/she is requalifying as a Sponsored Manager within any 1-2 consecutive Months (or 150 Case Credits within any 3-4 consecutive Months). The re-qualification process can begin with the Month prior to the Month of Transfer.
 - During the re-qualification period, be an Active FBO in his/her Home Country or generate 4 Personal Case Credits in the Country where he/she is achieving Sponsored Manager status.

9.1.17 Sponsored Manager

A Manager becomes a Sponsored Manager to his/her immediate upline, Sponsor, by becoming a Recognized Manager.

- 9.1.17.1 If an FBO qualifies as a Manager in a single business area only and the FBO is active in his/her home country during the qualification months, the FBO counts as a Sponsored Manager both in his/her home country and in the business area in which the qualification was achieved. The FBO counts as a Transferred Manager in all other business areas.
- 9.1.17.2 If an FBO qualifies as a Manager by combining CC between several business areas, the FBO counts as a Sponsored Manager in his/her home country and a Transferred Manager in all other business areas.
- 9.1.17.3 Transferred and Inherited Managers can become Sponsored Managers by re-qualifying in accordance with §9.1.5.1. If a Manager re-qualifies in a country other than the business area, either the activity must be achieved in the business area or four (4) Personal CC must be achieved in the qualification area.

9.1.18 Other information about qualification

- 9.1.18.1 For levels above Manager, former firstline Managers must continue to be Sponsored Managers or be replaced by new Sponsored Managers. Managers whose Agreements have been terminated do not count.
- 9.1.18.2 When changing level, an FBO can include Sponsored Managers from all business areas.

- 9.1.18.3 When a Manager creates new firstline Recognized Managers outside of the business area, the Manager must notify the company accordingly in order to reach any of the mentioned levels.
- 9.1.18.4 Each Sponsored Manager can only be counted once to qualify as a Senior Manager or higher.
- 9.1.18.5 Once a level has been achieved it is retained. There is an exception if the Distributor Agreement ceases and the FBO is re-sponsored. And with regard to buy-backs §3.12.3.5.
- 9.1.18.6 The FBO moves up the levels of the Marketing Plan independently of his/her upline's level.
- 9.1.18.7 Up to Manager level a downline can never pass his/her upline.
- 9.1.18.8 The period for qualifying for a higher level is a maximum of two (2) consecutive calendar months, for example, the period 1 January to 28 February (see §9.1.5 for exceptions for Manager level). All promotions take place the exact date the number of required CC are achieved, which means that the break-off point for calculating discounts and commission can be at any point in a month. However, the change in level officially takes place at the end of that month if all CC are achieved in Scandinavia, and on the 15th of the following month if CC are achieved in another country or combined from several business areas.
- 9.1.18.9 The FBO may include:
 - a) 100% of CC from his/her own Non-Manager group
 - b) 40% of CC from the first-generation Managers and their Non-Manager group.
 - c) 20% of CC from the second-generation Managers and their Non-Manager group.
 - d) 10% of CC from the third-generation Managers and their Non-Manager group.

9.1.19 Recognition

- 9.1.19.1 Pins are awarded at Inspiration Days, Success Days, Scandinavian events, the Rally or at special seminars led by a Manager or company representative.
- 9.1.19.2 Pins for Gem Manager levels are only presented by the Country Manager at a Rally, Success Days or Scandinavian event. The Country Manager may delegate this task to a member of the company's leadership group.
- 9.1.19.3 Pins are only awarded to people registered in the distributorship.
- 9.1.19.4 Trips that the FBO has qualified for, for example by reaching a new level in the Marketing Plan, or been rewarded with must be taken within twelve (12) months of qualifying.

10 Bonus structure

Forever has a bonus system that gives active FBOs discounts based on their own purchases and commission based on their own team's product sales, in accordance with the prevailing bonus structure.

10.1 Bonus structure

MARKETING PLAN

● Personal discount
● Volume bonus

| | | | |
|---------------------------------|-------------------------------|------|------|
| | Manager 120 CC | 48 % | |
| | Assistant Manager 75 CC | 43 % | 5 % |
| | Supervisor 25 CC | 38 % | 5 % |
| Assistant Supervisor 2 CC | 30 % | 3 % | 8 % |
| | | | 13 % |

10.1.1 Discounts

The FBO receives discounts on personal purchases. The discount is calculated using the retail price (see §4.15.1).

10.1.1.1 Discounts on purchases

~~New FBOs Preferred Customer~~ are given a ~~15 5 %~~ discount (~~Novus Preferred Customer Pricing, NCP PCP~~) off Forever's prevailing price list (~~Wholesale Price~~).

If an ~~FBO's Preferred Customer~~ purchases total 2 CC in a maximum period of two (2) consecutive months, he/she is given a 30% discount on Forever's prevailing price list (~~Wholesale Price~~).

10.1.2 Commission

The FBO receives commission on purchases made by ~~Preferred Customer~~/FBOs in his/her team. Commission is calculated using the retail price.

10.1.2.1 NCP PCP (~~Novus Preferred Customer Pricing~~)

FBOs who have achieved 30% (~~Wholesale Qualified FBOs~~) are given an ~~NCP PCP~~ bonus (~~15 25%~~) from firstline (personally sponsored) ~~FBOs Preferred Customer~~ whose purchases have not totalled two (2) Personal CC in a maximum period of two (2) consecutive months. No activity requirement.

10.1.3 ~~Volume Bonus from downline at the same level~~

~~FBOs who are lower than Manager level, are not given commission from FBOs in their own team who are at the same level in the Marketing Plan. FBOs at the Novus Customer level are only entitled to a 15% discount on purchases.~~

10.2 Bonus structure per level

10.2.1 ~~Novus Preferred Customer~~

~~15% ——— Personal discount. No activity requirement.~~
~~5 % discount on personal orders~~

10.2.2 Assistant Supervisor (~~Wholesale Qualified~~) receives:

~~Personal discount see §4.2.1~~
~~5% ——— Volume discount. No activity requirement.~~
~~15% ——— NCP Bonus in accordance with § 10.1.2.1~~

~~5% Volume Bonus on all purchases made by firstlines at Novus Customer level. No activity requirement.~~

30% discount on personal orders

25% Preferred Customer Profit -on the Purchases of personally-sponsored Preferred Customers.

An Assistant Supervisor who is 4CC active also receives:

5% Personal Bonus on personal purchases

5% Preferred Customer Bonus - on the Purchases of personally-sponsored Preferred Customers.

