

SYNERGY WORLDWIDE

# POLICIES & PROCEDURES

U.S. VERSION | Updated April 2010

**SYNERGY**  
leave a legacy

# POLICIES & PROCEDURES

U.S. VERSION - Updated April 2010

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## MISSION STATEMENT

Synergy WorldWide's mission is to leave a legacy through offering the highest quality, scientifically proven products, providing financial freedom through innovative business opportunities, and establishing a culture of generosity and service to others.

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## INTRODUCTION

Part of Synergy's Mission Statement is to leave a legacy through a culture of "generosity and service to others." We believe that everyone involved in Synergy has a responsibility to participate with the utmost ethical behavior. With that in mind, we have developed the following Policies and Procedures. These are effective from the date of publication, as noted on the front of this document, and will supersede and replace any previous versions of Policies and Procedures. Any provision or course of dealing established under a previous version of the Policies and Procedures is no longer valid or recognized by Synergy WorldWide (hereafter referred to as "Synergy" or "the Company").

Synergy's Policies and Procedures govern the manner in which a Team Member (as defined in Section Two) does business with Synergy, other Team Members, and retail customers. The Synergy WorldWide Mega-Match® Compensation Plan (the "Compensation Plan"), the Synergy WorldWide Membership Application (the "Membership Application"), and these Policies and Procedures constitute a complete contract (the "Contract") between independent Team Members and Synergy. Failure to comply with the provisions of any of these documents may result in the loss of a Team Member's right to information concerning the Team Member's line, the loss of a Team Member's right to receive a bonus check, and/or the termination of their Team Membership. Synergy reserves the right to change any of

the Policies and Procedures at its discretion. Synergy also reserves the right to overrule any policy or procedure at its discretion. Changes will become effective and binding thirty (30) days after appearance in any Synergy publication notice or posting on our Website.

Each Team Member is responsible for notifying their personally sponsored downline of new Synergy information. New Synergy policies, forms and literature replace old policies, forms, and literature. A Team Member should destroy outdated or invalid literature and forms. Synergy is not obligated to reimburse any Team Member for outdated materials in the Team Member's possession.

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## SECTION ONE

### Synergy Code of Ethics

As an independent contractor and Team Member of Synergy, I promise and agree that:

- I will be courteous, respectful, honest, and fair in all of my dealings while acting as a Synergy Independent Team Member; furthermore, I will perform my professional activities in a manner that will enhance my reputation and the positive reputation of Synergy.
- I will fulfill my leadership responsibilities as a Sponsor by training, assisting, and otherwise supporting the Team Members in my sales organization. I will respect the sponsor relationship of every Team Member in the Synergy family and I will not attempt to interfere with or change these relationships. I will not make disparaging or untrue claims about other Synergy Team Members.
- I will follow the Policies and Procedures to the best of my ability, using my best efforts to follow the spirit, as well as the letter of these Policies and Procedures.
- I will abide by the terms and conditions I committed to upon signing my distributor agreement.

- I will not diagnose or prescribe treatment for disease, nor will I make any claims. I will never recommend to anyone that he/she discontinue the services, recommendations, or medications of any doctor or other health-care professional.
- I will not misrepresent or make representations regarding the income potential of the Compensation Plan.
- I will not misrepresent the Synergy products or the Compensation Plan; nor will I engage in disparaging, misleading, deceptive, or illegal practices.
- I will guarantee all customer sales according to the terms of the Customer Return Policy.
- I will not omit, or cause or permit to be omitted, any material particularly relating to Synergy WorldWide's products, Compensation Plan, or Policies & Procedures.
- I will not use, or cause or permit to be used, fraud, coercion, harassment or unconscionable or unlawful means to promote Synergy WorldWide's products or Compensation Plan.

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## SECTION TWO

### Definitions

In these Policies and Procedures the following terms shall have the meanings specified below:

**“Customer”** means any individual or group that purchases product directly from a team member, or via a Customer Account.

**“Customer ID Number”** is information used by the Company to facilitate Preferred Customer or Retail Customer sales credited to the enrolling Team Member.

**“Membership Application”** means the membership application and all attachment documentation required to be

submitted to Synergy to apply to become a team member. Upon acceptance by Synergy, the “Membership Application,” along with the Compensation Plan and Policies and Procedures become a legally binding contract between the Team Member and Synergy. The Membership Application must be received by mail or fax within 72 hours of signup and the contract is subject to acceptance or rejection by Synergy.

**“Personal Group”** means all Team Members in a Team Member's downline organization.

**“Personal Sponsor”** means a Team Member who personally introduces an individual or entity for Team Membership in Synergy and is identified on the Membership Application.

**“Placement Upline”** means the Member located directly above a Team Member's position in the Synergy dual-linear structure.

**“Team Member”** (hereafter referred to as a “Member” or “Team Member”) means an independent contractor or independent distributor who has completed and signed a Synergy Membership Application and whose Membership Application (or any renewal thereof) has been accepted by Synergy. The term “Team Member” includes any person with a beneficial interest in a Synergy Team Membership.

**“Team Membership”** means the right to distribute Synergy products and fulfill obligations to Synergy as a Team Member.

**“Upline”** means those Team Members who are either identified as the Team Member's Sponsor, or those entitled to compensation based upon the Team Member's sales volume pursuant to the Synergy Compensation Plan.

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## SECTION THREE

### Membership Policies

**3.1. Application:** A person may become a Synergy Team Member by completing, obtaining all signatures, and returning a completed Membership Application, which includes the activation order for one (1) or three (3) Tracking Centers, all required attachment documentation, and the membership fee.

A person can pre-enroll by applying online, or by phone, but must submit the completed Membership Application within 72 hours of pre-enrollment.

In the case of an individual Team Membership, the account name must match the Social Security number. In the case of a U.S. corporate, partnership, trust, and other group Team Membership, the account name must match the tax identification number.

If enrolling as an individual Team Member, no attachment documentation is required. If the applicant is applying as any other type of entity, (corporation, partnership, trust, sole proprietors, etc.) the required attachment documentation for enrollment in the United States is a completed copy of the Group Membership Addendum Form identifying all members of the proposed Team Membership, including their role in the entity, valid Social Security numbers for each member of the Team Membership, and any additional document as indicated in the specific entity subsection below.

If Synergy does not receive a completed Membership Application within 30 calendar days of pre-enrollment, Synergy may hold any commissions due to that Team Membership, and prevent payment of any commissions to any sponsor or upline until said Membership is submitted and accepted by Synergy.

When Synergy receives and accepts a Membership Application, Synergy will assign a unique Team Member ID number to each applicant.

The signed Membership Application will protect the Sponsor/Team Member relationship.

Team Members must use their ID number when they call Customer Service to place orders or track commissions and bonuses.

Synergy reserves the right to reject, in its sole discretion, any Membership Application.

Synergy will not accept inaccurate or false information on the Membership Application, or any other document.

Team Members are responsible for informing Synergy of any changes affecting the accuracy of the Membership Application.

**3.2. Territory and Personal Imports:** Acceptance of your Membership Application currently authorizes you to conduct business in the countries of United States, United Kingdom, Germany, Austria, Netherlands, Japan, Hong Kong, Thailand, Taiwan, Australia, Korea, Indonesia, Singapore, Malaysia, the Philippines, Mexico, Czech Republic, and Sweden, as well as any other countries that may be identified by Synergy by formal announcement to Team Members generally. The Synergy corporate website will list those countries where Synergy currently does business.

All members in any Team Membership must reside in the same country where the Membership conducts its Synergy business.

With the exception of Personal Import activities as described below, countries not listed are not supported by special shipping arrangements or product pricing. Team Members desiring to build businesses in countries where Synergy has not officially opened are doing so at their own risk, and will be subject to discipline by Synergy, which may include termination.

Synergy does support Personal Import sales from the United States into Canada and Israel. Personal import pur-

chases are made directly by Team Members for personal consumption and are not for resale.

**3.3. Team Member ID Number:** Every Team Member will obtain a unique numerical identification number (“ID number”) issued by Synergy.

All U.S. corporate, partnership, trust, and other group Team Member entities must provide Synergy with certification of their Employer Identification Number, or an appropriate Trust Identification Number, in addition to the Social Security number of each affiliated individual.

