



BUSINESS MANUAL

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WINALITE Policies and Procedures

Section 1 - Introduction

1.1 Policies Incorporated into the Independent Distributor (ID) Agreement

These Policies and Procedures, in their present form and as amended from time to time at Winalite's (hereinafter the "Company") discretion, are incorporated into the Company ID Agreement. It is the responsibility of each ID to read, understand, adhere to, and ensure that he/she is aware of and operating under the most current version of these Policies and Procedures. The most current version of the Policies and Procedures will be posted on the company website for continuing review by each ID.

1.2 Purpose of Policies

In order to clearly define the relationship that exists between IDs and the Company, and to explicitly set a standard for acceptable business conduct, the Company has established the ID Application and Agreement, these Policies and Procedures, and the Company Compensation Plan (hereinafter collectively referred to as the "ID Agreement"). More precisely, the ID Agreement sets forth the respective rights and responsibilities of Company and the ID in the sale of products to IDs and their customers, and the activities relating to the enrollment and training of downline IDs. Additionally, to assist IDs in building their businesses, to protect those businesses, and to safeguard the opportunities that Company offers to everyone, the ID Agreement establishes certain limits to ensure that IDs do not inadvertently step outside the bounds of permissible and proper conduct. Company IDs are required to comply with all of the terms and conditions set forth in the ID Agreement, which Company may amend from time to time, as well as all laws and regulations governing the ID's conduct. The Company honors all local laws and regulations governing good business practices and requires Company IDs to do the same. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and understand these Policies and Procedures. Please review the information in this manual carefully. It explains and governs the relationship between you as an ID and the Company.

1.3 Changes to the ID Application and Agreement, Policies and Procedures, or Company Compensation Plan

The local laws, as well as the business environment, periodically change, the Company reserves the right to amend the terms and conditions of the ID Agreement and the Company prices, from time to time, at its discretion. By enrollment through the Online System or by signing and executing the ID Agreement, an ID agrees to abide by all amendments or modifications that the Company elects to make. Notification of amendments shall be published in official Company materials and posted on the Company website. Amendments shall be effective upon posting of the changes on the Company website, which is available to all active IDs. The continuation of an ID's Company business or an ID's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

1.4 Delays

Company shall not be responsible for delays and failures in performing its obligations when the Company cannot complete its obligations due to circumstances beyond the Company's reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, curtailment of a party's source of product supply, or government decrees or orders.



1.5 Policies and Provisions Severable

If any provision of the ID Agreement as it currently exists or as may be amended is found to be invalid, illegal, or unenforceable for any reason, only the invalid provision will be severed from the ID Agreement; the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid, illegal or unenforceable provision never comprised a part of the ID Agreement.

1.6 Waiver

Company never forfeits its right to insist on ID compliance with the ID Agreement or with the applicable laws and regulations governing business conduct. The Company's failure to exercise any right or power under the ID Agreement or to insist upon strict ID compliance with any obligation or provision thereof, shall not constitute a waiver of the Company's right to demand exact compliance with the ID Agreement. A waiver by Company can be effected only in writing by an authorized officer of the Company. The Company's waiver of any particular default by an ID shall not affect or impair the Company's rights with respect to any subsequent default, nor shall it affect in any way the rights or obligations of any other ID. Nor shall any delay or omission by Company to exercise any right arising from default affect or impair Company's rights as to that or any subsequent default.

Section 2 - Becoming an Independent Distributor (ID)

2.1 Requirements to Become an Independent Distributor (ID).

To become a Winalite ID, each applicant must:

- a) Be of the age of majority in his/her state or territory of residence;
- b) Reside in India, or any other geographic area that Company has approved for business;
- c) Have a valid Permanent Account Number & EPIC (Election Photo Identity Card) / Passport to establish the identity.
- d) Select the Winalite membership level for which applicant desires to be enrolled and submit product payment for the applicable level, if product purchase is applicable to such level;
- e) Review the Company Policies and Procedures; and
- f) Submit a properly completed ID Application and Agreement enrollment form directly to the company.

The company reserves the right to reject any applications for new IDs or applications for reinstatement.

2.2 Identification and Business Center (BC) Usernames

Company requires IDs to provide their PAN (Permanent Account Number) Taxpayer Identification Number before any commissions or bonuses are paid to the ID. The Company uses this number to identify IDs for tax purposes only. It is the statutory obligation of the Company to deduct the tax at source and remit it to the authorities concerned. The remittances will not be accepted without the PAN. Please note that no commissions & bonuses will be paid if the PAN is not submitted.

2.3 New ID Registration

The new ID applicant must submit application materials to enroll as a new Independent Distributor business. The enrollee must provide the Company with all the necessary ID Application and Agreement information. Upon approval and submission of all applicable product payments, the new ID will have all the rights and privileges of a Company ID.

2.4 Minors

A person who is recognized as a minor in his/her place of residence may not be a Company ID.