10.2.3 Supervisor (~~Wholesale Qualified~~) receives:

~~Personal discount see §4.2.1~~

~~8% Volume discount. No activity requirement.~~

~~15% NCP Bonus in accordance with § 10.1.2.1~~

~~8% Volume Bonus on purchases made by firstlines at Novus Customer level. No activity requirement.~~

~~3% Volume Bonus on purchases made by firstlines at Assistant Supervisor level and their teams. Activity requirement.~~

30% Discount plus 8% Personal Discount on Personal Accredited Sales.

25% Preferred Customer Profit - on the Purchases of personally-sponsored Preferred Customers.

8% Preferred Customer Bonus - on the Purchases of personally-sponsored Preferred Customers.

An Supervisor who is 4CC active also receives:

3% Volume Bonus - on the Personal Accredited Sales of personally-sponsored Assistant Supervisors and their Downlines.

10.2.4 Assistant Manager (~~Wholesale Qualified~~) receives:

~~Personal discount see §4.2.1~~

~~13% Volume discount. No activity requirement.~~

~~15% NCP Bonus in accordance with § 10.1.2.1~~

~~13% Volume Bonus on purchases made by firstlines at Novus Customer level. No activity requirement.~~

~~8% Volume Bonus on purchases made by firstlines at Assistant Supervisor level and their teams. Activity requirement.~~

~~5% Volume Bonus on purchases made by firstlines at Supervisor level and their teams. Activity requirement.~~

30% discount plus 13% Personal Discount on Personal Accredited Sales.

25% Preferred Customer Profit - on the Purchases of personally-sponsored Preferred Customers.

13% Preferred Customer Bonus - on the Purchases of personally-sponsored Preferred Customers.

An Assistant Manager who is 4CC active also receives:

5% Volume Bonus - on the Personal Accredited Sales of personally-sponsored Supervisors and their Downlines.

8% Volume Bonus - on the Personal Accredited Sales of personally-sponsored Assistant Supervisors and their Downlines.

10.2.5 Manager, recognized or unrecognized (~~Wholesale Qualified~~) receives:

~~Personal discount see §4.2.1~~

~~18% Volume discount. No activity requirement.~~

~~15% NCP Bonus in accordance with § 10.1.2.1~~

~~18% Volume Bonus on purchases made by firstlines at Novus Customer level. No activity requirement.~~

~~13% Volume Bonus on purchases made by firstlines at Assistant Supervisor level and their teams. Activity requirement.~~

~~10% Volume Bonus on purchases made by firstlines at Supervisor level and their teams. Activity requirement.~~

~~5% Volume Bonus on purchases made by firstlines at Assistant Manager level and their teams. Activity requirement.~~

30% discount plus 18% Personal Discount on Personal Accredited Sales.

25% Preferred Customer Profit - on the Purchases of personally-sponsored Preferred Customers.

18% Preferred Customer Bonus - on the Purchases of personally-sponsored Preferred Customers.

An Manager who is 4CC active also receives:

5% Volume Bonus - on the Personal Accredited Sales of personally-sponsored Assistant Managers and their Downlines.

10% Volume Bonus - on the Personal Accredited Sales of personally-sponsored Supervisors and their Downlines.

13% Volume Bonus - on the Personal Accredited Sales of personally-sponsored Assistant Supervisors and their Downlines.

10.3 Activity

~~FBOs at Supervisor level and above have to be active (see §4.6.1) to be given a Volume Bonus. The activity requirement does not apply to commission from firstlines at Novus Preferred Customer level. FBOs who are not active lose commission (Volume Bonus) except for commission on firstlines at Novus Customer level. Lost commission due to not achieving the activity is paid to the next active upline FBO instead. The FBO can be given commission again in the following months by being active during these months.~~

Assistant Supervisors who do not achieve Active status will not be paid a Personal Bonus or a Preferred Customer Bonus that month. Supervisors, Assistant Managers and Managers who do not achieve Active Status will not be paid a Volume Bonus that month. Any Bonuses accrued by an FBO who is not Active during the Month will be paid upline to Active FBOs as per the Marketing Plan.

10.4 How discounts are deducted

The discount is calculated based on the retail price for the purchase, irrespective of the level in the Marketing Plan. If an FBO reaches a new level in the Marketing Plan in the middle of an order, the difference is paid together with the commission for the month in question.

10.5 How commission is paid

Commission is currently paid by Forever on the 15th of the month after the product purchase into the bank account specified by the FBO. The bank may take time to process your bonus and it may reach your bank account a few days latter. Example: commission for January is sent on 15th February. Commission is paid in accordance with each country's tax rules. With shared distributorships, payment is made to the account specified by the FBO releasing Forever from liability.

10.5.1 In the event of a mistake

If discounts and commission are paid and it later emerges that the grounds for payment were incorrect, Forever reserves the right to make deductions from the discount and commission paid to the FBO and their upline.

10.6 Leadership Bonus (LB)

A Recognized Manager that develops other Managers may qualify for a Leadership Bonus.

10.6.1 The Leadership Bonus is paid as follows:

- a) 6% commission on sales from first-generation Managers and Non-Manager team.
- b) 3% commission on sales from second-generation Managers and Non-Manager team.
- c) 2% commission on sales from third-generation Managers and Non-Manager team.

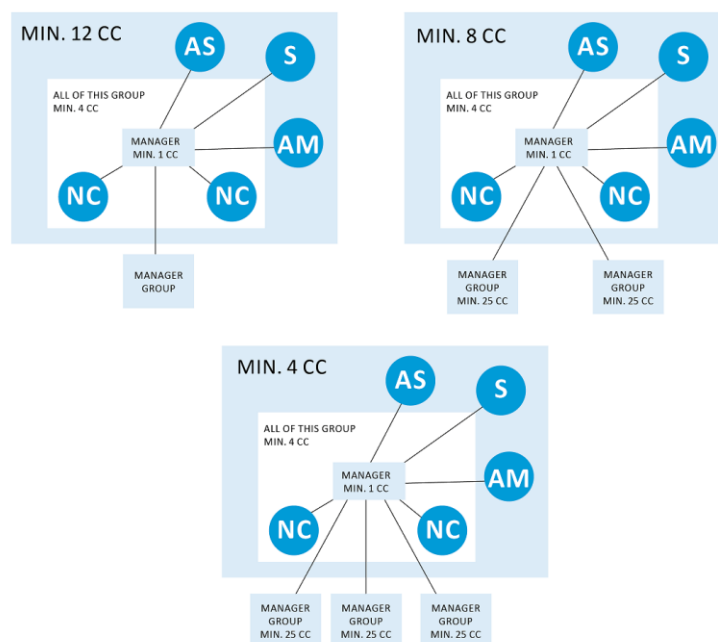
10.6.2 Qualification

- 10.6.2.1 An active Recognized Manager qualifies for the Leadership Bonus if the registered purchases total twelve (12) Personal and Non-Manager-CC.
- 10.6.2.2 An active Recognized Manager can reduce the requirement for the Leadership Bonus to eight (8) Personal and Non-Manager CC or four (4) Personal and **Novus Preferred** Customer CC (activity).
- a) To reduce the requirement from twelve (12) to eight (8) CC, an active Recognized Manager needs two (2) active downline Managers from separate lines, from any generation.