Members in other countries must provide Synergy with the tax, identification, and other information requested by Synergy in their policies and procedures.

**3.4. Beneficial Interest:** While partnerships, corporations, and trusts may be granted Synergy Team Memberships, an individual may not have a beneficial interest nor be listed in more than one Membership, including but not limited to, businesses, trusts, organizations, and families.

Members of the same family unit—defined as a husband, wife, and adult children living at the same address, or domestic partner or significant other regardless of marital status — may have individual Synergy Membership accounts if they are sponsored by the same person and on the same leg. This also applies to any type of Group Membership, i.e., any Group membership (corporations, partnerships, etc.) may not sponsor any member of the same family unit as defined above.

Team Members who initiate Memberships in violation of this policy will lose such Memberships and may lose their original Membership as well, at Synergy’s sole discretion.

Team Members creating and/or maintaining additional accounts or “proxy accounts” in anyone’s name are subject to termination.

Any individual or entity that can be viewed by the company, or by other Team Members, as actively work-

ing a specific Synergy Account will be deemed as having a beneficial interest in that account, regardless of whether that individual or entity has signed a Membership Application or a Group Membership Addendum. Being viewed as a beneficial interest means that all actions by that individual or entity will be tied directly to the Synergy Account with which they are associated.

In addition, if a former partner/Team Member of a Synergy account is in violation of policy, the company may hold the current Synergy account holder(s) liable for those actions.

**3.5. Corporations:** Corporate membership applications must include the following documents:

- A completed Getting Started Form signed by an authorized officer. Such signature shall legally bind the corporation.
- A completed Group Membership Addendum Form that contains the names and appropriate identification of each of the principal officers (president, vice-president(s), secretary, and treasurer), members of the Board of Directors, and shareholders.
- A copy of the Corporate Articles of Incorporation and Bylaws including a copy of the state-issued Certificate of Formation showing the new Employer Identification Number (EIN).

Should the corporate membership be entered online, the required documents listed above must be delivered (via fax, mail, or by hand) to Synergy Customer Service within 72 hours of the online pre-enrollment. If Synergy does not receive the appropriate documentation within 30 days the account may be placed on hold and commissions may not be paid until the appropriate documentation is received.

*NOTE: Team Members may not be involved in a corporation and hold an individual account in Synergy.*

**3.6. Partnerships:** Partnership applications, including those of limited liability companies, must include the following documents:

- A completed Getting Started Form signed by at least one of the partners. Such signature shall legally bind the corporation.
- A completed Group Membership Addendum Form that contains the names and appropriate identification of each of the partners.
- A copy of the Articles of Organization and Partnership or Operating Agreement if such exists or is required by law including a copy of the state-issued Certificate of Formation showing the new Employer Identification Number (EIN), if applicable.

Should the partnership membership be entered online, the required documents mentioned above must be delivered (via fax, mail, or by hand) to Synergy Customer Service within 72 hours of the online pre-enrollment. If Synergy does not receive the appropriate documentation within 30 days the account may be placed on hold and commissions may not be paid until the appropriate documentation is received.

*NOTE: Team Members may not be involved in a partnership and hold an individual account in Synergy.*

**3.7. Trusts:** Trust applications must include the following documents:

- A completed Getting Started Form signed by an executor of the trust. Such signature shall legally bind the corporation.
- A signed letter identifying the executor or trustee of the trust.
- A completed Group Membership Addendum Form that contains the names and appropriate identification of each of the parties having a beneficial interest in the trust.

- A document showing the trust's Tax Identification Number.
- A certified copy of the trust document.

Should the membership of a trust be entered online, the required documents mentioned above must be delivered (via fax, mail, or by hand) to Synergy Customer Service within 72 hours of the online pre-enrollment. If Synergy does not receive the appropriate documentation within 30 days the account may be placed on hold and commissions may not be paid until the appropriate documentation is received.

**3.8. Sole Proprietors and Other Entities:** Sole proprietors and persons, entities, or organizations operating under an assumed name must:

- Submit a completed Getting Started Form signed by an authorized officer. Such signature shall legally bind the organization.
- A completed Group Membership Addendum Form that contains the names and appropriate identification of each of the principal officers (if applicable).
- Be registered with distinct Tax Identification Numbers that must be included on the Membership Application.
- Submit a signed statement or copy of ownership or other appropriate documentation and tax identification information with the Membership Application.

Should the membership of a sole proprietorship or other entity be entered online, the required documents mentioned above must be delivered (via fax, mail, or by hand) to Synergy Customer Service within 72 hours of the online pre-enrollment. If Synergy does not receive the appropriate documentation within 30 days the account may be placed on hold and commissions may not be paid until the appropriate documentation is received.

*NOTE: Team Members may not be involved in a sole proprietorship, etc. and hold an individual account in Synergy.*

**3.9. Team Member Marriage:** If two Team Members choose to marry, they may maintain their separate, independent organizations.

A copy of the marriage certificate must be submitted to the Synergy Customer Service Department within thirty (30) days after any marriage between two Synergy Team Members.

**3.10. Team Member Divorce:** If married Team Members who share a Membership obtain a divorce, Synergy will continue to treat the Membership pursuant to the original Membership Application until such time that Synergy receives written notice from both parties, or official court documentation, directing otherwise. The written notice should be signed by both parties and notarized.

**3.11. Team Member Death:** In the event of a Team Member's death, the Membership may be conveyed by will or the laws of intestacy to the Member's heirs.

The death certificate, a certified copy of the will or court order, as well as a new Membership Application in the name of the new Team Member receiving the Membership, must be forwarded to Synergy.

**3.12. Team Membership Status Change:** Team Members who wish to change their status from that of an individual Team Member to a participant in a corporation, partnership, or trust under the same sponsor may do so under the following conditions:

- All appropriate corporate or partnership documents must be forwarded to the company
- The Team Members involved in said partnership may not have any beneficial interest in any other position in the company
- Any other positions in the company will not be transferred to any other party, but will be terminated.

*NOTE: When a partnership or corporation dissolves, the departing party(s) must submit all documents required for a Team Membership Transfer as outlined in section 3.16; specifically, a copy of the Sales Agreement and a signed promissory statement. The remaining party(s) must submit an updated Articles of Incorporation or Articles of Organization and Partnership and an updated Group Membership Addendum Form. In some cases, a new Getting Started Form may also be required. No additional fees will apply for this action. As always, Synergy reserves the right to deny this action.*

**3.13. Team Membership Country Change:** Team Members changing their country of residence to another market the Company is currently open in must submit a completed Country Change of Address form to the market office of the country to which they are moving, including a proof of residency and meet all legal requirements to do business in that market.

**3.14. Team Membership Information Change:** Changes in the Team Membership contact information may be made by logging in to Business Manager and clicking on "My Account" or by contacting the U.S. Customer Service department via phone, fax, or mail.

**3.15. Team Membership Name Change:** Team Members wishing to change the name on their account must submit a completed Name Change Request form and legal proof of the change to the U.S. Customer Service department. Additional documents may be required based on the type of Name Change being requested. (See sections 3.5 to 3.8)

*NOTE: A Name Change does not constitute a Transfer of Distributorship. Ownership of the account must be maintained for a Name Change to be approved.*

**3.16. Team Membership Transfers:** No Team Member may delegate, convey, sell, assign, pledge, encumber, or otherwise transfer a Membership or any rights of a Member except by approval from the Synergy Global Compliance Department. Team Members desiring to do so must submit a completed Transfer of Distributorship Request to the Synergy Global Compliance Department.

The Transfer of Distributorship Request includes the following:

(1) A newly signed Membership Application form from the buying or receiving party, including the signature of the Sponsor.

(2) A copy of the Sales Agreement. No sale, assignment, or transfer of any Team Membership (or any Team Member rights) shall be effective without the prior written approval of Synergy. After a review of the terms of the sale, Synergy reserves the right to approve or disapprove, at its sole discretion, of the proposed transfer or sale. The Sales Agreement must be executed by the seller prior to the consummation of sale, and a notarized copy of the fully executed Agreement must be submitted to Synergy.