2.5 ID Benefits



Once Company accepts an ID's Application and Agreement, the benefits of the Company Compensation Plan and the ID Agreement are available to the new ID. These benefits include the right to:

- a) Retail Company products or services and profit from these sales;
- b) Participate in the Company Compensation Plan (receive bonuses and commissions, if eligible);
- c) Sponsor other individuals as IDs into the Company business and thereby build a Downline Organization and, within the first 56 days of signing up, progress through the Company Compensation Plan achievement levels;
- d) Receive Company updates and other Company communications;
- e) Participate in Company sponsored support, service, training, motivational, and recognition functions upon payment of appropriate charges, if applicable; AND
- f) Participate in any promotional and incentive contests and programs sponsored by Company for its IDs.

Section 3 - Operating a Company Independent Distributor Business

3.1 IDs must adhere to the terms of the Company Policies and Procedure as set forth herein and on the official Company website. IDs shall not offer the Company opportunity through any method of marketing that uses any non-company approved materials.

3.2 Advertising

3.2.1 In General

IDs shall safeguard and promote the reputation of Company and its products or services in conducting their businesses. ID marketing and promotion of Company, the Company opportunity, the Company Compensation Plan, and Company's products or services shall be consistent with the public interest and must avoid all discourteous, deceptive, misleading, illegal, unethical or immoral conduct or practices. No Company IDs may produce individual sales, marketing, and support materials to promote their Company businesses. IDs may only use sales aids, marketing materials and support materials produced or approved by Company. Sales, marketing, and support materials include, but are not limited to, the Company Website and its contents, training and recruiting information, brochures, flyers, pamphlets, posters, postcards, letters, classified advertisements, etc. promoting Company's products and programs, as well as e-mail messages, voice mail message recordings, and Internet home pages used to publicize Company, its products, services, or the Company Compensation Plan or any other form of advertising electronic or otherwise.

3.2.2 Television and Radio

ID's may not advertise on television or radio.

3.2.3 Media Inquiries

All IDs must immediately refer any and all media inquiries regarding Company, its products or services, its officers, shareholders, and employees to Company. This policy is designed to assure accurate and consistent information to the public, as well as a proper public image. This policy does not prohibit IDs from responding to media inquiries relating to their own Independent Distributor business consistent with Section 3.2.1.

3.2.4 Trademarks and Copyrights

- a) The Company name and any Company materials and Company website content are proprietary trade names, trademarks, and service marks of Company. As such, these marks are of great value to Company and are supplied to IDs for their use only in an expressly authorized manner. Use of the Company name on any item not produced by the company is prohibited except as follows:

ID's Name



Winalite International Trading India Pvt Ltd..
Independent Distributor

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

- b) IDs may not record any Company function or event, or produce for sale any recorded company functions or events. IDs may not reproduce or copy any presentation or speech by any Company spokesperson, representative, speaker, officer, or other ID. IDs may not reproduce for sale or for personal use any recording of company-produced audio or videotape presentations.
- c) IDs may not publish or cause to be published in any printed or electronic media, the name, photograph or other image or likeness, copyrighted publications or other writings, or proprietary property of individuals who are associated with Company as spokespersons, officers, shareholders, or IDs without first obtaining written authorization from the individual and/or the Company.

3.3 ID Claims and Representations

Income Claims

IDs may not make illegal product health claims, illegal income projections or income claims when presenting or discussing the Company opportunity, Company products or services, or Company Compensation Plan to a prospective ID or customer. Hypothetical income examples that are used to explain the operation of the Company Compensation Plan, and which are based solely upon mathematical projections, may be made to prospective IDs, so long as the ID who uses such hypothetical examples makes clear to the prospective IDs that such earnings are hypothetical.

3.4 Commercial Outlets

IDs may display Company products or services in commercial outlets where the ID personally mans the outlet. Company products may not be displayed together with other products that are similar.

3.5 Unauthorized Recruiting of Company IDs Prohibited (Anti-Raiding Clause)

Company IDs may not participate in other direct selling or network marketing or multilevel marketing ventures he/she is prohibited from unauthorized recruiting activities, which include the following:

- a) Recruiting or attempting to enroll any non-personally enrolled Company ID for other multilevel marketing business ventures, either directly or through a third party. This includes, but is not limited to, presenting or assisting in the presentation of other multilevel marketing business ventures to any non-personally enrolled Company ID;
- b) Offering any competing non-Company products, services, or opportunities in conjunction with the offering of Company products or business plan or at any Company meeting, seminar, launch, convention, trip or other Company function. Violations of this policy are especially detrimental to the growth and sales of other IDs Company Businesses and to Company's business and will not be tolerated.

3.5.1 Post Cancellation Solicitation Prohibited

A former ID shall not directly or through a third party solicit any non-personally enrolled Company ID to enroll in any direct sales, network marketing, or multilevel marketing program or opportunity for a period of six (6) months after the cancellation or termination of an individual or entity ID Agreement. This provision shall survive the expiration of the ID's obligations to Company, pursuant to the ID Agreement.