Both of these must have achieved twenty-five (25) Total CC in the business area during the previous calendar month. CC for these Managers are reported in the FBO Bonus Recap.

- b) To reduce the requirement from twelve (12) or eight (8) CC to four (4) CC (activity), an active Recognized Manager needs three (3) active downline Managers from separate lines, from any generation.

These three (3) must have achieved twenty-five (25) Total CC in the business area during the previous calendar month. CC for these Managers are reported in the FBO Bonus Recap.



- 10.6.2.3 If a Manager (Recognized/Unrecognized) fails to qualify for a Leadership Bonus over a period of twelve (12) months, he/she **may** permanently lose his/her Downline Manager lines. **For levels above Manager, this means that you become Manager in the system.** The FBO must be active and achieve registered purchases totalling twelve (12) Non-Manager or Personal CC within three (3) consecutive months before re-qualification for the Leadership Bonus can be considered in the fourth (4th) month. Payment is then made in the fifth (5th) month. These registered purchases of twelve (12) CC must be made in the business area, and also apply if the FBO has no downline Manager.

10.7 Gem Bonus

An additional bonus (Leadership Bonus) may be paid to active Gem Managers. If the requirements are met, the Leadership Bonus increases (in accordance with the table below) for first, second and third-generation Managers and their Non-Manager sales in the qualification area, during the month qualification is achieved.

10.7.1 Qualification

- The Gem Bonus is achieved if a Leadership Bonus Qualified Gem Manager meets one of the following two requirements within the business area where the FBO would like the bonus.
- The FBO has the required number of active first-generation sponsored Managers in the current month (specified below).
- The FBO has the required number of separate lines with at least one Manager who achieved 25 Total CC or more the previous month (specified below).

10.7.2 The Gem Bonus is paid as follows:

| | Qualification | 1st gen | 2nd gen | 3rd gen |
|------------------------------|-------------------------------|---------|---------|---------|
| Leadership Bonus (LB) | See above | 6% | 3% | 2% |
| Gem Leadership Bonus | 9 active 1st gen Managers | 7% | 4% | 3% |
| Gem Leadership Bonus | 17 active 1st gen Managers | 8% | 5% | 4% |
| Gem Leadership Bonus | 25 active 1st gen Managers | 9% | 6% | 5% |

10.7.3 Downline Managers in other countries

With international sponsorship, any Gem Bonus is paid by the respective country and based on the qualification achieved in that country. A foreign Manager who has become a Sponsored Manager in the country counts towards the Gem Bonus qualification and the months he/she has an Activity Qualification Waiver (see §4.22) from his/her business area count.

11 Team

11.1 Team responsibilities

11.1.1 Customer Satisfaction Guarantee

If Forever has to compensate the customer in accordance with §6.1.3.1, Forever is entitled to deduct the equivalent amount refunded to the customer from the discount or commission paid to the FBO. The FBO accepts that Forever applies the following order of priority for the deduction: The FBO, the FBO's sponsor or a Manager in the FBO's upline. All of those specified could be liable to refund bonuses relating to the refunded sum.

11.1.2 Causing another FBO to cancel/responsored his/her agreement

The FBO may not, for any reason or in any way, cause, force or persuade another FBO to terminate his/her agreement with Forever. Neither may the FBO influence another FBO so that he/she reduces his/her business-building activities for any reason.

11.2 Communication

Forever has developed a decentralized communication system to respond to specific questions that may arise. The FBO shall always forward his/her questions to his/her sponsor or his/her upline Manager or higher.

11.2.1 Private/personal data

FBO shall treat data about downlines with respect for the downlines' integrity (GDPR).

11.3 Recruitment

For FBOs who wish to expand their business, Forever grants the FBO a non-exclusive right to recruit/sponsor new FBOs in the countries in which Forever is represented in accordance with the prevailing rules in each country.

11.3.1 Procedures

There are two ways to register a new FBO:

a) Website

Register on the company website. All information and registration documents are e-mailed to the new FBO.

b) Application form

When recruiting a new FBO, the Sponsor shall ensure that the new FBO signs a valid agreement which is sent to Forever. After registration, Forever sends confirmation to the FBO with the necessary information.

11.3.2 Registration/recruitment rules

11.3.2.1 The FBO ~~shall be Wholesale Qualified~~, have completed the Start Up training and approved the terms for this.

11.3.2.2 Under no circumstances may an FBO register a person as an FBO without the person in question realizing that a Distributor Agreement is being signed with Forever.

11.3.2.3 Through the initial registration with Forever, a ~~Novus Preferred~~ Customer has decided which FBO will be his/her sponsor.
If the FBO is aware, or should be aware, that another FBO has recommended that a person takes part in a full business presentation of the operation, the FBO must not recruit or plan to recruit the person in question. Such behaviour does not comply with the prevailing rules and constitutes a breach of the rules. A full business presentation means a presentation of the industry, business, products and business opportunities. A business presentation can take place through a face-to-face meeting or a video conference (a non-physical meeting between two or more individuals which is pre-booked but happens in real time through an interactive medium). Once the conference is over, it must be verified by the person the FBO had a video conference with by that person sending an e-mail to the FBO who held the conference. Only when the FBO receives a verification e-mail, can a business presentation be deemed to have been fully carried out.

11.3.2.4 A person who has been give a full presentation and been asked to become an FBO but is not recruited within three (3) months of initial contact is considered to be free. This person can then be recruited by any FBO without any consequences for the sponsor.

11.3.2.5 In the event of two FBOs marrying or becoming cohabiting partners, the two FBOs can retain their respective distributorships.