(3) A signed statement from the selling Team Member agreeing and promising the following: "I will not raid or recruit, or attempt to raid or recruit, any Synergy Team Member. I will not 'cross-sponsor' or recruit, or attempt to 'cross-sponsor' or recruit, any Synergy Team Member into any other direct-selling or multilevel marketing organization." As part of the sales agreement, the seller of a Team Membership must also agree not to engage in any activity that would cause Synergy or the Team Membership being sold to be diluted or negatively impacted through activities such as raiding or making disparaging comments.

*NOTE: Any active Team Member desiring to acquire an interest in another Team Member's business must first terminate the existing Team Membership of the buyer and cease functioning in any way as a Synergy Team Member, including purchasing products, for a period of at least twelve (12)*

*months. The buyer must then reapply as a Team Member in the newly acquired Team Membership interest by submitting a new Membership Application and incorporation or partnership paperwork, which must be accepted by Synergy.*

*Synergy reserves the right to deny the transfer of any position.*

*The new Team Member acquiring the position will be charged a fee as determined by Synergy Global Compliance, typically \$100.*

**3.17. Team Member Placement or Sponsor Changes:** A Team Member desiring a new sponsor or to change their position in the downline sales organization must resign their position in Synergy for a period of six (6) months and cease any activity relating to Synergy. They may not act as a team member, act as a delegate of another team member, or support any team member in their business in any way, including purchasing products as a Preferred Customer, or attending any Synergy functions. A Team member can resign their position by submitting a Membership Cancellation Form to Synergy Customer Service.

Memberships that have been converted to Preferred Customers due to inactivity will have the date of their last order as the beginning of their six months of inactivity.

Members who have never placed an order will have their sign-up date as the beginning of their (6) six months of inactivity.

*NOTE: An inactive Team Member found participating in any of the above will forfeit any time accumulated during their inactive period, and will be required to begin their six (6) months inactivity again.*

**3.18. Legal Age:** Team Member applicants must be of legal age in the jurisdiction of the applicant's residence. For purposes of Team Memberships in the United States, Synergy has determined this age to be eighteen (18).

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## SECTION FOUR

### Team Member Policies

4.1. **General:** A Team Member must comply with the Synergy Code of Ethics, these Policies and Procedures, the Membership Application, the Compensation Plan, all contractual obligations, and state, federal and other applicable U.S. and foreign laws.

Synergy will not tolerate activity by a Member that is unethical. Synergy may intercede when unethical behavior is discovered or reported. Synergy reserves the right to use its best judgment and discretion in determining whether certain Member's activities are unethical.

Any breach or violation of these Policies and Procedures may be deemed unethical. Any action which may cause Synergy or its Members the loss of reputation, or that is detrimental to Synergy's business, will be considered unethical business practice and will be grounds for disciplinary action, including termination of Membership.

Synergy does not recommend and will not enforce nor adjudicate separate or side agreements between Team Members; such agreements are the sole responsibility of the parties involved. Any such arrangement that violates Synergy Policies and Procedures will be deemed unethical and will be responded to by Synergy as such.

4.2. **Neutral Lead Distribution:** Retail purchase leads that come to Synergy will be referred to Team Members achieving the rank of Team Director or higher in a given month. Synergy makes reasonable efforts to determine how a prospect became interested in Synergy, and such leads will be given to the Team Member who created that interest. The distribution of neutral leads is made at the sole discretion of Synergy.

4.3. **Independent Contractor Status:** A Team Member is an independent contractor and is not an agent, an employee, a partner, or a party in a joint venture of Synergy or of any Sponsor or Team Member. A Member may not represent that such arrangements exist.

A Team Member is responsible for the Member's own business decisions and expenditures and for satisfying all federal, state, and local laws, taxes and regulations applicable to the residence of the Member. The Team Member will not be treated as an employee for federal or state tax purposes.

As independent contractors, Synergy Team Members are not eligible to claim unemployment or worker's compensation as a result of having been or being a Team Member.

4.4. **Disclaimer:** In no event shall Synergy, or any Synergy Team Member, affiliate, shareholder, officer, director, employee or agent, be liable to a Member (or anyone claiming for or through a member) for any indirect, consequential, incidental or special damages.

4.5. **Unfair Competition:** "Downline Raiding" and "Cross-Sponsoring": A Team Member shall not attempt to solicit another Team Member into any other network-marketing or direct-selling company. Such prohibited solicitation is known as "Downline Raiding".

In addition, no Team Member shall participate directly or indirectly in any action or solicitation that causes another Team Member to be sponsored through someone else into any other network-marketing or direct-selling company. Advertising that solicits participation in another network-marketing or direct-selling company is considered Downline Raiding.

A Team Member may not attempt to persuade other Team Members to change sponsors or their position in the Synergy tree; such behavior is considered "Cross-Sponsor-

ing,” and is prohibited. Members determined to be participating in these activities will be terminated.

**4.6. Marketing and Product Sales Claims:** A Team Member shall not make any unauthorized representation or sales offers of Synergy, its Marketing Plan or any of the Synergy WorldWide products including membership fees, medicinal claims, therapeutic claims, or any other representation contrary to that provided by Synergy WorldWide.

All Marketing and Product Sales representations must be complete, accurate, and truthful as to grade, quality, performance, and availability. A Team Member can never prescribe Synergy products as suitable for the treatment of any ailment. Appropriate Marketing Plan and product information is contained in approved Corporate literature from Synergy.

**4.7. Income and Opportunity Claims:** No unreasonable, false, misleading claim or other misrepresentation of earnings or potential income may be made by a Team Member. Income guarantees or expectations of any kind are prohibited, as is disclosure or exhibition of actual or copies of bonus checks or similar evidence.

Use of specific dollar claims or “average” earnings claims are prohibited.

Members determined to be participating in these activities will be terminated.

**4.8. Future Growth Claims:** A Team Member must not imply or assert that:

- Additional products or services will be added to the products and services currently offered.
- Enhancements to the Compensation Plan are forthcoming.

Additional countries, territories, or areas are to be opened by Synergy.

**4.9. Future Market Policy:** Synergy WorldWide will perform all tasks related to the opening of new country markets. Synergy WorldWide will seek the help of consultants and local professionals to provide additional expertise in the development process.

Synergy WorldWide does not give any Team Member sole or exclusive access to any market. All claims to that effect in any country in the world are made without Synergy WorldWide’s permission and are false. If a Team Member makes such a claim, he or she will be disciplined. Until Synergy WorldWide has issued an official announcement about the opening of a specific country, Team Member meetings are prohibited in that country. A meeting is defined as any gathering where Synergy WorldWide’s marketing opportunity and/or its products are discussed that is attended by five or more people.

Team Members in violation of this policy will be subject to discipline. Anyone who becomes aware of a meeting that violates this policy should notify the Global Compliance Department and submit written or other evidence of the violation, including the date, time, place, number of attendees, and the Team Member who held the meeting. Synergy WorldWide meetings will be allowed in unopened countries only after an official Synergy WorldWide opening date has been announced.

Team Members holding these pre-opening meetings will be obligated to carefully follow the published “Meeting Guidelines” for that country. These guidelines will be published within the official country-opening announcement. Prior to this announcement, Synergy WorldWide meetings are not allowed under any circumstance. Synergy WorldWide reserves and will protect all rights to importation around the world. Synergy WorldWide DOES NOT authorize any Team Member or non-Team Member to obtain importation rights and/or product approval in any country without the express written consent of Synergy WorldWide’s executive board. Synergy WorldWide re-

serves these rights exclusively for itself and its designated agents.

Any Team Member who violates this policy will be subject to immediate discipline and possible termination.

**4.10. International Sales:** A Team Member may not sell any Synergy products in countries, territories, or areas where the sale of such products is not authorized by Synergy. A Team Member may purchase products exclusive to a particular market while in that market, but may not resell these products in another market. A Synergy product may only be sold in the market for which that product is authorized.

**4.11. Governmental Endorsement Claims Prohibited:** A Team Member shall not represent that the Synergy Compensation Plan or that any of its products have been approved, sponsored, or endorsed by any governmental agency.

