



OPERATING AN AMEGA INDEPENDENT BUSINESS

Adherence to the Amega Marketing and Compensation Plan

Business Associates must adhere to the terms of the Amega Marketing and Compensation Plan as set forth in official Amega literature.

Business Associates shall not offer the Amega opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official Amega literature without The Company's prior written approval. Business Associates shall not require or encourage other current or prospective Business Associates to participate in Amega in any manner that varies from the program as set forth in official Amega literature. Business Associates shall not require or encourage other current or prospective Business Associates to execute any agreement or contract other than official Amega agreements and contracts in order to become an Amega BA.

Similarly, Business Associates shall not require or encourage other current or prospective Business Associates to make any purchase from, or payment to, any individual or other entity to participate in the Amega Marketing and Compensation Plan other than those purchases or payments identified as recommended or required in official Amega literature.

Communicating with Amega Corporate

Amega Business Associates can communicate with Customer Service at any time by either calling Customer Support or using the Amega Messenger Service.

Amega Messenger is located in your CyberOffice and it is the most efficient method for communicating with Amega. When you utilize Messenger, your issue is routed to the correct department and handled expeditiously. Unlike phone and email support, service is never delayed when Amega personnel are out of the office or on vacation. Also, an audit trail of your communication and our response is kept so that a record of your support issue is created, tracked, and followed through on until resolved.

Advertising

General

All Business Associates shall safeguard and promote the good reputation of Amega and its products. The marketing and promotion of Amega, the Amega opportunity, the Marketing and Compensation Plan, and Amega products shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

Accordingly, Business Associates must use sales tools provided by the Company. However, Business Associates may create their own sales tools but must submit all written sales tools, promotional materials, advertisements, websites, and other literature to the Amega Compliance Department for advance written approval. Unless the BA receives specific written approval to use such tools, the request shall be deemed denied.

Sales tools, including marketing and business development systems, may only be sold to other Business Associates with the advance written approval of the Compliance Department. Business Associates may make approved sales tools available to other Business Associates free of charge if they wish.

Amega reserves the right to rescind approval for any sales tools, promotional materials, advertisements, websites, marketing or business building systems, or other literature, and Business Associates waive all claims for damages or remuneration arising from or relating to such rescission.

Amega Trademarks and Trade Names

The name of Amega and other names as may be adopted by Amega are proprietary trade names, trademarks and service marks of Amega. As such, these marks are of great value to Amega and are supplied to Business Associates for their use only in an expressly authorized manner. Use of Amega name on any item not produced by the Company, or otherwise approved by the Compliance Department in writing, is prohibited except as follows:



Independent Business Associate's Name

Amega™ Independent Business Associate

BA Websites

If a BA desires to utilize an Internet web page to promote his or her business, he or she may do so through the Company's official website, using official Amega templates.

Alternatively, Business Associates may develop their own websites, however, any BA who does so must first submit an Independent Business Associate Website Approval Request and Agreement along with the appropriate fee. Once a website receives the Compliance Department's written approval, no changes may be made to the website without the receiving further written approval from the Compliance Department.

Domain Names

Business Associates may not directly or indirectly register or attempt to register any Amega trade name, trademark, service name, service mark, product name, The Company's name, or any derivative thereof, for any Internet domain name.

If a BA wishes to use any of such marks in a domain name, they shall submit a Domain Name Registration and Usage Agreement to the Compliance Department along with the appropriate fee. If the Compliance Department determines that it is appropriate to allow the use of the domain name, Amega will register the domain name in its own name, and shall license the domain name to the BA making the request. The Company reserves the right to rescind the license at its discretion.

Trademarks and Copyrights

Amega will not allow the use of its trade names, trademarks, designs, or symbols by any person, including Amega Business Associates, without its prior, written permission. Business Associates may not produce for sale any recorded Company events and speeches without written permission from Amega nor may Business Associates reproduce for sale any recording of Company-produced audio or video tape presentations. Business Associates may record such Company events, but may use them only within their own personal Sales Organizations. Such recordings may not be posted on the internet, nor may such recordings be shown to prospective Business Associates or used as recruiting tools.