- 11.3.2.6 When an existing FBO's spouse or cohabiting partner wants to register as an FBO, he/she must choose his/her spouse/partner ~~if he/she is Wholesale Qualified~~, or his/her spouse/partner's sponsor, as the sponsor.

If the spouse or cohabiting partner of an FBO who has chosen to resign or has been asked to leave wishes to become an FBO in their own right within a year of the resignation/request, this person must be sponsored by their spouse/partner's former sponsor. If, however, more than a year has passed since the resignation/request, the spouse/partner may be sponsored by any FBO.

- 11.3.2.7 If two people, the first-named person and second-named person, are registered under one ID number from before, they can choose to share their Agreement. When an FBO shares an agreement, the second-named person can choose between having the first-named person as the sponsor, ~~if he/she is Wholesale Qualified~~, or having the first-named person's sponsor as the sponsor.

When sharing the distributorship, the second-named person starts off as a ~~Novus Preferred~~ Customer and counts as a new recruit for, say, New CC.

- 11.3.2.8 A responsored is only approved in accordance with §11.4. Forever only takes the first application into consideration.

- 11.3.2.9 Recruitment rules do not apply for prospective FBOs until they register as FBOs. This means that a prospective FBO cannot breach the rules when it comes to the way he/she has been sponsored.

11.3.3 Breaches of the recruitment rules

- 11.3.3.1 See §11.3.2 for information about breaches of the recruitment rules.

- 11.3.3.2 Interpretation of recruitment rules and consequences

These interpretations have been produced to make it easier to understand the recruitment rules. A person (prospective FBO) has been introduced to Forever by an FBO but has been recruited by another FBO.

a) **Example 1**

Situation:

The person named as the sponsor in the agreement did not know that the prospective FBO had been introduced to Forever.

Consequence:

Forever will tell the sponsor to be careful during recruitment and to check that prospective FBOs are not "taken". In this case there will be no change in sponsor.

b) **Example 2**

Situation:

The person named as the sponsor in the agreement knew that the prospective FBO had been introduced to Forever before, but the prospective FBO had not taken part in a public business presentation.

Consequence:

Forever will give the sponsor a caution. In this case there will be no change in sponsor.

c) **Example 3**

Situation:

The person named as the sponsor in the agreement clearly knew that the prospective FBO had taken part in a public business presentation.

Consequence:

Forever will give the sponsor a warning. In this case there will be no change in sponsor.

d) **Example 4**

Situation:

The person named as the sponsor in the agreement met the prospective FBO at a public business presentation or seminar without having invited the prospective FBO him/herself.

Consequence:

The sponsor is given a warning if it emerges that someone else invited the prospective FBO –irrespective of whether or not the sponsor knew of this.

In this case, the prospective FBO and the person who first introduced the prospective FBO have to agree to a responsored for this to take place. The issue is then raised with Forever which will decide if there will be a responsored.

11.4 Responsoring Policies

An existing FBO can change to another sponsor, provided that he or she over the last year (12 months):

- has been an FBO and,
- has not purchased or received any Forever products apart from products purchased by another FBO for personal use,
- has not received any kind of payment from another FBO, and
- has not recruited any individual to their Forever business.

The FBO who changed sponsor loses his/her previous level, CC and all of his/her downlines in all countries. The FBO keeps his/her ID number. If the FBO has a second-named person, the Agreement is shared. Both the FBO and second-named person have the option of choosing a new sponsor, but the second-named person can only choose the same sponsor as the first-named person or his/her former first-named person, ~~after that person has become Wholesale Qualified~~. The second-named person is given a new ID number.

A FBO who has had a change of Sponsor is counted as a newly sponsored **Novus Preferred** Customer regarding all incentives and rewards. If the FBO who had a change of Sponsor is a Sponsored Recognized Manager and has one or more 1st Generation Recognized Managers in his/her team, these Managers will be classed as Inherited Managers in the new Sponsor's 1st Generation. A Sponsored Recognized Manager who had a change of Sponsor will continue to be counted in his/her former Sponsor's Manager Pin Level.

11.4.1 Sponsor for **Novus Preferred** Customers (the 6-month rule)

A **Novus Preferred** Customer who has been registered for six (6) full calendar months or more but who has not reached Assistant Supervisor level in the Marketing Plan, can choose to change sponsor without one (1) year of inactivity.

A **Novus Preferred** Customer who chooses a new Sponsor will lose all former downlines and accumulated move-up Case Credits, and will be counted as newly sponsored regarding all applicable incentives.

11.5 Re-registration

Individuals who have previously been registered as FBOs with Forever, who have terminated their Agreement or had their Agreement terminated, may apply for a new distributorship after 1 year (12 months). If Forever accepts his/her application, the FBO can choose a sponsor and begin at **Novus Preferred** Customer level without the right to his/her earlier downlines.

11.6 International sponsoring Policies

~~Wholesale Qualified~~ FBOs may expand and run their Forever business in any of the lands in which Forever Living Products has an established office.

11.6.1 Procedures

- 11.6.1.1 The FBO may contact the office in the country in which the FBO wants to be internationally sponsored.
- 11.6.1.2 The FBO may apply for international sponsorship via the website. The Forever office in Mölndal, Sweden, is then given details such the ID number, name and the country in which the FBO wants to be internationally sponsored. The same ID number is used for the business area and all countries. Forever then sends the information to the head office in the other country. After Forever has completed the application for international sponsorship, it takes around twenty-four (24) hours to process. The FBO can follow his/her status in the different countries that he/she has applied for on the website under “My profile/International sponsorship”.

11.6.2 Legislation and rules

When selling or recruiting in another country or business area, the FBO is obliged to comply with the legislation and rules in that country.

11.6.3 Market level

The FBO starts at the same level in the Marketing Plan as in his/her own business area.

11.6.4 Sponsor

The FBO keeps the same Sponsor in all countries as in his/her own business area.

11.6.5 Recruitment

- 11.6.5.1 All internationally sponsored FBOs may recruit in another country in accordance with the prevailing rules.
- 11.6.5.2 If an FBO wishes to recruit new FBOs in to a country, that country’s office must be contacted.

11.6.6 Team

- 11.6.6.1 In the event that a downline chooses to move to another country/business area, the uplines automatically become internationally sponsored in the country and are then obliged to comply with the legislation and rules in that country.
- 11.6.6.2 A ~~Novus Preferred~~ Customer can be registered and recruited by the same FBO in several countries, but Case Credits from his/her purchases cannot be combined from several countries to qualify as a ~~Wholesale-Qualified~~ FBO.