**4.12. United States Foreign Corrupt Practices Act:** Team Members shall not make, offer, promise or authorize any payment, loan, gift, donation, or other giving of money or things of value, directly or indirectly, whether themselves or through their shareholders, affiliates, partners, officers, employees, agents or representatives, whether in cash or kind, and whether or not pursuant to written contract, to or for the use of any government official, any political party or official thereof, or any candidate for political office, for the purpose of influencing or inducing any official act or decision in order to further the activities contemplated by these Policies and Procedures, or otherwise violate in any manner the United States Foreign Corrupt Practices Act or any convention, law or regulation prohibiting illicit payments to government officials, their agents or instruments or to third parties. A violation of this Section shall be a material violation of the Policies and Procedures.

**4.13. Reporting Unethical Behavior:** While complaints should generally be directed to and through the Team Member's Upline Sponsors, a Team Member who has a specific complaint about another Team Member, or is aware of any violation of these Policies and Procedures by another Team Member, should direct such complaints in writing to the Synergy Global Compliance Department in order to minimize the negative aspects accompanying such complaints.

**4.14. False Accusations:** Any claims made to Global Compliance that are determined to be false can be construed as unethical behavior, and may result in disciplinary action.

**4.15. No Waiver of Policy Enforcement:** Synergy's failure to enforce any of these Policies and Procedures with one Team Member does not waive Synergy's right to enforce any such provision(s) with that same Team Member or any other Team Member.

**4.16. Team Member Lists:** Lists of Synergy Team Members ("Lists"), whether partial or complete, and whether prepared by Team Members, Synergy, or third parties, are the confidential and proprietary information of Synergy.

Lists, in present and future forms, constitute commercially advantageous proprietary assets and trade secrets of Synergy, which Synergy's employees and Members agree to hold confidential during and after the term of their Team Membership.

Synergy may provide, for a fee, uniquely tailored portions of Lists to Members for limited purposes of Synergy business. Each portion of a provided List contains information specific to the Member who requests the List and the Team Member's downline or upline organization. A List may be provided by various media including, but not limited to, mail order, fax, and the Internet.

A Team Member or former Team Member must, upon request of Synergy, promptly return or destroy all lists and certify to such return or destruction in writing.

Team Member Lists remain, at all times, the exclusive property of Synergy. A Team Member requesting or obtaining a List agrees:

- To limit the use of a List to the specified scope of use of the List and exclusively to advance a Member's Synergy-related business;
- To hold confidential and not disclose or transfer or allow access to any List or portion thereof to or by any third party, including, but not limited to, existing Team Members, competitors, and the general public. Any intended or unintended use, disclosure or access to Lists, outside of those authorized, constitutes misuse, misappropriation and a violation of the Member's license agreement, and may cause irreparable harm to Synergy;
- That, upon any violation under this provision, the Member shall be deemed to have agreed and stipulated to preliminary, temporary, and permanent injunctive relief, enjoining such use under applicable law, and to promptly retrieve and return to Synergy all Lists previously provided to the Member;
- That intended or unintended misuse of a List is cause for immediate termination of a Team Membership, whether or not such misuse causes irreparable harm to Synergy or one of its Team Members and whether or not Synergy seeks any other remedies, relief, or damages;
- That the obligations under this provision shall survive the termination of the Team Member's Synergy Membership; and
- That Synergy reserves the right to pursue all appropriate remedies, relief, and damages under applicable national or local laws to protect its rights to the Lists as proprietary information and trade secrets of Synergy. Any failure to pursue such remedies will not constitute a waiver of those rights of Synergy.

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## SECTION FIVE

### Sponsoring Policies

**5.1. Sponsoring:** Sponsoring is an important part of being a Team Member and carries with it many benefits and responsibilities. A Team Member may act as the Sponsor for new Members if the Sponsor is in good standing with Synergy.

A new Team Member has the right to choose his, her, or its sponsor and to have that sponsor listed on the Membership Application.

Synergy will not mediate disputes resulting from one or more individuals contacting the same prospect.

If more than one Team Member claims Sponsorship of the same person, Synergy will recognize the sponsorship detailed on the first signed, completed, and acceptable Membership Application form received by the home office.

The signed Membership Application will protect the Sponsor/Team Member relationship.

**5.2. Change of Sponsorship:** Once a Team Member is sponsored, Synergy believes in protecting that relationship, except in the case of a Team Member using unethical means to sponsor someone. In such a case, the Team Member involved will work with the Global Compliance Department to complete the sponsorship change, and any other action required by the unethical conduct, as specified in the section entitled "Reporting Unethical Behavior".

Any requested sponsorship change should be submitted on a completed Sponsorship Change Request form to the Global Compliance department.

*NOTE: Synergy will not make any changes unless the change is necessary due to team member's error and submitted within 72 hours from sign-up; or Synergy's error. In some cases exceptions may be made due to violation of policy or account inactivity on the part of the current sponsor.*

**5.3. Prospective Team Member Information:** A Sponsor must clearly state in all presentations to prospective Team Members that there is no compensation paid to any Member solely for sponsoring new Members. A Sponsor must also clearly state that all product purchases are voluntary.

A Sponsor must also provide each potential Team Member with a copy of the most current Policies and Procedures when enrolling a new member.

**5.4. Downline Placement:** Team Members may only place a personally sponsored person in their personal downlines under Tracking Centers 1, 2, or 3. Placing people in other lines, including “cross lines,” is prohibited.

Team Members found sponsoring people in positions which are against company policies shall have such positions terminated, and may be subject to disciplinary action.

**5.5. Downline Placement Changes:** Synergy will not make any changes in downline placement, unless the change is necessary due to the Team Member’s error, reported within 72 hours from signup, or Synergy’s error. Any requested placement change should be submitted on a completed Placement Change Request form to the Global Compliance department. Synergy reserves the right to approve or deny any placement change.

**5.6. Sponsoring Synergy Employees:** A Team Member shall not solicit or sponsor employees of Synergy, Nature’s Sunshine, or their immediate family members to be Team Members.

No Synergy corporate officer, employee, product supplier, agent, representative or consultant or member of their immediate family will be allowed to be a Team Member, or build a downline within Synergy or any other network-marketing or direct-selling company.

For purposes of this paragraph, “immediate family” includes any person currently residing with the officer,

employee, product supplier, agent, representative, or consultant.

**5.7. Competing Employment:** A Synergy Team Member cannot be an employee of another Multi-Level Marketing/Direct Sales company. A Team Member found to be in violation of this is subject to immediate termination.

**5.8. Solicitation of Nature’s Sunshine Products Distributors:** No Synergy Team Member may solicit, directly or indirectly, any distributor of Nature’s Sunshine Products, Inc. (“NSP”). In the event that a Team Member solicits, directly or indirectly, a distributor of NSP, Synergy shall terminate that Team Membership immediately, upon written notice, either by fax, email, or regular mail. Moreover, Synergy shall prohibit any distributor of NSP from becoming a Synergy Team Member.

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## SECTION SIX

### Customer Policies

**6.1. Customer Sales:** Selling product to customers is the foundation to being a Synergy Team Member. Team Members have the ability to sell Synergy products they have purchased directly to their own customers. It is for the Team Member to determine if they will sell their products at wholesale price or at a retail markup. A Synergy Team Member may not sell products for less than the individual wholesale price.

Synergy defines the two types of customers as follows:

- *Preferred Customer:* A customer that purchases Synergy products at wholesale price.
- *Retail Customer:* A customer that purchases Synergy products at a retail markup.

**6.2. Setting Up a Customer ID Number:** Any Team Member is able to register their customers with a unique Synergy Customer ID number, thereby allowing the customers to purchase product directly from the Company at wholesale price or at a retail markup. Team Members can enroll a customer by calling Customer Service or by using their Business Manager Professional tool. When a Team Member enrolls a customer, they have the ability to select if their customer will purchase product at wholesale price or at a retail markup.

**6.3. Orders Placed with a Customer ID Number:** Once enrolled, customers can place orders directly by calling Customer Service with their Customer ID number. The commissionable volume (CV) on such orders will automatically be placed on Tracking Center 1 of the customer's enrolling Team Member. Customer orders placed directly through the Company will be shipped directly to the customer.