Media and Media Inquiries

Business Associates must not attempt to respond to media inquiries regarding Amega, its products or services, or their independent Amega business. All inquiries by any type of media must be immediately referred to the Amega Public Relations Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

Unsolicited Email

Amega does not permit Business Associates to send unsolicited commercial emails unless such emails strictly comply with applicable laws and regulations including, without limitation:

- The Canadian Radio-television and Telecommunications Act
- The Competition Act
- The Personal Information Protection and Electronic Documents Act
- The Telecommunications Act

Any email sent by a BA that promotes Amega, the Amega opportunity, or Amega products and services must comply with the following:

- There must be a functioning return email address to the sender.
- There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).



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- The email must include the Business Associate's physical mailing address.
- The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
- The use of deceptive subject lines and/or false header information is prohibited.
- All opt-out requests, whether received by email or regular mail, must be honored. If a BA receives an opt-out request from a recipient of an email, the BA must forward the opt-out request to the Company.

Amega may periodically send commercial emails on behalf of Business Associates. By entering into the BA Agreement, the BA agrees that the Company may send such emails and that the Business Associate's physical and email addresses will be included in such emails as outlined above. Business Associates shall honor opt-out requests generated as a result of such emails sent by the Company.

Unsolicited Faxes and Automated Dialing Systems

Except as provided in this section, Business Associates may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of their Amega business. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

The term "unsolicited faxes" means the transmission via telephone facsimile of any material or information advertising or promoting Amega, its products, its compensation plan or any other aspect of the company which is transmitted to any person, except that these terms do not include a fax or email: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the BA has an established business or personal relationship.

The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two way communication between a BA and a person, on the basis of: (a) an inquiry, application, purchase or transaction by the person regarding products offered by such BA; or (b) a personal or familial relationship, which relationship has not been previously terminated by either party.

Telephone Book Listings

All Business Associates may list themselves as an "Independent Amega BA" in the white or yellow pages of the telephone directory under their own name. No BA may place telephone directory display ads using The Company's name or logo without The Company's written consent. Business Associates may not answer the telephone by saying "Amega", "Amega Incorporated," or in any other manner that would lead the caller to believe that he or she has reached corporate offices of Amega.

Auctions Prohibited; Blogs, Chat Rooms, Social Networks, and other Online Forums Permitted.

You shall absolutely refrain from selling Products on an Internet auction site. You agree that this provision is material to the Agreement and if you breach it you agree that we may terminate the Agreement without notice.

Upon completion of a Compliance Certification course, you may post text and videos on or in blogs, chat rooms, social networking sites, video websites, to market, sell, advertise, promote, or discuss Amega's Products or services, or the Amega opportunity, subject to the following:

- All text postings must include your name and ID number;
- All video must include a clear image of your name and ID number;
- All claims comply with section 4.3 above; additionally, you must disclose that you are a compensated independent distributor of our Products.
- Videos must be approved in advance by our Compliance department;
- You must use the Amega logo/image in conjunction with your posting.
- If your posting containing images or references to a celebrity or copyrighted material, you must have express written consent from the owner of the image or copyrighted material and provide such consent to Amega upon request.
- All postings must contain business opportunity content only. Product names may be mentioned, but no testimonials or further discussion of the Products is allowed. The posting may refer the viewer to a website authorized to promote the Products (e.g., our company website or your authorized replicating website).



Bonus Buying Prohibited

Bonus buying is strictly and absolutely prohibited. "Bonus buying" includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of a BA Application and Agreement by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as a BA or Customer; (c) the enrollment or attempted enrollment of non-existent individuals or entities as Business Associates or Customers ("phantoms"); (d) Purchasing Amega products or services on behalf of another BA or Customer, or under another Business Associate's or Customer's I.D. number, to qualify for commissions or bonuses; (e) purchasing excessive amounts of goods or services that cannot reasonably be used or resold in a month; and/or (f) any other mechanism or artifice to qualify for rank advancement, incentives, prizes, commissions or bonuses that is not driven by bona fide product or service purchases by end user consumers.