11.6.7 Activity

- 11.6.7.1 FBO who meets the activity requirement (4CC) in his/her home country will be counted as active in all countries the following month, irrespective of the level in the Marketing Plan.
- 11.6.7.2 Managers who qualify for the Leadership Bonus in their home country do not have to meet the requirement for a Leadership Bonus in other business areas.
- 11.6.7.3 CC from different business areas cannot be combined for activities or qualification for a Leadership Bonus.
- 11.6.7.4 When the FBO reaches a new level in the Marketing Plan through Case Credits from an individual country, the level is activated immediately upon qualification in that country, and shown in other countries the following month. When the FBO reaches Supervisor/Assistant Manager/Manager level with Case Credits from several countries, the level is activated in all countries on the 15th of the month after qualification.

- 11.6.7.5 If an FBO who has not achieved Manager level in his/her home country reaches Manager level in another country, he/she must meet the activity requirement during his/her qualification period and have at least 25 personal and Non-Manager Case Credits, either in the home country or in the country where the FBO qualified, during the last month of the qualification period to meet the requirements for Recognized Manager.

12 Re-location

When an FBO decides to change business area, he/she must notify the offices in the new and old business areas so that his/her address can be updated and the re-location can take place. See also the information on the FBO's obligation to provide information about changes in accordance with §3.5.2.7.

13 Incentives

All of the company's incentives are designed to encourage stable teams. Incentive prizes are personal and cannot be transferred to another FBO or person, unless otherwise stated for the specific qualification.

13.1 Forever2Drive (Earned Incentive)

Forever2Drive funds shall be used by the FBO to finance new or existing assets, such as a car, house or boat, etc. The asset must be in the FBO's own name.

13.1.1 Qualifications

- 13.1.1.1 All active Recognized Managers have the right to participate in Forever2Drive.
- 13.1.1.2 CC generated by an active FBO before the Recognized Manager level is reached count towards Forever2Drive qualification.
- 13.1.1.3 Qualification can be achieved in any business area at all.
- 13.1.1.4 All CC must be achieved in the same business area.
- 13.1.1.5 The qualification requirements must be met within three (3) consecutive calendar months.
- 13.1.1.6 The FBO must be active each month.
- 13.1.1.7 The qualification requirements for each level of the programme are set out in the table below:

| | Month 1 | Month 2 | Month 3 |
|----------------|---------|---------|---------|
| Level 1 | 50 CC | 100 CC | 150 CC |
| Level 2 | 75 CC | 150 CC | 225 CC |
| Level 3 | 100 CC | 200 CC | 300 CC |

- 13.1.1.8 After qualification the third (3rd) monthly volume and activity must be maintained. If the FBO's Total CC drop below the CC requirement for the third (3rd) month, the programme's monthly payment will be calculated using an earned sum based on (currently) 2.66 euro per CC in accordance with the FBO's bonus recap. If the FBO is inactive, no Forever2Drive payment is made.
- 13.1.1.9 If a Manager has less than fifty (50) CC in a month, no payment is made for that month. If the Manager later has over fifty (50) CC, the payment will be made again.

- 13.1.1.10 If a Manager has five (5) active first-generation Managers at the end of the third (3rd) qualification month and in all subsequent months for a period of thirty-six (36) months, he/she only needs one hundred and ten (110), one hundred and seventy-five (175) or two hundred and forty (240) CC to reach level 1, 2 and 3.
- 13.1.1.11 For every five (5) additional active first-generation firstline Managers, the CC are reduced by forty (40) CC for level 1, fifty (50) CC for level 2 and sixty (60) CC for level 3.
- 13.1.1.12 For Managers with twenty-five (25) or more active first-generation Managers one month, there is no CC requirement for achieved rewards for the month. The requirements are summarized in the table below.
- 13.1.1.13 The number of active first-generation Managers during the third (3rd) qualification month or one of the following thirty-six (36) months determines that monthly volume needs to be maintained to receive the full payment. The requirements are set out in the table below:

| | 5 active Managers | 10 active Managers | 15 active Managers | 20 active Managers | 25 active Managers |
|----------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Level 1 | 110 CC | 70 CC | 30 CC | - | - |
| Level 2 | 175 CC | 125 CC | 75 CC | 25 CC | - |
| Level 3 | 240 CC | 180 CC | 120 CC | 60 CC | - |

13.1.2 Reward levels

- 13.1.2.1 There are three (3) reward levels:
 Level 1: The company pays up to 400 euro per month for a maximum of thirty-six (36) months.
 Level 2: The company pays up to 600 euro per month for a maximum of thirty-six (36) months.
 Level 3: The company pays up to 800 euro per month for a maximum of thirty-six (36) months.

13.1.3 Payment

- 13.1.3.1 Qualification for one of the levels is automatically registered with Forever, and the first payment is made in connection with the next bonus payment.
- 13.1.3.2 If the Manager is subject to VAT, the sum is paid plus VAT.

13.1.4 Qualifying for a higher level

- 13.1.4.1 After the third (3rd) qualification month, an FBO can proceed with a new qualification period for a higher level that may include these qualification months. For example, an FBO who qualified for level 1 in January, February and March, can qualify for level 2 in February, March and April.

13.1.5 Re-qualification

- 13.1.5.1 In the last six (6) months of the 36-month period, the FBO can re-qualify for the programme by meeting the above qualification requirements again.

13.1.6 Application

- 13.1.6.1 No application is required.

13.2 Eagle Manager

13.2.1 Qualification requirements

Eagle Manager status must be achieved between 1 May and 30 April every year by meeting the following requirements:

- 13.2.1.1 To become an Eagle Manager the FBO must be a Recognized Manager.
- 13.2.1.2 Be active every calendar month of the qualification period or every calendar month after becoming a Recognized Manager.
- 13.2.1.3 Achieve at least seven hundred and twenty (720) Total CC, of which at least one hundred (100) CC must come from new firstlines, New CC. CC are only counted in months where the FBO is LB qualified.
- 13.2.1.4 Recruit at least two (2) new firstlines in the qualification period who achieve Supervisor level. The firstlines may be recruited in the business area in which the FBO qualifies or in another country.
- 13.2.1.5 Support and participate in Forever's meetings and events

13.2.2 Qualifying as a Senior Manager or higher.

Apart from meeting the above-mentioned requirements him/herself, a Senior Manager or higher must develop one or more downline Eagle Managers as set out below to qualify.

| | | |
|---------------------------|----|--------------------------|
| Senior Manager: | 1 | downline Eagle Manager. |
| Soaring Manager: | 3 | downline Eagle Managers. |
| Sapphire Manager: | 6 | downline Eagle Managers. |
| Diamond Sapphire Manager: | 10 | downline Eagle Managers. |
| Diamond Manager: | 15 | downline Eagle Managers. |
| Double Diamond Manager: | 25 | downline Eagle Managers. |

Each Eagle Manager must come from a separate line. An Eagle Manager may come from any downline generation and any business area.