**6.4. Customer/Enroller Relationship:** Synergy does not protect the customer/enroller relationship. If a customer decides to become a Synergy Team Member, there is no contract binding the customer to a sponsor or a placement in the Synergy tree.

**6.5. Converting a Customer to a Team Member:** Product customers will form an important part of a Team Member's warm marketing pool. When a customer desires to become a Team Member, they may do so by following the Team Member enrollment procedures (See section 3.1).

*NOTE: If a customer was previously a Synergy Team Member and was converted to customer status due to inactivity, they are required to cease any activity relating to Synergy, including product ordering, for a period of six (6) months prior to re-enrolling as a Team Member (See section 3.17). Exceptions are made if the Team Member returns with the same sponsor and is placed at the bottom of the leg*

*where the previous account was placed. Team Members with questions regarding this policy are encouraged to contact Customer Service.*

**6.6. United States Trade Regulation "Cooling-Off Rule":** The Trade Regulation Rule known as the "Cooling-Off Rule" is designed to give the customer an opportunity to reconsider a purchase from a direct seller. The buyer is able to cancel the sale if the buyer decides the goods are not wanted, not needed, or not affordable. The buyer does not need to give the reason. All the customer must do is cancel the sale within three (3) business days. Please go to the Federal Trade Commission (FTC) website for further details regarding compliance to this rule.

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## SECTION SEVEN

### Compensation Policies

**7.1. Team Member Compensation and Fees:** A Team Member is compensated pursuant to the Synergy Mega-Match® Compensation Plan applicable to the country of residence of the individuals owning the Team Membership.

The policies outlined in the Mega-Match® Compensation Plan and on Synergy's website are the guidelines for payment of earnings under the Compensation Plan and the fees charged to Team Members.

A Team Member is neither guaranteed a specific income nor assured any level of sales, profit, or success.

A Team Member is wholly responsible for meeting the Team Member's qualification requirements.

Although Synergy provides most Team Member services to Team Members free of charge, from time to time a Team Member will request or require services that warrant additional time and expense to research or address. The Team Member requesting services will be charged at Synergy's discretion.

**7.2. Commission Periods and Weekly Payouts:** Synergy Worldwide processes two different commission periods.

In order to facilitate certain bonuses being paid to Team Members in the quickest way possible, Synergy pays them on a weekly basis. Bonuses paid in this weekly payout are Fast Start Bonus, Elite Rebate and any retail earnings. This period consists of a seven-day week beginning Sunday and ending Saturday. Any of these three bonuses earned during a weekly commission period are paid the following Friday.

Bonuses calculated during the monthly commission period are Basic Commission, Mega-Match, Leadership and Global Share. Unless otherwise permitted by Synergy, any orders received by Synergy before 11:59 p.m. Mountain Time on the last business day of the month are included in that commission period's business.

**7.3. Commission Payouts:** Synergy Team Members have the option to receive earned commissions either by check or through direct deposit to their bank account.

In order to activate direct deposit, a completed Direct Deposit form with a voided check attached should be submitted to Synergy Customer Service. Synergy Customer Service must receive this form and the voided check by the 25th of the month in order for this service to take effect for that month's commission payout.

Commissions paid by direct deposit will be deposited by the 15th of every month for bonuses calculated monthly and every Friday for bonuses calculated weekly.

Checks for bonuses calculated monthly are mailed by Synergy on the 15th of every month. If the 15th falls on a holiday or weekend, the bonus checks are mailed on the previous business day. Checks for bonuses calculated weekly are mailed every Friday.

If a Team Member elects to receive earned commissions in the form of a check, there will be a \$1.99 processing fee per check assessed beginning January 1, 2009.

Any bonus check in an amount less than twenty five dollars (\$25) may not be issued until at least twenty five dollars (\$25) are accrued in the subsequent commission period(s).

If a bonus check is not cashed after more than a year from the date the check was issued to the Team Member, Synergy reserves the right to declare the amount of the bonus check as abandoned or unclaimed. At such time, the amount will be forwarded to the State of Utah, or to the Team Member's state of residence, as may be applicable pursuant to relevant unclaimed property statutes, less applicable fees.

Synergy reserves the right to debit or place a hold on a Team Member's commission payout for any amount the Team Member owes Synergy. Such action by Synergy shall not impact Synergy's rights to any other available legal remedies or recourse.

**7.4. Replacement Checks:** Synergy will issue a replacement check; however, Synergy reserves the right to charge a \$15 fee for such service. In order to request a replacement check, please submit a completed Replacement Commission Check Request form to the Commissions department:

FAX: (801)443-3282

MAIL: Synergy WorldWide  
Commission Services

1955 West Grove Parkway, Suite 100  
Pleasant Grove, UT 84062

In the event that a Team Member deposits both the original and replacement bonus checks, Synergy will charge a fee equaling the value of the duplicate check, plus a \$25 penalty. Such behavior may be deemed by Synergy as unethical behavior and may result in further disciplinary action.

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**SECTION EIGHT****Miscellaneous Policies**

**8.1. Autoship Cancellation:** In order to cancel an Autoship template, a Team Member must submit a completed Autoship Cancellation Request form. This document must be signed by all individuals authorized to conduct business for that Team Membership. If this cancellation form is not received by Synergy at least 5 business days prior to your scheduled Autoship date, your Autoship may still be processed and you will be subject to any applicable fees.

You may fax or mail the Autoship Cancellation Request form to:

FAX: (801)443-3279

MAIL: Synergy WorldWide

Customer Service

1955 West Grove Parkway, Suite 100

Pleasant Grove, UT 84062

**8.2. Voluntary Resignation:** A Team Member may, at any time, voluntarily resign by submitting a Membership Cancellation Request form to Customer Service signed by all individuals authorized to conduct business for that Team Membership, including their names and tax ID numbers or social security numbers.

You may fax or mail the Membership Cancellation Request form to:

FAX: (801)443-3279

MAIL: Synergy WorldWide

Customer Service

1955 West Grove Parkway, Suite 100

Pleasant Grove, UT 84062

A Team Member who voluntarily resigns may not reapply for Team Membership for six (6) months after Synergy has made the cancellation final. Exceptions are made if the Team Member returns with the same sponsor and is placed at the bottom of the leg where the previous account was placed. Team Members with questions regarding this policy are encouraged to contact Customer Service.

A Team Member who resigns loses all rights to any downline genealogy and Team Member privileges.

The resigned position cannot be transferred or sold to any other party.

**8.3. Team Membership Minimum Requirements:** Team Members are responsible for meeting the following minimum requirements:

- The initial \$24.95 membership fee (This fee is non-refundable).
- The activation order for one or three Tracking Centers must be placed upon enrollment. Any issues pursuant to the activation order must be resolved within one month of the original sign up; otherwise the Team Membership will be converted to a Preferred Customer.
- A cumulative Tracking Center 1 volume of 240CV in every six-month period.

By fulfilling the above minimum requirements, Team Members will be able to purchase Synergy products at wholesale prices, sponsor new Team Members into their downline organization, and maintain their position in the Synergy genealogy.

Additional requirements may be necessary to be eligible for bonus checks and commissions.

Each calendar year is divided into two six-month periods (Jan-Jun & Jul-Dec). The initial period during which a Team Member enrolls is exempted of the minimum 240CV requirement. Team Members who do not meet the minimum 240CV requirement within any six-month period, after their initial exempt period, will be converted to Preferred Customer status.

*NOTE: In Personal Import markets, the cumulative Tracking Center 1 volume requirement will be an amount equal to 2 times the standard qualification CV amount in that market.*

**8.4. Investigations and Disciplinary Action:** Synergy WorldWide reserves the right to conduct investigations on Team Members and their activities to ensure compliance with these Policies and Procedures. During the course of these investigations, Synergy Global Compliance will communicate with the Team Members involved and, if required, issue an investigation letter formally notifying the Team Member of an investigation. The Team Member will be notified in such a letter the terms of the investigation, including but not limited to the period of time with which a Team Member has to respond to the details of the investigation and impending disciplinary action.