Business Entities

A corporation, limited liability company, sole proprietorship, partnership, trust or cooperative (collectively referred to in this section as a "Business Entity") may apply to be an Amega BA by submitting a BA Application and Agreement along with a properly completed Business Entity Registration Agreement and a properly completed IRS form W-8 (BEN). The Business Entity Registration Agreement must be signed by all of the shareholders, members, partners, trustees, or other parties with any ownership interest in, or management responsibilities for, the Business Entity (collectively "Affiliated Parties"). The Business Entity, as well as all Affiliated Parties are individually, jointly and severally liable for any indebtedness to Amega, compliance with the Amega Policies and Procedures, the Amega BA Agreement, and other obligations to Amega.

To prevent the circumvention of Sections 4.6 (regarding transfers and assignments of an Amega business) and 4.7, (regarding Sponsorship Changes), if any Affiliated Party wants to terminate his or her relationship with the Business Entity or Amega, the Affiliated Party must terminate his or her affiliation with the Business Entity, notify Amega in writing that he or she has terminated his/her affiliation with the Business Entity, and must comply with the provisions of Section 4.7.

In addition, the party foregoing their interest in the Business Entity may not participate in any other Amega business for six consecutive calendar months in accordance with Section 4.6.1. If the Business Entity wishes to bring on any new Affiliated Party, it must adhere to the requirements of Section 4.7.

The modifications permitted within the scope of this paragraph do not include a change of sponsorship. Changes of sponsorship are addressed in Section 4.6, below. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed BA Application and Agreement. Amega may, at its discretion, require notarized documents before implementing any changes to an Amega business. Please allow thirty (30) days after the receipt of the request by Amega for processing.

Change of Sponsor

To protect the integrity of all marketing organizations and safeguard the hard work of all Business Associates, Amega discourages changes in sponsorship. Maintaining the integrity of sponsorship is critical for the success of every BA and marketing organization. Accordingly, the transfer of an Amega business from one sponsor to another is rarely permitted.

Cancellation and Reapplication

A BA may legitimately change organizations without Company approval by voluntarily canceling his or her Amega business and remaining inactive (i.e., no purchases of Amega products for resale, no sales of Amega products, no sponsoring, no attendance at any Amega functions, participation in any other form of BA activity, or operation of any other Amega business) for six (6) full calendar months. Following the six month period of inactivity, the former BA may reapply under a new sponsor; however, the former Business Associate's downline will remain in their original line of sponsorship.

Misplacement

Requests for change of sponsorship must be submitted in writing to Customer Support, and must include the reason for the transfer. Transfers will only be permitted in cases in which the new BA is sponsored by someone other than the individual he or she was led to believe would be his or her Sponsor. A BA may request that he or she be transferred to another organization with his or her entire marketing organization intact. Requests for transfer under this policy will be evaluated on a case-by-case basis and must be made within three days from the date of enrollment. The BA requesting the change has the burden of proving that he or she was placed beneath the wrong sponsor. It is up to The Company's discretion whether the requested change will be implemented.



Change of Sponsor Dispute Resolution

In cases where in the appropriate sponsorship change procedures have not been followed, and a downline organization has been developed in the second business developed by a BA, Amega reserves the sole and exclusive right to determine the final disposition of the downline organization. Resolving conflicts over the proper placement of a downline that has developed under an organization that has improperly switched sponsors is often extremely difficult. Therefore, BUSINESS ASSOCIATES WAIVE ANY AND ALL CLAIMS AGAINST AMEGA, ITS OWNERS, OFFICERS, DIRECTORS, MANAGEMENT, EMPLOYEES, AND AGENTS THAT RELATE TO OR ARISE FROM THE COMPANY'S DECISION REGARDING THE DISPOSITION OF ANY DOWNLINE ORGANIZATION THAT DEVELOPS BELOW AN ORGANIZATION THAT HAS IMPROPERLY CHANGED LINES OF SPONSORSHIP.