3.5.2 Downline Genealogy Reports

All Downline Genealogy Reports are confidential and constitute proprietary business trade secrets belonging to Company. Downline Genealogy Reports may be made available to IDs in strictest confidence for the sole purpose of assisting IDs in developing their Company businesses through their respective downline organizations. IDs should use their Downline Genealogy Reports to manage, motivate, and train their downline IDs. The ID and Company agree that, but for this agreement of confidentiality and nondisclosure, Company would not provide Downline Genealogy Reports to the ID. During any term of the ID Agreement and for a period of one (1) year after the termination or expiration of the ID Agreement between ID and Company, for any reason whatsoever, the ID shall not, on his/her own behalf or on behalf of any other person, partnership, association, corporation, or other entity:

- a) Directly or indirectly disclose any information contained in any Downline Genealogy Report to any third party;
- b) Use the information to compete with Company or for any purpose other than promoting Company;
- c) Recruit or solicit any non-personally enrolled ID of Company listed on any report, or in any manner attempt to influence or induce any ID of Company to alter their business relationship with Company; or
- d) Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Downline Genealogy Report. This provision shall survive the termination or expiration of this Agreement. This particular policy will be strictly enforced in order to protect the rights of ID's, both individually and collectively.

3.6 Firms / Establishment

A firm or a Company (referred to in this section as Establishment) may apply to be a Company's ID by submitting the following document:

Proprietor

Registration with the Shops & Commercial Establishment Authorities
Registration of VAT or Service Tax
Copy of the bank Pass Book

Partnership Firm

Registered Partnership deed
Registration with the Shops & Commercial Establishment Authorities
Registration of VAT or Service Tax
Copy of the bank Pass Book



Pvt Ltd.

Certificate of Incorporation,
List of Directors
MOA / AOA duly signed by the director
Copy of the bank Pass Book

A properly completed ID Application and Agreement along with the documents mentioned above. An ID's business may change its status under the same sponsor or from an individual to an Establishment or from one type of Establishment to another. To do so, the IDs must provide the relevant Documents and submit a properly completed Application to Company. The Company Form must be signed by all of the Directors, or other individuals having an ownership interest in the business. Members of the Establishment are jointly and severally liable for any indebtedness or other obligation to Company. It is the responsibility of those persons involved in the Establishment to conform to the laws of the state in which their Establishment is formed. Company reserves the right to approve or disapprove any ID Application and Agreement submitted by an Establishment, as well as any ID Application and Agreement submitted by any current IDs for the formation of an Entity for tax, estate planning, and limited liability purposes.

3.7 Deceptive Practices

All Company IDs shall truthfully and fairly describe Company products, the Company opportunity, Company Compensation Plan, and Policies and Procedures in all discussions with potential IDs. This obligation of fair and complete disclosure shall include, without limitation, the following:

- a) An ID may not engage in "bait and switch" advertising. Bait and switch advertising consists of any misleading or deceptive offer or practice by which a prospective customer or prospective ID is led to reasonably believe that the ID is offering a product, service, or opportunity (e.g., employment) which the ID in truth does not intend to or cannot offer.
- b) An ID shall neither falsify nor omit any significant material fact about Company or the Company Compensation Plan.
- c) An ID shall make clear that the Company Compensation Plan is based on sales of Company products or services, and that Company IDs will not be successful merely by sponsoring other IDs without regard to sales, and that no compensation is available from mere sponsorship of other IDs.
- d) An ID shall not state that profits are guaranteed for any Company ID. IDs should explain that Company IDs can expect to be successful only through substantial individual and team efforts.
- e) An ID shall not state that any regulatory, consumer, or business agency has approved or endorsed Company's Compensation Plan or products or services. These agencies do not permit the use of their names in any manner in connection with the advertising or sale of merchandise or services.
- f) No individual or entity may have an ownership interest or income earning interest of any kind in more than one (1) Independent Distributor business position. No individual or entity may create or use second positions to attempt to "block" or circumvent their sponsor from earning compensation and/or bonuses.



- g) No ID shall utilize SPAM or “Unsolicited Fax” marketing, nor may an ID violate “Do not call” registry regulations. Any such activity will result in termination and may result in additional civil or criminal charges against the ID.

3.8 Independent Contractor Status

IDs are independent contractors and are not purchasers of a franchise or business opportunity. The agreement between Company and its IDs does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the ID. All IDs are responsible for paying their own taxes, Each ID is encouraged to establish his/her own goals, hours, and methods of sale, so long as he/she complies with applicable laws and the terms and conditions of the ID Agreement.

3.9 International

Because of critical legal and tax considerations, including compliance with foreign laws regarding product approval or registration; cautionary statements; protection of intellectual property; compliance with customs, tax, and direct selling laws; equipment or product and income representations; and literature content and language requirements, Company must limit the resale of Company products and services and the presentation of the Company business to prospective customers and IDs located within India, its respective territories, and other approved jurisdictions. Moreover, allowing IDs to conduct business in markets not yet opened by Company would violate the concept of affording every ID an equal opportunity to expand internationally. Accordingly, IDs are only authorized to sell Company products and services and enroll Customers or IDs in those jurisdictions in which Company has expressly authorized Independent IDs to conduct business, as announced from time to time in official company literature. Company products cannot be shipped into or sold in any unauthorized foreign country for the purpose of resale. If an ID has contacts in new nations who are interested in conducting the business, the ID shall inform the Management about the same. The Management will study the potential of the market and legal compliances before the launching the same and registering the new members in the new nation.