Gem Managers (i.e. Sapphire Managers and higher) can qualify as a Eagle at a lower level, but not lower than Soaring.

For example, if a Diamond Manager has 3 (three) downline Eagle Managers, he/she will qualify and will be called a Diamond Manager who is Eagle qualified.

An FBO who qualifies as an Eagle with 6, 10 or 15 Eagle Manager lines, will automatically qualify for a 1%, 2% or 3% GEM Bonus in his/her home country, for each of the twelve (12) months he/she is Leadership Bonus qualified, starting from May 2018.

13.2.3 New CC

- a) Can be generated in, and combined with, any business area.
- b) Can only be Non-Manager CC.
If a new FBO becomes a Manager in the qualification period, only the CC the FBO achieved before becoming a Manager count.
- c) Responsored FBOs count towards New CC and for the requirement on new Supervisors.

13.2.4 Level at the beginning of qualification

The requirements are based on the FBO's opening level at the beginning of the qualification period.

13.2.5 Business area

All qualification requirement must be met in the same business area, with the exception of New CC, Supervisors and requirements on downline Eagle Managers.

13.2.6 The FBO becomes a Manager after the qualification period begins

The FBO becomes a Manager after the qualification period begins:

- CC from FBOs recruited during the last month of Manager qualification count as New CC in the Eagle Manager qualification for the year as of the month following the upwards move.
- Regardless of when the FBO becomes a Manager, all qualification requirements, see above, need to be achieved after the FBO has become a Manager.
- Any ~~Nexus~~ Preferred Customers he/she sponsored during the final month of move-up will count towards the new Supervisor requirement for that qualification period's Eagle Manager Programme.

13.2.7 Rewards

An FBO who qualifies as an Eagle Manager is invited to an Eagle Manager Retreat, an Earned Trip.

13.2.7.1 Eagle Manager Retreat is a weekend held in two selected destinations every year. Details of the location and date are provided on the website. The FBO must book his/her selected destination by 31 May every year at the latest.

13.2.7.2 The Eagle Manager is offered a return flight, three nights at a hotel, an invitation to an exclusive Eagle Manager training and access to all the activities during the event – all free of charge.

13.3 Global Rally

An international Global Rally is held every year. The destination is presented on the website. The qualification period is 1 January to 31 December. This Rally is an Earned Trip.

13.3.1 Qualification requirements and rewards

13.3.1.1 CC can be generated in, and combined with, any business area.

13.3.1.2 CC for a Global Rally are counted as follows:

- In months that the FBO is inactive the FBO may include his/her Personal CC and ~~Nexus~~ Preferred Customer CC.
- In months that the FBO is active but does not qualify for the Leadership Bonus, the FBO may include his/her Personal CC and Non-Manager CC.
- In months that the FBO is active and qualifies for the Leadership Bonus, the FBO may include his/her Total CC.

13.3.1.3 An FBO can qualify for the following rally awards:

Meals/money for meals, an activity allowance and two rally tickets are included for all levels.

| Level | Return flight | Hotel accommodation | Extra |
|-----------|---------------------|---------------------|---|
| 1,500 CC | Yes | 5 | |
| 2,500 CC | Yes | 6 | |
| 5,000 CC | Yes | 7 | |
| 7,500 CC | Yes | 7 | |
| 10,000 CC | Yes, Business Class | 7 | |
| 12,500 CC | Yes, Business Class | 7 | Use of VIP checkout in rally shopping area. |

13.3.1.4 A qualifying distributorship taking part in the event is remunerated as follows:

| Level | Spending money |
|-----------|----------------|
| 1,500 CC | \$500 |
| 2,500 CC | \$ 1200 |
| 5,000 CC | \$ 2200 |
| 7,500 CC | \$ 3200 |
| 10,000 CC | \$ 3200 |
| 12,500 CC | \$ 12700 |

13.4 Chairman's Bonus

The Chairman's Bonus is a twelve-month (12-month) incentive programme from 1 January to 31 December. The programme has three (3) incentive levels.

13.4.1 Definitions

- 13.4.1.1 Participating country – Business area (e.g. Scandinavia) with over three thousand (3,000) CC during at least three (3) consecutive months of the calendar year before the financial year.
- 13.4.1.2 Qualifying country – The business area where the FBO has chosen to qualify (where the FBO has the most Personal and Non-Manager CC).
- 13.4.1.3 CBM – Chairman's Bonus Manager. Can be in any business area.
- 13.4.1.4 New CC (see also definitions in §4.3.4)
 - a) Can be generated in, and combined with, any business area.
 - b) Can only be Non-Manager CC.
If a new FBO becomes a Manager during the year, only the CC the FBO achieved before becoming a Manager count.
 - c) Responsored FBO are included in this.
 - d) Any New CC created in other business areas do not count for the purpose of calculating shares in the bonus pool.

13.4.2 Core requirements

Qualification requirements must be met:

- a) within the qualification period
 - b) after an FBO has achieved Recognized Manager level
 - c) in either the home country or qualification country – the countries cannot be combined to meet the requirements (see exceptions for specific requirements).
- 13.4.2.1 Be active every calendar month of the qualification period or every calendar month in the qualification period after becoming a Recognized Manager.
 - 13.4.2.2 CC are only counted in months where the FBO is Leadership Bonus qualified. This also applies if the FBO does not have a downline Manager.
 - 13.4.2.3 Ensure that the rules on bonus-buying are met personally and by the team in accordance with §4.12.
 - 13.4.2.4 Be qualified for Forever2Drive or qualify for it during the qualification period. Forever2Drive can be achieved in any participating country.
 - 13.4.2.5 Build his/her Forever business following the correct Team Marketing principles and in line with Forever's Company Policies and Procedures The Code of Professional Conduct.

- 13.4.2.6 Participate in and support business presentations, seminars, training courses, Forever Success Days and similar.