Failure to abide by the Policies and Procedures will lead to an investigation and appropriate disciplinary action. The disciplinary process may involve any or all of these steps:

- *Informal warning.* The Team Member may be notified, orally or in writing, that the Team Member is in violation of Synergy's Policies and Procedures.
- *Formal warning.* If a particular violation continues after an informal warning is issued, or the violation is severe enough to warrant it, a formal written warning may be sent to the offending Team Member stating that failure to discontinue the stated violation may result in further disciplinary action.
- *Suspension.* A suspension letter may be sent and considered a final warning. This notice may include a list of actions that must be taken in order for the Team Member to reinstate their account. These actions may include the following: the immediate cessation of all violations; submitting a written statement to Synergy responding to the suspension; and/or any further action that is required by Global Compliance. A Team Member may appeal the

suspension in writing within the specified time period outlined in the suspension letter. Suspended Team Members are not eligible to receive compensation or Bonuses from Synergy or participate in any functions or programs of Synergy. Synergy reserves the right to withhold compensation until the disciplinary process has been completed to Synergy's satisfaction. Because suspended Team Members may not place product orders, they may not qualify for compensation during their term of suspension.

At the conclusion of an investigation, a letter will be issued to the Team Member notifying them that Global Compliance has completed its investigation. One of the following responses will be issued from the Global Compliance department:

- *Completion of Investigation Notice.* This letter will also outline the actions taken by Global Compliance.
- *Probation Notice.* Issued to the offending Team Member informing them of the results of the investigation as well as any further disciplinary action that has been deemed necessary by Global Compliance.
- *Termination Notice.* Issued to the offending Team Member when violation of the Policies and Procedures is severe enough to warrant termination.

**8.5. Involuntary Termination:** If necessary, a Team Member may be terminated by Synergy. Synergy has the right to take quick and decisive action in limiting or terminating a Team Membership that is found in violation of the Policies and Procedures, the Membership Application, rules governing the Compensation Plan, or any state or federal laws, statutes, and/or regulations that pertain to the business of Synergy.

In extreme cases of violations by a Team Member, Synergy also reserves the right to pursue legal recourse, as well as reimbursement by a Team Member for any expenses, including attorney's fees and legal fees generated

from a violation, and to seek and obtain other appropriate remedies, relief, and damages.

When a decision is made to terminate a Team Member for cause, Synergy will send notification by mail to the terminated Team Member at the most recent address on file. Upon receipt of notice from Synergy, the Team Member must immediately cease all Team Member activities and remove any applicable Website or print advertising.

If a Team Member wishes to appeal a termination, Synergy must receive the written appeal within ten business days of receipt of the termination letter. If the appeal is not received within this time period, the termination will be final. Synergy will review the timely appeal and notify the Team Member of the decision. This decision will be final. The termination will be effective from the date of Synergy's original termination notice.

**8.6. Effect of Termination:** Whether a Team Membership is terminated through voluntary resignation or through involuntary termination by Synergy, that Team Membership is no longer entitled to sell Synergy products or to Sponsor other prospective Team Members.

The terminated Team Member shall lose all rights to the existing downline and shall no longer be entitled to receive Bonuses, awards, or any compensation whatsoever from Synergy, nor shall the Team Member be entitled to any rights to Team Member Lists.

The terminated Team Member should immediately cease all marketing efforts related to Synergy, including but not limited to advertising, personal websites, and mailing.

The terminated position cannot be transferred or sold to any other party.

**8.7. Litigation:** Any litigation regarding the agreements between Team Members and Synergy shall be undertaken in the State Court of Utah County, Utah, or the Utah U.S. Federal District Court. These policies and all agreements between Synergy and Team Members shall be governed by

the laws of the State of Utah and are binding on successors and assigns of both parties.

Synergy may, upon notice, terminate the Membership of any Team Member who, through his or her capacity as a Team Member, files any legal action proceeding, or induces or facilitates any government agency to file any action against Synergy WorldWide, any affiliates, subsidiaries or its parent company, which Synergy WorldWide, and/or its affiliates, subsidiaries or parent company, considers, within its sole discretion, to be without legal foundation or basis in fact.

*Note: The Team Member shall be liable for all costs incurred by Synergy WorldWide due to non-compliance with the Policies and Procedures including but not limited to charge back fee, handling fee and shipping charges.*

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## SECTION NINE

### Ordering Products & Sales Materials

Properly placed product orders will generally be processed within two to five (2-5) business days. A tracking number will be provided upon processing of the order, and can be accessed online or by contacting Customer Service.

Shipments are made by common carrier and delivery may be expected within seven (7) days, unless special provisions are made. However, shipping times cannot be guaranteed. Shipments may be made only to street addresses. General delivery and post office box destinations are not acceptable in the United States and Canada.

Shipments will be complete and in marketable condition at the time they leave the Synergy Fulfillment Center. Because title to any order is conveyed and transfers at the time of shipment, a Team Member or enrolled Customer is

ultimately responsible for any loss, damage, or shortage to the shipment after it leaves Synergy's warehouse.

Upon receipt of a product shipment, Team Members or enrolled Customers should immediately inspect shipments to determine whether orders are complete and in sellable condition. Members should ask the shipper's representative to explain how to file a claim for damaged or missing materials.

If a shipment or order is lost, the Team Member or enrolled Customer should notify Customer Service. Lost shipments, if later found and/or delivered, must be reported to Customer Service as soon as possible and in any event no later than seven (7) days after delivery.

A Team Member or enrolled Customer who signs a delivery release with a common carrier, authorizing the carrier to deliver an order without the recipient's signature, releases Synergy from responsibility for such delivery.

A Team Member or enrolled Customer may order product by phone, mail, e-mail, fax, or online. The Synergy Product Order Form is required for all mail orders and fax orders of products and must be fully completed and submitted to the Synergy Customer Service department. Two or more Team Members or enrolled Customers may not combine orders on the same order form. Orders must conform to the following requirements:

- Orders placed by telephone, fax, email, and through Synergy's Internet Website must be paid by debit / credit card. The credit card used must be in the name of the Team Member or enrolled Customer whose account is being used to place the order. If an order is made by one of these methods, it is not necessary to mail in the original Synergy Product Order Form. Double shipments occurring due to a Team Member's or enrolled Customer's placing of an incorrect order are the financial responsibility of that Team Member or enrolled Customer.

Full payment must accompany all orders.

Only payment by personal check, certified check, money order, bank draft, or credit card will be accepted. Synergy

will not accept COD (cash on delivery) orders. Any credit card used must be in the name of the Team Member or enrolled Customer whose account is being used to place the order.

*NOTE: A credit card authorization form must be completed and submitted to Synergy Customer Service prior to usage.*

Orders submitted without payment in full may be returned unfulfilled to the Team Member or enrolled Customer by mail.

- Any negative consequences arising out of the return or partial fulfillment of an incomplete order are solely the responsibility of the Team Member or enrolled Customer who placed the order. The availability of purchase funds for any purchase must be approved prior to the sale. If a Team Member's or enrolled Customer's credit card is not approved, every reasonable effort will be made to contact the Team Member or enrolled Customer. However, it is the Team Member's or enrolled Customer's responsibility to ensure that payment has been approved. Unless the Team Member or enrolled Customer has an alternate payment method, the order will be deleted.

All products should be stored in a cool, dry, and hygienically safe area or as otherwise directed by the label. Synergy is not responsible for products that are damaged due to improper storage.

Synergy is not responsible for an incoming order that is delayed in transit, or for an order that does not arrive at the appropriate Synergy warehouse complete with a valid form of payment. Mail or fax orders must be received by Synergy on or before the last business day of the commission period to be counted in that commission period.

#### **9.1. Ordering Restrictions:**

- Orders placed in markets other than the market with which the Team Member is registered will be treated as

spot orders. Qualification orders and orders activating Tracking Centers must be placed within the Team Member's own market.

- Autoship Templates must be set up in the market with which the Team Member is registered.
- A Team Member may not submit product orders in the name of another Team Member without written permission. Only authorized orders made on behalf of the Team Member's own Team Membership will be honored by Synergy.
- If the use of another Team Member's credit card is needed, proper authorization is required in advance. Synergy Customer Service can provide a Credit Card Authorization form for this purpose. Violation of this rule will result in disciplinary action or termination.