3.10 Lead Assignment Policy

Occasionally, prospects contact Company seeking information pertaining to the Company opportunity. If a prospect is familiar with an ID in his/her area or is currently being serviced by a Company ID, the Corporate Office will recommend the prospect to continue contacting that ID for product or as sponsor. However, if the prospect is not familiar with an ID, Company considers his/her inquiry as "unsolicited." The distribution system is intended to be fair and is structured to reward active IDs. However, Company may utilize its sole discretion in making such assignments. Company will consider an ID for unsolicited leads based on these qualifications:

- a) ID status as well as Personal volume within the past sixty (60) days;
- b) Sponsorship activity within the past sixty (60) days;
- c) Proximity to the prospect. When several IDs qualify equally under the above requirements, leads will be rotated and/or divided among them, based upon the criteria stated herein and at the Company's sole discretion;
- d) Company will give strong consideration to those IDs exhibiting field leadership as evidenced in conducting business meetings and training workshops.

3.11 Compliance with Local, and Central Laws and Regulations.



IDs shall comply with all local, and central laws and regulations in the conduct of their businesses. The violation or attempted violation of any such law or regulation shall be grounds for disciplinary action by Company.

3.12 Repackaging and Relabeling Prohibited

IDs may not relabel or alter the labels on any Company products, information, materials, or programs in any way. IDs may not repackage any Company products. Company products must be sold in their original packaging only. Such re-labeling or repackaging would violate governing laws, which could result in severe criminal penalties.

3.13 Sale, Transfer, or Assignment of an ID's Independent Distributor Business

No ID shall (by operation of law or otherwise) sell, transfer, or assign (collectively, "transfer") any of his/her rights in a Company ID, or delegate his/her performance as a Company ID, without the prior written consent of Company. Any unauthorized transfer will not be recognized by Company. Company reserves the right to review all terms of sale and insist upon additional terms and conditions prior to the approval of any proposed sale. If it is determined, in Company's discretion, that an ID's Independent Distributor business was transferred in an effort to circumvent compliance with any terms and conditions of the ID Agreement, the transfer shall be void and the Independent Distributor business shall revert to the transferring ID, who shall be treated as if the transfer had never occurred from the reversion day forward. Company shall not be liable to the original ID for bonuses and commissions (if any) paid by Company in good faith to the transferee ID. Where necessary, Company may take appropriate action to ensure compliance with the ID Agreement. Such action may include, without limitation, involuntary cancellation. In the event that an ID wishes to transfer his/her Independent Distributor business Company has the right to approve the transfer. Such approval shall not be unreasonably withheld. Company will take the following factors into consideration:

- a) The buyer must become a qualified Company ID.
- b) Before any transfer will be approved by Company, any debt obligations the selling ID has with Company must be satisfied.
- c) The transferring ID must be in good standing and not in violation of any of the terms of the ID Agreement or these Policies and Procedures, to transfer his/her Independent Distributor business.
- d) Prior to transferring a Company Independent Distributor business, the transferring ID must notify the Company ID Services Department of his/her intent to transfer the Independent Distributor business.
- e) The buyer must complete an ID Application and Agreement and possess reasonable ability to satisfactorily perform the obligations of a Company ID. The purchaser must agree to assume the obligations and position of the selling ID.

3.14 Separation of an ID's Independent Distributor business

Company IDs sometimes operate their Company businesses as husband and wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce, a partnership, or an Establishment may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other IDs either up or down the line of sponsorship. During the anticipation of a divorce, a partnership dissolution or Establishment dissolution, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate the Company business pursuant to an assignment in writing whereby the relinquishing spouse,



shareholders, partners, or directors authorize Company to deal directly and exclusively with the other spouse or non-relinquishing shareholder, partner, or director.

- b) The parties may continue to operate the Company business jointly on a "business-as-usual" basis, whereupon all compensation paid by Company will continue to be paid as set forth in the ID Application and Agreement on file with Company. Under no circumstances will the Downline Organization of divorcing spouses, or that of an ID's Independent Distributor business formerly operated by two or more individuals as any form of Establishment, be divided. Similarly, under no circumstances will Company split commission and bonus checks between divorcing spouses or members of dissolving Establishment. Company will recognize only one Downline Organization and will issue only one commission check per business per commission cycle. Commission checks or electronic payments shall always be issued to the same individual or entity. If a former spouse or a former Establishment owner has completely relinquished all rights in their original Company business, they are free thereafter to enroll under any sponsor of their choosing. (Former spouses, partners, or Entities need not wait six (6) months before re-enrolling as a new ID). In such event, however, such former spouse or partner shall have no rights to any IDs in their former organization. They must develop the new business in exactly the same fashion as would any other new ID business.
- c) In the event of a dissolution or dispute between owners of a jointly held position, Company will continue to pay the individual listed on the application as the contact person, or issue checks to the business establishment, at Company's sole discretion. Company will not become involved in disputes between jointly held business owners.