13.4.3 Chairman's Bonus Manager level requirements

- 13.4.3.1 Meet the core requirements

- 13.4.3.2 Meet the level requirements set out below in the qualification country unless otherwise stated:

| | Level 1 | Level 2 | Level 3 |
|---------------------------|--|--------------------------------|--------------------------------|
| Personal + Non-Manager CC | 700 | 600 | 500 |
| New CC | 150 | 100 | 100 |
| Downline | 600 CC Manager/ 1 Chairman's Bonus Manager | 3 Chairman's Bonus Managers | 6 Chairman's Bonus Managers |

13.4.4 Chairman's Bonus Manager Level 1

- 13.4.4.1 Six hundred (600) CC Manager/Downline CBM
Alternative 1: During the qualification period help at least one (1) Recognized Manager achieve 600 or more Total CC.

- Only CC from the months that this Manager is active and after he/she has become a Recognized Manager count towards the six hundred (600).
- This Manager could be an existing Manager or could have recently reached Manager level during the qualification period.
- His/her CC are not added to the qualified CC for the purposes of calculating shares in bonus points.

Alternative 2: Help at least one (1) Recognized Manager become a CBM.

- 13.4.4.2 Create at least seven hundred (700) Personal and Non-Manager CC during the qualification period after becoming a Recognized Manager. At least one hundred and fifty (150) of these CC must be New CC (see definition in §4.3.4).

- 13.4.4.3 Responsored FBO count towards all requirements for Level 1.

- 13.4.4.4 New CC

- Can be generated in, and combined with, any country.
- Can only be Non-Manager CC. If a new FBO becomes a Manager during the year, only the CC the FBO achieved before becoming a Manager count as Non-Manager CC.
- Responsored count.

- 13.4.4.5 The rest of the Personal and Non-Manager CC have to be created within the Scandinavian office's business area.

- 13.4.4.6 Any New CC created in countries outside of the Scandinavian business area do not count for the purpose of calculating shares in the bonus pool.

13.4.5 Chairman's Bonus Manager Level 2

- 13.4.5.1 Downline Chairman's Bonus Managers
During the qualification period help at least three (3) Recognized Managers in three (3) different lines become a CBM.

- a) These Managers could be existing Managers or have reached Manager level during the qualification period.
 - b) Their CC are added to your CC when shares in the bonus pool are calculated.
- 13.4.5.2 Create at least six hundred (600) Personal and Non-Manager CC during the qualification period after the FBOs have become Recognized Managers. At least one hundred (100) of these CC must be New CC (see definition in §4.3.4).
- 13.4.5.3 A responsored FBO count towards all requirements for Level 2.
- 13.4.5.4 New CC
 - a) Can be generated in, and combined with, any country.
 - b) Can only be Non-Manager CC. If a new FBO becomes a Manager during the year, only the CC the FBO achieved before becoming a Manager count as Non-Manager CC.
 - c) A responsored FBO count.
- 13.4.5.5 The rest of the Personal and Non-Manager CC have to be created within the Scandinavian office's business area. Any New CC created in countries outside of the Scandinavian business area do not count for the purpose of calculating shares in the bonus pool.

13.4.6 Chairman's Bonus Manager Level 3

- 13.4.6.1 Downline Chairman's Bonus Managers

During the qualification period help at least six (6) Recognized Managers in six (6) different lines become a CBM.

 - a) These Managers could be existing Managers or have reached Manager level during the qualification period.
 - b) Their CC are added to your CC when shares in the bonus pool are calculated.
- 13.4.6.2 Create at least five hundred (500) Personal and Non-Manager CC during the qualification period after becoming a Recognized Manager. At least one hundred (100) of these CC must be New CC (see definition in §4.3.4).
- 13.4.6.3 A responsored FBO count towards all requirements for Level 3.
- 13.4.6.4 New CC
 - a) Can be generated in, and combined with, any country.
 - b) Can only be Non-Manager CC. If a new FBO becomes a Manager during the year, only the CC the FBO achieved before becoming a Manager count as Non-Manager CC.
 - c) A responsored FBO count.
- 13.4.6.5 The rest of the Personal and Non-Manager CC have to be created within the Scandinavian office's business area.

Any New CC created in countries outside of the Scandinavian business area do not count for the purpose of calculating shares in the bonus pool.

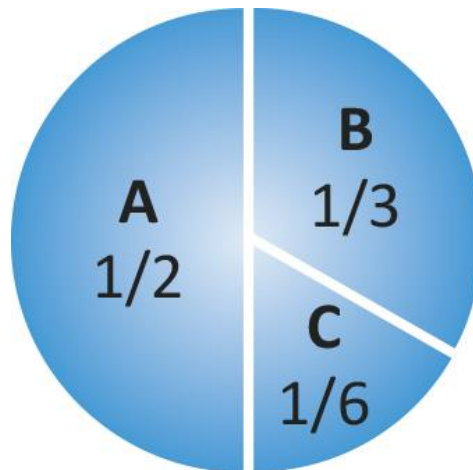
13.4.7 Other

- 13.4.7.1 The final decision on who receives payment under this programme is taken by Forever's corporate management.

13.5 Chairman's Bonus – share of the bonus pool

13.5.1 Calculating the bonus

A global bonus pool is established and shared as follows:



FBOs who qualify for Level 1 share bonus pool A.

FBOs who qualify for Level 2 not only receive their share of bonus pool A but also a share of bonus pool B.

FBOs who qualify for Level 3 receive their share of bonus pools A and B plus a share of bonus pool C.

13.5.2 Allocation

Each qualified FBO is assigned a share of the incentive (sum) for each Total CC generated in the chosen qualification country (i.e. excluding New CC generated in other business areas). The qualified FBO also receives a share of the incentive (sum) for each CC generated by his/her immediate CBM in each line.

13.6 Chairman's Bonus Global Rally Rewards

Chairman's bonus Managers who have not qualified with 1,500 CC or more for the Global Rally, are rewarded with a trip for two (2) people to the Forever Global Rally. The trip includes flights, accommodation, and meals for five(5) days and four (4) nights. \$250 of spending money.

13.7 Global Leadership Team (GLT)

Membership of the GLT is obtained by achieving at least 7,500 Total CC (CC count only after the FBO has reached Recognized Manager level in the Marketing Plan) during the qualification period.

Membership applies for the calendar year after the end of the qualification period.

13.7.1 Global Retreat for the Global Leadership Team (GLT)

A Global Retreat is an Incentive Trip to which FBOs with over 7,500 Total CC (GLT) are invited. A Global Retreat is an "Invited trip". Global Retreats are held in connection with a Global Rally or Eagle Manager Retreat and the FBO has to take part in the event activities to receive the Global Retreat reward.