**9.2. Sales Tax:** Synergy products are subject to sales and use tax in most jurisdictions. Synergy collects and remits sales tax in various jurisdictions. Synergy will advise Team Members that such taxes are required to be collected on their behalf. The collection of tax by Synergy does not relieve the Team Members of their responsibility and duty to comply with any and all customs, tariff, and tax regulations appropriate to the Team Members and their business.

**9.3. Accepted Payment Methods:** Synergy accepts Visa, MasterCard, American Express, Discover Card, checks, bank drafts, and cash as payment for products.

Bank drafts can be set up with Synergy after a Team Member is enrolled in Autoship and after the first product order has been processed. A Bank Draft Application may be requested from Customer Service.

A Team Member who has had at least one check or bank draft returned for "insufficient funds" or "closed account" may lose ordering privileges until the sufficiency of funds is resolved. In such case a Team Member may permanently lose check or bank draft product purchase privileges. Synergy will assess a U.S. \$20 handling fee for

each dishonored check or bank draft, even if it is again presented to the bank and honored.

*NOTE: A Team Member who initiates credit card "charge backs" is deemed to have "disputed balances." The Team Member receiving credit for the order in question may have commissions suspended and applied toward the disputed balance(s) until the dispute is resolved to the satisfaction of Synergy.*

**9.4. Autoship Batch Dates:** When creating an Autoship template, Team Members are required to select a processing date. The processing date selected by a Team Member should be any date between the 1st and the 25th days (inclusive) of each month; each of these days during the month represent a separate batch date. In the event that this batch date falls on a weekend or a holiday, the order will be processed, and the credit card charged, on the business day prior to the selected date.

**9.5. Synergy Store:** The Synergy Store is provided as a convenience to Team Members wishing to order products when they come to the Corporate Office. The store is open from 9am to 6pm, Monday thru Friday, and during Synergy sponsored events in the evenings.

**9.6. Customer Sales:** Synergy Team Members are expected to resell 70% of all products purchased from Synergy.

All retail sales should be carefully documented. Blank retail sales receipts are available for purchase to help facilitate this process.

All Team Members should remit all necessary sales tax as deemed by their state of residence.

A Team Member may not retail any Synergy product for less than the wholesale price.

Synergy will randomly audit Team Members for retail sales.

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**SECTION TEN**

## Returning Products & Sales Materials

10.1. **Team Member Return Policy:** Synergy has a 100% money-back guarantee on all initial or activating orders if they are returned within ninety (90) days of purchase. Synergy also offers a 90% money-back return on all unopened, unused, and undamaged products from all subsequent orders, if they are returned within ninety (90) days of purchase.

10.2. **Return Process:** The Team Member must first call the Synergy U.S. Customer Service at (801) 431-7660 to obtain a Return Merchandise Authorization (RMA) number. An RMA will be issued upon the following conditions:

- The products being returned must be linked to a specific order placed in the Team Member's personal business centers.
- The products must be unopened and in resalable condition.
- The products must be returned within the 90-day return period, and must be returned within two weeks of the RMA being issued.
- All products must be shipped appropriately to avoid damage during shipment. Should products arrive damaged, they will not be considered resalable and will be returned to the Team Member at his expense and without refund or exchange.

The Customer Service representative will instruct the Team Member to include the RMA number on the package being returned. The RMA should be visibly displayed on the outside of the package. The Team Member's name, ID number, order number, and a list of the products being returned should be included on a packing slip inside the package.

The Team Member can then ship the products back to the U.S. Corporate Office (not to the warehouse). Packages sent to the U.S. Corporate Office that do not contain an RMA number visibly displayed on the outside of the package will be refused or returned to the Team Member at their expense. There will be no exceptions. Shipping costs are the responsibility of the Team Member.

Walk-ins to the Corporate Office must obtain an RMA number prior to returning products.

Packages with proper authorizations will be processed. The appropriate refund will be generated, less shipping charges and any bonus or commission paid out, and refundable volumes will be deducted from applicable Team Members.

If product is returned that was not approved when the RMA was issued, it will be returned to the Team Member at their expense.

Team Members who return their initial and/or activating order within ninety (90) days of the original order will be credited 100% of their purchase price, less shipping, if the above steps are completed. The return of any activation order will cancel any applicable Tracking Center(s) activation. All volume and related commissions paid on this order will be deducted from the applicable Team Members.

All product packs must be returned in their entirety. No partial packs will be accepted. Additionally, there will be no product substitutions accepted in packs.

With the exception of initial and/or activating orders, all products must be returned unopened and in resalable condition in order to receive a refund.

When a Team Member receives product in exchange for a return, the exchanged product may not be returned for additional exchanges or refund.

Refunds will be issued to the credit card which was used at time of purchase. Check or cash payments will be refunded via check, which will be mailed to the Team Member.

**10.3. Customer Return Policy:** Products being returned after having been purchased by customers directly from a Team Member must be returned to the Team Member who sold them within ninety (90) days after the customer purchased the products. The sponsoring Team Member will issue the refund to the customer. The Team Member must then request an RMA number from Customer Service prior to 120 days from the initial product purchase in order to receive a refund or exchange on the returned products. (See section 9.2)

When the products are returned, proof of the sale must be returned with the product, as well as the original order number, and the name of the person who purchased the product.

The Team Member may return partially used product for exchange of the same product. Exchanges will not be sent until all of the above information is received.

There will be no exchanges or refunds after the initial ninety (90) day period plus the 30-day retail customer return period (120 days maximum, provided proof of date of purchase is included), and no product substitutions.

Synergy offers Customers the same return policy as Team Members, a 100% money-back guarantee on all initial product orders or a 90% money-back return on all unopened, unused, and undamaged products from all subsequent orders, if they are returned according to the timeline detailed in this section.

Products must be returned in unopened, resalable condition in order to receive a refund or credit to the purchaser's account, less shipping costs. Any retail stickers or personal labels must be removed prior to returning to Synergy. There are to be no alterations in the packaging in order to receive a refund or exchange.

When purchasing products directly from the Company through a Customer Account, the customer must request an RMA number from U.S. Customer Service within ninety (90) days of receipt of the products. Any commissions earned through the original purchase of the returned

products will be subtracted from the sponsor's and uplines' next commission checks.

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## SECTION ELEVEN

### Advertising & Product Displays

**11.1. Advertising:** Synergy encourages Team Members to promote Synergy's products and marketing opportunities pursuant to appropriate guidelines. Failure to follow the guidelines can result in damage to the reputation of Synergy and its products and can trigger undesirable publicity and possible legal action.

When advertising Synergy products, a Team Member should take special care that they operate and clearly designate their business as independent from Synergy. Thus, Team Members should identify themselves in the following format: "John/Jane Doe, Synergy WorldWide Independent Distributor." Team Members must use Synergy's "Independent Distributor" logo anytime they are referring to their Synergy business. This logo may only be used with Synergy products and not with any competitor's products or services.

When advertising Synergy products, Team Members may not make inappropriate claims about the products. An example of an inappropriate claim would be: "Synergy's Germanium Plus will help cure cancer." Instead, one may discuss the product as it relates to the system or organ of a person's body. An example of a lawful statement would be: "Synergy's Germanium Plus may nutritionally support or aid the immune system."

All trademarks, logos, literature, and forms produced or owned by Synergy WorldWide remain the property of Synergy. Synergy literature or logos for advertising use can be acquired from the Customer Service Department or downloaded by accessing Business Manager.

Any legal claim made against a Team Member as a result of their use of advertising materials created by Synergy must be reported to Synergy Global Compliance immediately.

**11.2. Self-Produced Promotional Items:** Synergy prohibits Team Members from producing promotional items for resale, without prior written approval of Synergy Global Compliance.

Federal and state laws require that any materials created independently or derived from Synergy's materials (collectively, "Independently Created Advertising Materials") be used in a manner that does not infringe or dilute the trademarks and rights of Synergy or any third party, does not infringe the copyrights of Synergy or any third party, and does not make any false or misleading claim about Synergy or the products advertised.