Unauthorized Claims

General

Business Associates are responsible for all verbal and written statements made regarding Amega products, services, and opportunity that are not expressly contained in official Amega materials. Business Associates must not make any false, deceptive, or misleading statements that are in any way connected to their Amega business or the Amega products.

Product Claims

No claims (which include personal testimonials) may be made that expressly or by implication state that any Amega product is effective in the treatment, prevention, or cure of any disease, illness, or injury except for the specific claims contained in official Amega literature.

Income Claims

A BA, when presenting or discussing the Amega opportunity or Marketing and Compensation Plan to a prospective BA, may not make income projections, income claims or representations, or disclose his or her Amega income (including the showing of checks, copies of checks, bank statements, or tax records, and "lifestyle" claims such as "you can quit your job," or pictures of luxury cars, homes, etc.) unless, at the time the presentation is made, the BA also informs each prospect of the following:

- Amega does not guarantee or promise you will earn an income;
- As a new network marketing program, Amega does not have sufficient data to provide a meaningful measure of the average and median incomes earned by Business Associates in the Canada. Amega will be developing this data and disclosing the results, after the company has been in business in the Canada for a full year; then quarterly thereafter.
- The results displayed here are not typical. The large majority of people who join network marketing programs, including Amega, are not financially successful, and do not make money.

Commercial Outlets

Business Associates may not sell Amega products from a commercial outlet, nor may Business Associates display or sell Amega products or literature in any retail or service establishment, unless the owner of the commercial outlet, retail or service establishment is also a BA.

Trade Shows, Expositions and Other Sales Forums

Business Associates may display and/or sell Amega products at trade shows and professional expositions. Before submitting a deposit to the event promoter, Business Associates must purchase a Trade show and Convention Kit and contact the Compliance department in writing for conditional approval as Amega policy is to authorize only one Amega business per event. Final approval will be granted to the first BA who submits an official advertisement of the event, a copy of the contract signed by both the BA and the event official, and a receipt indicating that a deposit for the booth has been paid.

Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Compliance department. Amega further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products, services, or the Amega opportunity. Approval will not be



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given for swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image Amega wishes to portray.

Conflicts of Interest

Non-solicitation

Amega Business Associates are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"). However, with the exception of a Business Associate's personally sponsored Business Associates, Business Associates may not directly or indirectly Recruit other Amega Business Associates or Customers for any other network marketing business.

"Recruit" means the actual or attempted sponsorship, solicitation, enrollment, encouragement, or effort to influence in any other way, either directly, indirectly, or through a third party, another Amega BA to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity.

Following the cancelation of a Business Associate's Amega business and BA Agreement, and for a period of six calendar months thereafter, with the exception of a BA who is personally sponsored by the former BA, a former BA may not Recruit any Amega BA or Customer for another network marketing business.

Business Associates and the Company recognize that because network marketing is conducted through networks of independent contractors dispersed across the entire United States, Canada and internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Business Associates and Amega agree that this non-solicitation provision shall apply to all markets in which Amega conducts business.

Sale of Competing Goods or Services

Business Associates must not sell, or attempt to sell, any competing non-Amega programs, products or services to Amega Customers or Business Associates, other than those Business Associates whom they personally sponsored or those Customers whom they personally enrolled. Any program, product or services in the same generic categories as Amega products or services is deemed to be competing, regardless of differences in cost, quality or other distinguishing factors.

BA Participation in Other Direct Selling Programs

If a BA is engaged in other non-Amega direct selling programs, it is the responsibility of the BA to ensure that his or her Amega business is operated entirely separate and apart from any other program. To this end, the following must be adhered to:

- Business Associates shall not offer the Amega opportunity, products or services to prospective or existing Customers or Business Associates in conjunction with any non-Amega program, opportunity, product or service.
- Business Associates may not offer any non-Amega opportunity, products, services or opportunity at any Amega-related meeting, seminar or convention, or within two hours and a five mile radius of an Amega event. If the Amega meeting is held telephonically or on the internet, any non-Amega meeting must be at least two hours before or after the Amega meeting, and on a different conference telephone number or internet website address from the Amega meeting.