13.8 Incentive Trips

The company invites the FBO on Incentive Trips based on the FBO's sales performance. The aim is to encourage principles for establishing healthy team marketing. An Incentive Trip is an Earned Trip unless stated otherwise. The FBO taxes everything in his/her own company and companions cannot be considered tax deductible in the FBO's company. The FBO and companion are responsible for all tax consequences.

13.8.1 Invited Trip – explanation

Forever decides who is invited on such a trip, regardless of levels and sales. The FBO is personally invited without a guest.

13.8.2 Earned Trip – explanation

Two people per distributorship may go on these trips. This means that if there is just one person registered in the Distributor Agreement, or if the second-named person is unable to attend, the FBO concerned may choose a guest to invite. The invited guest must be of age.

13.8.3 General qualification rules

- 13.8.3.1 Where international CC make up part of the qualification, the FBO must demonstrate to the company that he/she has achieved these CC within fourteen (14) days of the end of the qualification period, unless otherwise stated.
- 13.8.3.2 Invitations to Incentive Trips are only made to FBOs whose businesses are correctly structured and run. For example, FBOs must actively take part in and support business presentations, seminars, national Forever Success Days and Scandinavian events.
- 13.8.3.3 Invitations to Incentive Trips are only issued to FBOs who have been registered with the same distributorship at the company for the whole qualification period.
- 13.8.3.4 When overnight accommodation, etc., is ordered, it is assumed that FBOs in the same distributorship, or FBOs and their invited guests, share rooms. FBOs who are travelling solo are expected to share a twin room with another solo traveller. FBOs who wish to stay in a single room must pay the difference themselves.

13.9 KEY Scandinavia

All qualification requirements shall be achieved within the Scandinavia business area.

13.9.1 Qualification requirements

- 13.9.1.1 To be a member of KEY scandinavia, the following requirements must be met and achieved in the period 1 January to 31 December every year:
- 13.9.1.2 In KEY Scandinavia, the FBO must be a Recognized Manager and registered with a Scandinavian ID number (460-).
- 13.9.1.3 CCs gained prior to qualification for Recognized Manager do not count towards Key qualification. CCs start being counted only after the FBO has become a Recognized Manager.
- 13.9.1.4 Achieve at least 600 Total CC, of which at least 50 new CCs; Non-Manager must come from new personally sponsored FBOs. New CCs must be registered in the Scandinavia business area to be counted.
- 13.9.1.5 Personally sponsor at least one new FBO during the qualification period, who achieves Supervisor level in the Forever Marketing Plan in the Scandinavia business area. Sponsored FBOs who are rejoining Forever are counted as new personally sponsored Supervisors.
- 13.9.1.6 Support and participate in Forever's meetings and events
- 13.9.1.7 A responsored FBO count as New CC and are subject to the requirement on a new Supervisor.
- 13.9.1.8 The FBO shall be a good role model and work in accordance with Forever Force.

13.9.2 KEY Scandinavia Platinum

- 13.9.2.1 FBOs who not only meet the qualification requirements for KEY Scandinavia but also achieve the Chairman's Bonus (see 13.4) at Level 1, 2 or 3 in the same qualification period, become KEY Scandinavia Platinum members.

13.10 The FBO's liability to pay compensation for travel and accommodation paid for by Forever

13.10.1 Pre-accept

When booking Incentive Trips, the pre-accept principle is applied. This means that by sending their travel request to Forever, the FBO is accepting in advance the trip that Forever, or Forever's business partner, books for the FBO. In cases where the FBO makes a special request regarding means of transport, company or similar, Forever shall take it into account if it can be booked at the same or a lower price than the "standard trip".

13.10.2 Cancellation, rebooking and amendments

There is no opportunity to cancel, rebook or amend names for the trips booked and paid for by Forever. If the FBO would like a more flexible ticket, he/she must pay the additional cost him/herself. As regards hotel accommodation, the hotels have their own cancellation policies which can vary from hotel to hotel. Forever charges an administrative fee of SEK 500/person for all cancellations and amendments.

13.10.3 Guests in the event of cancellation

The FBO is aware that the invited guest may not use any of the profit plan (trip/hotel/tickets etc.) in the event of the qualified FBO cancelling or failing to attend the trip. This does not apply to second named person in a distributorship. The FBO is liable to pay compensation for his/her invited guest in accordance with the same rules that apply for him/herself.

13.10.4 Travel insurance

The FBO is responsible for taking out suitable insurance. Forever's travel agent can offer travel insurance and cancellation insurance to the FBO for a reasonable price. Forever shall not bear the cost of travel insurance or cancellation insurance for the FBO.

13.10.5 Cancellation in the event of acute illness

A FBO who chooses to cancel their trip due to acute illness, which is not a pre-existing condition, may receive some compensation from Forever once the matter has been investigated by the FBO's insurance company.

13.10.5.1 Cancellation process in the event of acute illness

- Contact Forever as soon as possible.
- Forever sends an invoice for the cost of the flight(s), hotel accommodation and other costs, such as food and costs for premises, etc.
- The FBO pays Forever the invoice amount.
- The FBO contacts his/her insurance company to ask for compensation.
- If the insurance company refuses to pay the FBO compensation, Forever shall compensate the FBO for half the invoice amount on the production of a valid doctor's certificate for an acute illness that is not a pre-existing condition.

13.10.6 Cancellation without a valid reason

An FBO who chooses to cancel his/her trip without a valid reason is liable to compensate Forever for the costs relating to the Incentive Trip.

13.10.6.1 Cancellation process without a valid reason

- Contact Forever as soon as possible.
- Forever sends an invoice for the cost of the flight(s), hotel accommodation and other costs, such as food and costs for premises, etc.
- The FBO pays Forever the invoice amount.

- The FBO contacts his/her insurance company to ask for compensation.

13.10.7 No show

If the FBO does not attend without making a cancellation, he/she is liable to compensate Forever for travel and accommodation costs.

13.10.8 Checking the information

The FBO is responsible for checking that all of the information in the application is correct before submitting it to Forever. All travel documentation is sent to the FBO electronically. The FBO is also responsible for making sure that he/she has a valid passport, applicable visa, certificates for necessary vaccinations and for bringing the travel documentation on the trip.

13.10.9 See also the rules/cancellation rules that apply in each specific travel situation.