3.15 Succession

Upon the death or incapacitation of an ID, his/her rights to commissions, bonuses, and Downline Organization, together with all ID responsibilities, shall pass to his/her successors in interest upon the receipt of a written application by Company, compliance with these Policies and Procedures, and approval by Company. Appropriate legal preparation must be completed to ensure that the transfer meets Company's requirements and applicable laws. Accordingly, an ID should consult an attorney to assist his or her in the preparation of a will or trust. Whenever a Company ID's Independent Distributor business is transferred by a will, other testamentary process, or trust, the successor acquires the right to collect all bonuses and commissions of the deceased ID's Downline Organization, provided the minimum qualifications are met. The successor(s) must:

- a) Execute an ID Agreement;
- b) Comply with these Policies and Procedures; and
- c) Meet all of the qualifications for the deceased ID under the Company Compensation Plan. The successor(s) are obligated to conduct the business in accordance with all of Company's marketing Policies and Procedures. In order to effect the testamentary transfer of an ID's Independent Distributor business, the successor must provide the following to Company: (1) an original death certificate; (2) a notarized copy of Letters Testamentary, the will, or other documentation establishing the successor's right to the ID's Independent Distributor business; and (3) a completed and executed ID Agreement. In order to affect the transfer of an ID's Independent Distributor business because of incapacity, the successor must provide the following to Company:

- (1) a notarized copy of an appointment as trustee;



- (2) a notarized copy of the trust document or other documentation establishing the trustee's right to the ID's Independent Distributor business; and
- (3) a completed and executed ID Agreement. Bonus and commission checks of an ID's Independent Distributor business transferred pursuant to this section will be paid in a single check jointly to the devisees or transferees. The devisees or transferees must provide Company with an "address of record" to which all bonus and commission checks will be sent.
- (4) In the event that the foregoing conditions are not met, Company will be under no obligation to transfer the ID position, nor will Company be obligated to hold funds for the position.

3.16 Income Taxes

The Company is obligated to recover Income Tax on the commissions paid as per the Income Tax Act. At the end of the financial year, the Company will issue Form-16 with all the relevant details certifying the amount of commission paid, tax deducted and paid to the Government.

3.17 Territories

There are no exclusive territories for marketing Company products or services, nor shall any ID imply or state that he/she has an exclusive territory to market Company products or services

3.18 Trade Shows and Expositions

IDs may, with upon company written approval, display and/or sell Company products at trade shows and expositions. All literature displayed at the event must be official Company or Company approved literature and must clearly identify the individual(s) as an Independent Distributor (ID).

3.19 Transfer of Sponsorship

3.19.1 Conflicting Enrollments

Every prospective ID has the ultimate right to choose his/her own Sponsor. As a general rule, the first ID who does meaningful work with a prospective ID is considered to have first claim to sponsorship. Basic tenets of common sense and consideration should govern any dispute that may arise. In the event that a prospective ID, or any ID on behalf of a prospective ID, submits more than one ID Application and Agreement to Company, listing a different Sponsor on each, the Company will only consider valid the first ID Application and Agreement that it receives, accepts, and processes. If there is any question concerning the sponsorship of an ID, the final decision will be made by Company.

3.19.2 Cross-line Raiding

Cross-line raiding is strictly prohibited. "Cross-line raiding" is defined as the enrollment or solicitation of an individual or Entity that already has an ID Agreement on file with Company, or who has had such an agreement within the preceding six (6) calendar months within a different line of sponsorship. The use of trade names, assumed names, corporations, partnerships, tax identification numbers, or fictitious identification numbers or transfers to circumvent this policy is prohibited. IDs may not demean, discredit, or invalidate other Company IDs in an attempt to entice another ID to become part of the first ID's Downline Organization. If Company determines that an



ID has engaged in cross-line raiding, it may take any actions it deems appropriate to rectify the problems and inequities caused thereby. Any attempt to persuade a Company ID to engage in crossline raiding, terminate his/her ID business, or otherwise violate this policy in order to become part of the persuading ID's Downline Organization will result in disciplinary action, to include possible involuntary cancellation of the persuading ID's Company Independent Distributor business. This policy shall not prohibit the transfer of an ID's Independent Distributor business in accordance with Section

3.19.3 Permissible Methods of Transferring Lines of Sponsorship

To protect the integrity of all Downline Organizations and safeguard the hard work of all ID's, Company prohibits changes in sponsorship except in the following cases:

- a) Where an ID has fraudulently induced a new ID to enroll in Company or has otherwise unethically sponsored a new ID. Company will review allegations of fraudulent inducement and unethical sponsoring and make a final determination whether the ID will be permitted to transfer to another line of sponsorship. In cases involving fraudulent inducement or unethical sponsoring, Company reserves the right to permit the ID to transfer with his/her entire Downline Organization intact to another line of sponsorship.
- b) An ID may voluntarily cancel his/her ID Independent Distributor business in writing and reapply after twelve (12) full calendar months for a new ID Independent Distributor business under another line of sponsorship. The date on which Company receives the ID's written cancellation notice establishes the start date for accumulating the six-full-calendar-month period. Upon receipt by Company of an ID's cancellation notice, the ID forfeits all rights to the ID's Downline Organization and Retail Customers under his/her previous line of sponsorship, as well as any bonuses or commissions accruing from their sales volume. The canceling ID's downline and Retail Customers will remain in the Downline Organization of the Sponsor of the terminating ID.
- c) Where an ID has been "inactive" (i.e., no customer sales of Company Memberships, no sales of Company products, no earnings, no sponsoring, no participation in any other form of ID activity or operation of any other Company ID business) for twelve (12) full calendar months immediately preceding his/her written request to transfer from one line of sponsorship to another, the ID may voluntarily cancel his/her ID Independent Distributor business in writing and immediately reapply for a new ID's Independent Distributor business under another line of sponsorship.