Independently Created Advertising Materials are solely the responsibility of the Team Member who creates them and any person who uses them. Synergy disclaims any right or obligation to control the content of Independently Created Advertising Materials in any medium, including print, television, radio and the Internet. Synergy will not indemnify any Team Member against any claim that Independently Created Advertising Materials violate the rights of any third party. Synergy, however, retains the right to demand that a Team Member cease the use of any Independently Created Advertising Materials if, in the judgment of Synergy, such materials violate the law, Synergy's rights or the rights of any third party.

**11.3. Intellectual Property Usage:** A Team Member may not use Synergy's intellectual property including, but not limited to, copyrights, trademarks, logos, or trade secrets, or any distinctive slogan or phrases used by Synergy to promote the Team Members' businesses except as authorized herein. Furthermore, a Team Member may not obtain, through use or filing for a trademark or copyright application, any

right, interest or title to the name, trademarks, logos, or trade secrets of Synergy and its products. If Synergy should decide to change or abandon any of its names or trademarks, each Team Member must also change or abandon such name or trademark.

**11.4. Electronic and Mass Media Advertising:** Electronic and mass media advertising are generally prohibited. A Synergy Team Member may not advertise Synergy or its products or services on television, cable television, radio, newspapers, e-mail, web page, or any other form of electronic or mass media advertising without prior written permission from Synergy Global Compliance. Detailed requests should be submitted in writing to the Synergy Global Compliance.

**11.5. Telephone Usage:** Any Team Member who uses the telephone to market Synergy products must comply with all applicable state and federal regulations for telephone marketing and solicitation, including registration as a telemarketer. It is Synergy's policy that all Team Members must respect the federal "do not call list." Team Members must clearly identify themselves as Synergy independent distributors.

A Team Member may not answer the telephone in any manner that would give callers a reason to believe that they have reached the Corporate Office, or an office, of Synergy. Specifically, a Team Member shall not answer the telephone by saying "Synergy WorldWide" or "Synergy." Team Members may answer the telephone indicating that they are an independent Synergy distributor. Answering machines must also comply with this policy.

**11.6. Recording of Synergy Events:** A Team Member may not produce for sale, or make personal, or business use of any audio, video, or other recording of Synergy-sponsored events, teleconference calls, speeches, teleconferences, or meetings. Furthermore, Team Members may not repro-

duce for sale, distribution, or for personal or business use any recording of Synergy-produced audio or video presentations without the prior express written consent of the Synergy Marketing Department.

A Team Member may not record, make, or prepare audio or video presentations or recordings of any Synergy event, speech, teleconference call, or meeting without prior written approval from Synergy Global Compliance. Permission must also be obtained before the sale or distribution of any recording of independently sponsored Team Member training or other meetings.

**11.7. Media Inquiries:** In order to ensure accuracy and consistency of information, a Team Member who receives any inquiry from the press or other media regarding any aspect of Synergy, its products or Team Memberships should immediately refer such an inquiry to the Marketing Department at Synergy by calling (801) 431-7600.

**11.8. Charge for Profit:** A Team Member may not charge for profit a fee for any general training on Synergy products or marketing or for Team Member produced training materials without the prior written consent of Synergy Global Compliance.

**11.9. Telephone Directory Advertising:** Telephone directory advertising is generally prohibited. However, a Team Member may place a listing in their local yellow pages in the categories of 1) Health, Herbs, Fitness, or Nutrition, and/or 2) Skin Care or Beauty. All listings for telephone publications should read as follows: "Synergy Independent Distributor" followed by the Team Member's name, address, and telephone number; the Synergy Independent Distributor logo may be used. No Team Member may display advertisements using Synergy's name, other logo(s), trademarks, or product names in any telephone directory.

**11.10. 900 Number Usage:** Synergy prohibits the use of 900 numbers or any toll numbers for the purpose of marketing either the Synergy opportunity or its products.

**11.11. Synergy Product Alteration:** A Team Member shall not alter, repackage, distribute Team Member-created samples, re-label or otherwise change any Synergy product. Team Members shall not sell any such product under any name or label other than that authorized by Synergy.

**11.12. Retail Establishments:** A Team Member generally may not sell Synergy products in retail establishments. Under certain circumstances, Synergy products may be sold through Service-Related Establishments. A "Service-Related Establishment" is one that receives revenue primarily by providing personal service, rather than by selling products. Such establishments include offices of doctors, dentists, chiropractors, and other health professionals, health clubs, gymnasiums, barber shops, beauty shops, nail boutiques, counseling services, tanning centers, and other such businesses where the customer's use of the establishment is controlled by customer membership or appointment.

In order to sell Synergy products in a Service-Related Establishment, Team Members must obtain prior written approval from Synergy Global Compliance. Request for such approval must be submitted in writing to:

FAX: (801) 443-3282

MAIL: Synergy WorldWide

Global Compliance

1955 West Grove Parkway, Suite 100

Pleasant Grove, UT 84062

Synergy Global Compliance will use the following guidelines when approving the sale of Synergy products in Service-Related Establishments. Team Members should provide details of the following information when available in their written request for approval:

- The establishment should have a Team Member on-site to work with customers directly.
- The establishment should be a “local” business.
- The reach of the establishment should be limited so as to not infringe on other Team Members’ abilities to retail products.

11.13. **Trade Shows and Fairs:** Team Members may promote Synergy products at fairs and trade shows with conditions that the products are not shown or displayed with any other products that are sold via network marketing. Flea markets and swap meets are prohibited territory for the sale and/or display of Synergy products, opportunities, literature, or services.

11.14. **Internet Auction Sites:** Team Members may not sell Synergy products on eBay or any other Internet auction site.

11.15. **Internet Use:** We strongly encourage the use of our “MySynergy” replicated websites; however, Team Members may use the internet to promote the Synergy opportunity and products by creating a personal website.

The website may not use any Synergy name(s), trademarks, logo(s), or product name(s), or any name that otherwise does not comply with these Policies and Procedures, in the URL address or domain name.

The website may not give to any users the impression or any reason to believe that they have reached the Synergy WorldWide Website. The website must state clearly and conspicuously that it is owned and operated by an independent distributor of Synergy and that Synergy is not liable for any statement, omission, or misrepresentation in the website.

Any time the words “Synergy WorldWide” or “Synergy” are used as a title on the Website, they must be preceded by the words “Independent Distributor” or “Independent Team Member” to read “Independent Team Member of

Synergy WorldWide” or “Independent Team Member of Synergy.” All Team Members who want to use a Synergy logo must use Synergy’s Independent Team Member logo, not Synergy’s Corporate logo. A Team Member must use the Synergy Independent Team Member logo on every page of their website. This logo can be downloaded from Business Manager.

A Team Member’s website must accurately display all trademarks owned by Synergy WorldWide. Team Members are responsible to make all changes to reflect the latest use of Synergy names, logos, and trademarks.

A Team Member may not advertise on the internet by purchasing space on any other web page such as a search engine or commercial website (i.e. eBay stores). Synergy products may not be marketed in conjunction with similar or competing products from any other company. This includes web-based catalogs, marketplaces, eBay, etc.

A Team Member may not use mass e-mailings to promote the Synergy opportunity or products. Synergy Team Members are encouraged to follow all internet etiquette and applicable regulations and to be good “net” citizens. These Policies and Procedures, including the advertising and marketing guidelines and restrictions regarding not practicing medicine or diagnosing, apply to communications sent via e-mail. While Synergy cannot monitor your e-mail, government authorities may. A breach of the law can also result in immediate termination of a Synergy Team Membership.

All advertising and marketing guidelines under these Policies and Procedures also apply to a Team Member’s use of the internet to sell Synergy products or advertise or advance the Team Member’s business, including those regarding not practicing medicine or diagnosing.

When providing a link to the Synergy WorldWide corporate website, Team Members must clearly state that the user is leaving the Team Member’s personal website and being directed to the Corporate website. Framing of any part of Synergy’s website is strictly prohibited.



**Synergy WorldWide welcomes you as a  
Team Member. For further clarifications or  
examples, please refer to your personal  
sponsor and/or the Synergy Customer  
Service Department at (801) 431-7660.**



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Pleasant Grove, Utah 84062  
[www.synergyworldwide.com](http://www.synergyworldwide.com)

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