Section 4 - Responsibilities of ID's and Sponsors

4.1 Ongoing Supervision, Training and Sales

Any ID who sponsors another ID into Company must perform a bonafide supervisory function to ensure that his/her downline is properly operating his/her Company business. IDs must have ongoing contact, communication, and management supervision with the IDs in their Downline organizations. Examples of such contact and supervision may include, but are not limited to, newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline IDs to Company meetings, training sessions, and other functions. Upline IDs are also responsible to motivate and train new IDs in



Company product knowledge, effective sales techniques, the Company Compensation Plan, and these Policies and Procedures. As an ID progresses through the various levels of leadership, his/her responsibilities to train and motivate downline IDs will increase. IDs must monitor the IDs in their Downline Organizations to ensure that downline IDs do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, every ID should provide documented evidence to Company of his/her ongoing fulfillment of sponsorship responsibilities. IDs also have continuing obligation to personally promote sales through new and existing customers.

4.2 Maligning

In setting the proper example for their downline, IDs must not malign other Company IDs, Company products or services, the Company Compensation Plan, the Company Owners, Officers or the Company's employees.

4.3 Reporting Policy Violations

IDs observing a policy violation by another ID should bring the violation directly to the attention of Company. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.

Section 5 - Sales Requirements

5.1 Retail Sales

The Company Compensation Plan is based upon the sale of Company products to end consumers. IDs must fulfill specified personal and Downline Organization retail sales requirements (as well as meet other responsibilities set forth in these Policies and Procedures) in order to be eligible for bonuses, commissions, and advancement to higher levels of achievement. The sales requirements are listed in the Company Compensation Plan. Any ID who fails to maintain the activity requirement for their respective membership level during a six (6) month period will forfeit any accumulated carry over PV. Any ID who fails to maintain the activity requirement for their respective membership level during a twelve (12) month period will be deemed inactive by the Company, their membership will be involuntarily terminated, and such ID will be required to wait for twelve (12) months before re-applying as a new ID.

5.2 Retail Customer Sales and Advertising Pricing Limitations

IDs may sell Company products or services at the printed retail price only. The IDs must not advertise by any method whatsoever retail pricing that is less than the company's current suggested retail pricing. This applies to print advertising, radio advertising, television advertising, internet based advertising, electronic mail or by any other method whatsoever. However, due to varying state and provincial laws, sales tax should be charged and paid to the Government by IDs as may be required by their local laws and ordinances if such Sales Tax is not already collected when purchased from Company. These invoices outline the Customer Refund policy for Company products or services. IDs must tender copies of all sales receipts upon Company demand.

5.3 Deposits

No monies should be paid to or accepted by an ID for a sale except at the time of product delivery. ID's should not accept monies from Retail Customers to be held for deposit in anticipation of future product deliveries.

Section 6 - Bonuses and Commissions



6.1 Bonus and Commission Cycles

Company pays commissions each week for all commission qualified sales made 4 weeks previous. An ID must review his/her commissions and report any errors or discrepancies to Company within thirty (30) days from the date of the commission check. Errors or discrepancies which are not brought to Company' attention within the thirty-day period will be deemed waived by the ID.

6.2 Adjustment of Bonuses and Commissions

IDs receive bonuses and commissions based on the actual sales of products to end consumers. When a product is returned to Company for a refund, the Sales Volume attributable to the returned or repurchased product(s) will be deducted from the Personal Volume (PV) of the returning ID and Business Volume (BV) of the returning ID and all upline IDs. This reduction will occur promptly following the date that the product was returned or repurchased.

6.3 Unclaimed Commissions and Credits

IDs must deposit or cash commission and bonus checks within six (6) months of their issue date. A check that remains uncashed after six months will be voided. After a check has been voided, Company will attempt to notify the ID holding an uncashed check by sending written notices to his/her last known address, identifying the amount of the check, and advising the ID that he/she can request that the check be reissued. There shall be a charge of Rs.100/- for reissuing a check and a Rs.100.00 fee for each notice sent to the ID. These charges shall be deducted from the balance owed to the ID. IDs who have a credit on account must use their credit within six (6) months from the date on which the credit was issued. If credits have not been used within six months, Company shall attempt to notify the ID or Customer by sending written notice to the last known address, advising the ID or Customer of the credit. There shall be a charge of Rs.100/- for each attempted notification. This charge shall be deducted from the IDs or Customer's credit on account.

Section 7 - Product Returns

7.1 Company obligates its IDs to honor the Company's product refund policy to all Retail Customers. Refunds, exchanges or replacements will be made on any products returned unopened within 30 days of being received, and the ID or customer will be responsible to pay the return shipping cost. The returner must have an authorization number, which he or she can get by calling the company. A full refund minus the tax paid to the Government, Forwarding Expenses & 5% restocking fee will be made to the ID or customer. Any commissions paid on returned products will be deducted from sales commissions unless the products are exchanged for others

7.2 Procedure for All Returns and Repurchases

In order to receive a refund, exchange, or replacement, an ID or Retail Customer must:

- a) Call the Company Service Department to obtain a Return Authorization Number (RMA#). The RMA# must be clearly written on each carton returned. Products that are returned without the RMA# will be refused by the Distribution Center and returned to the sender.
- b) Return the product with the original packing slip to the Company warehouse from which it was distributed.



- c) Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. Return orders must be tracked and traceable and this responsibility falls with the returning individual. All returns must be shipped to Company shipping pre-paid. Company does not accept shipping-collect packages. The risk of loss in shipping returned product shall be borne by the ID making the return. If returned product is not received by the Company's Distribution Center, it is the responsibility of the ID making the return to trace the shipment.
- d) If an ID returns merchandise to Company that was returned to him/her by a Retail Customer, Company must receive the product within ten (10) days from the date on which the Retail Customer returned the merchandise to the ID. The return must be accompanied by:
 - 1) A completed and signed Customer Product Return Form;
 - 2) A copy of the original dated Sales invoice; and
 - 3) The unused product in its original container.
 - 4) Only the Retail Customer or ID who originally ordered merchandise directly from Company may return the merchandise to the Company.
 - 5) IDs are encouraged to use a traceable means of transport, as Company is not responsible for items lost in transit.

Section 8 - Dispute Resolution and Disciplinary Proceedings

8.1 Disputes Between Independent Distributors (IDs)

8.1.1 Grievances and Complaints

When an ID has a grievance or complaint with another ID regarding any practice or conduct in relationship to their respective Company businesses, the complaining ID should first discuss the problem with the other ID. If this does not resolve the problem, the complaining ID should report the problem to his/her upline to resolve the issue at the sales organization level. If the matter cannot be resolved, it must be reported in writing to the Company Customer Services Department. The Services Department will review the complaint and make a final decision. The complaint should identify specific instances of alleged improper conduct and, to the greatest extent possible, identify the relevant dates on which the event(s) complained of took place, the location(s) where they occurred, and all persons who have first hand knowledge of the improper conduct.

8.1.2 Compliance Team Review

Upon receipt of a written complaint, the Company Services Department will investigate the matter, review the applicable policies, and render a decision on how the dispute shall be resolved. Company may also issue disciplinary sanctions consistent with the provisions of Section 8.3.

8.2 Disputes Between Company and its Independent Distributors (IDs)

8.2.1 Arbitration

All disputes and claims relating to Company, its Company Compensation Plan, its products, the rights and obligations of its IDs and Company, or any other claim or cause of action relating to product purchase(s) or performance, either of an ID or of Company under the ID Agreement, shall be settled totally and finally by arbitration in Bangalore. There shall be one arbitrator, an attorney at law with expertise in handling such arbitration,



selected by the Company representative(s). Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding upon the parties and may, if need be, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate shall survive any cancellation or expiration of the ID Agreement. Nothing in these Policies and Procedures shall prevent Company from applying to and obtaining from any court having jurisdiction a writ of attachment, temporary injunction, preliminary injunction, permanent injunction, or other available relief to safeguard and protect Company' interests. The existence of any ID claim or cause of action against Company does not preclude Company from enforcing the ID's covenants and agreements contained in the ID Agreement.

8.2.2 Jurisdiction, Venue, and Choice of Law

Jurisdiction and venue of any matter not subject to arbitration shall reside in Bangalore Courts only. By signing the ID Application Agreement, all IDs consent to jurisdiction.

8.3 Disciplinary Actions

All of the Policies in the ID Agreement are material terms to the agreement between Company and each ID. Violation of any of the terms and conditions of the ID Agreement, or any illegal, fraudulent, deceptive, or unethical business conduct by a ID may result, at Company' discretion, in one or more of the following corrective measures:

- a) Issuance of a written warning or admonition;
- b) Denial of advancement or recognition awards;
- c) Imposition of a fine, which may be imposed immediately or withheld from bonus and commission checks or electronic payments;
- d) Loss of rights to one or more bonus and commission checks or electronic payments;
- e) Suspension of the individual's ID Agreement for one or more months or other time frames;
- f) Cancellation of the individual's ID Agreement;
- g) Collection and destruction of improper advertising materials;
- h) Discontinuance of any non-company approved ID advertising campaign;
- i) Any other measure expressly stated within the ID Agreement; or
- j) Any other measure which Company deems appropriate to equitably resolve injuries to other IDs or to Company caused partially or exclusively by the ID's policy violation or contractual breach.

Section 9 - Ordering

9.1 Ordering Methods

All IDs orders must be placed through an existing Company ID Online Website Platform. When using the Online system, be prepared to present information including your ship to address and phone number and payment method information. The Online system will review your order, allowing you to make changes. If you fail to make corrections prior to the conclusion of your online order, the order cannot be changed or added to at a later time.

9.2 Purchasing Company Products

Each ID must purchase his/her products directly from Company in order to receive the sales volume credits associated with that purchase.



9.4 Shipping Discrepancies

Failure to notify Company of any shipping discrepancy or damage within three (3) days of shipment will cancel an ID's right to request a correction.

Section 10 - Payment and Shipping

10.1 Methods of Payment

Company will accept, provided that all eligibility requirements are satisfied, the following forms of payment for orders:

- a) Cash
- b) Demand Draft
- c) Cash deposit in to Company's Bank A/c
- d) Transfer of funds through NEFT OR RTGS
- e) Credit Card

Section 11 – ID Account Information Updates

11.1 Change of Address or Telephone Number

In order to ensure timely delivery of products, support materials, and commission checks, it is critically important that Company's files be current. Street addresses are required for shipping, since couriers cannot deliver to a post office box. IDs planning to move must update their personal information section located within their Company Online Website area. In order that Company can guarantee proper delivery, three days advance notice must be provided to Company on all changes.

11.2 Changes to the ID's Independent Distributor Business

Each ID must immediately update their own personal account information section on their Company Online Website of all changes to the information contained on the ID's Application and Agreement. IDs may modify their existing ID account information as far as address change, telephone number contact change or account name change. The PAN or a change in the form of ownership from an individual proprietorship to a business entity (owned by the ID) can only be changed by submitting a written request, which must include a new properly executed ID Application and Agreement, and appropriate supporting documentation.

11.3 Downline Genealogy Reports and Commission Statements

11.3.1 Downline Genealogy Reports

Downline Genealogy Reports may be available within the ID's Online Website. Downline Genealogy Reports contain trade secret information which is proprietary to Company. Refer to section 3.5.2 for restrictions on using these reports.

11.3.2 Commission Statements

Commission Statements are available for all active IDs earning a commission or bonus payment and are available to view within the IDs Online Website platform.

11.4 Errors or Questions

In the event an ID has questions about or believes that any errors have been made regarding commissions, bonuses, Downline Genealogy Reports, orders, or charges, the ID must notify Company within thirty (30) days of the date of the purported error



or incident in question. Company will not be responsible for any error, omission, or problem not reported within thirty days.

11.5 Resolving Problems

IDs should refer their questions regarding orders, shipments, commissions and bonuses, and sales and Company Compensation Plan issues by telephone or mail to Company Customer Services Department.

Mailing Address:

Winalite International Trading India Private Limited
Ground Floor, Prestige Sterling Square
Madras Bank Road,
Bangalore – 560 001
Tel: (080) 43308088

Section 12 - Inactivity and Cancellation Policies

12.1 Inactivity

IDs who do not meet the Personal Sales volume requirements specified in the Company Compensation Plan for any rolling calendar month or other commission period will not receive a commission for the sales generated through their Downline Organization. Any commissions earned until qualification is met will be permanently forfeited.

12.2 Involuntary Cancellation

An ID's violation of any of the terms of the ID Agreement, including any amendments which may be made by Company in its sole discretion from time to time, constitutes a material breach of the ID Agreement and may result, at Company' discretion, in any of the Disciplinary Actions listed in Section 8.3, including cancellation of his/her ID Independent Distributor business. Involuntary Cancellation of an ID's business will result in the ID's loss of all rights to his/her Downline Organization and any bonuses and commissions generated thereby. An ID whose Agreement is involuntarily canceled shall receive commissions and bonuses only for the last full calendar week prior or month to termination. When an ID's Independent Distributor business is involuntarily canceled, the ID will be notified by certified mail at the address on file with the Company. Cancellation is effective on the date on which written notice is mailed via certified mail, return receipt requested, to the ID's last known address or when the ID receives actual notice of cancellation, whichever occurs first. In the event of such Involuntary Cancellation, the ID must immediately cease representing his self/herself as a Company ID. The ID may appeal the termination to Company. The ID's appeal must be in writing and must be received by the company within fifteen (15) calendar days of the date of Company' cancellation letter. If Company does not receive the appeal within the fifteen-day period, the cancellation will be final. The ID must submit all supporting documentation with his/her appeal correspondence. The written appeal will be reviewed by Company. If the ID files a timely appeal of termination, Company will review and reconsider the termination, consider any other appropriate action, and notify the ID in writing of its decision. This decision of Company will be final. An ID whose ID Agreement is involuntarily canceled may reapply to become an ID six (6) calendar months from the date of cancellation. Any such ID wishing to reapply must submit a letter to Company setting forth the reasons why he/she believes Company should allow him or her to operate an ID Independent Distributor business. It is within Company' sole discretion whether to permit such an individual to again operate a Company business.

12.3 Voluntary Cancellation



An ID may cancel his/her Agreement with Company at any time and for any reason by providing written notice to Company indicating his/her intent to discontinue his/her. The written notice must include the ID's signature, printed name, address, and other appropriate identification.

12.4 Effects of Cancellation

Following an ID's voluntary or involuntary cancellation, such former ID shall have no right, title, claim, or interest to the Downline Organization which he/she operated or any bonus and/or commission from the sales generated by the organization. Following an ID's voluntary or involuntary cancellation, the former ID shall not hold himself or herself out as a Company ID, shall not have the right to sell Company products or services, must remove any Company sign from public view, and must discontinue using any other materials bearing any Company logo, trademark, or service marks. An ID who has voluntarily canceled will receive commissions and bonuses only for the last full calendar week prior to his/her cancellation. An ID whose Agreement is involuntarily canceled will receive commissions and bonuses only for the last full calendar week prior to cancellation.