Downline Activity (Genealogy) Reports

Downline Activity Reports are available for BA access and viewing at the official Amega website. BA access to their Downline Activity Reports is password protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to Amega.

Downline Activity Reports are provided to Business Associates in strictest confidence and are made available to Business Associates for the sole purpose of assisting Business Associates in working with their respective Downline Organizations



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in the development of their Amega business. Business Associates should use their Downline Activity Reports to assist, motivate, and train their downline Business Associates.

The BA and Amega agree that, but for this agreement of confidentiality and nondisclosure, Amega would not provide Downline Activity Reports to the BA. A BA shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:

- Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- Directly or indirectly disclose the password or other access code to his or her Downline Activity Report;
- Use the information to compete with Amega or for any purpose other than promoting his or her Amega business;
- Recruit or solicit any BA or Customer of Amega listed on any report, or in any manner attempt to influence or induce any BA or Preferred Customer of Amega, to alter their business relationship with Amega; or
- Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Downline Activity Report.

Upon demand by the Company, any current or former BA will return the original and all copies of Downline Activity Reports to the Company.

Targeting Other Direct Sellers

Amega does not condone Business Associates specifically or consciously targeting the sales force of another direct sales company to sell Amega products or to become Business Associates for Amega, nor does Amega condone Business Associates solicitation or enticement of members of the sales force of another direct sales company to violate the terms of their contract with such other company. Should Business Associates engage in such activity, they bear the risk of being sued by the other direct sales company.

If any lawsuit, arbitration or mediation is brought against a BA alleging that he or she engaged in inappropriate recruiting activity of its sales force or customers, Amega will not pay any of Business Associate's defense costs or legal fees, nor will Amega indemnify the BA for any judgment, award, or settlement.

Cross-Sponsoring

Actual or attempted cross sponsoring is strictly prohibited. "Cross sponsoring" is defined as the enrollment or attempted enrollment of an individual who or entity that already has a current Customer or BA Agreement on file with Amega, or who has had such an agreement within the preceding six calendar months, within a different line of sponsorship.

The use of a spouse's or relative's name, trade names, DBA's, assumed names, corporations, partnerships, trusts, federal ID numbers, fictitious ID numbers, any straw-man or other artifice to circumvent this policy is prohibited. Business Associates shall not demean, discredit or defame other Amega Business Associates in an attempt to entice another BA or prospect to become part of the first Business Associate's marketing organization. This policy shall not prohibit a sponsorship change in accordance with Section 4.5.

If Cross Sponsoring is discovered, it must be brought to The Company's attention immediately. Amega may take disciplinary action against the BA that changed organizations and/or those Business Associates who encouraged or participated in the Cross Sponsoring. Amega may also move all or part of the offending Business Associate's downline to his or her original downline organization if the Company deems it equitable and feasible to do so.

However, Amega is under no obligation to move the Cross Sponsored Business Associate's downline organization, and the ultimate disposition of the organization remains within the sole discretion of Amega. Business Associates waive all claims and causes of action against Amega arising from or relating to the disposition of the Cross Sponsored Business Associate's downline organization.

Errors or Questions

If a BA has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the BA must notify Amega in writing within 60 days of the date of the purported error or incident in



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question. Amega will not be responsible for any errors, omissions or problems not reported to the Company within 60 days.

Governmental Approval or Endorsement

Amega is in the process of obtaining a Positive Letter of Opinion from the Competition Bureau of Industry Canada as well as the requisite provincial business registrations and Direct Seller Licenses as required. However, the regulatory agencies do not allow for the company or Business Associates to represent or imply that Amega or its Marketing and Compensation Plan have been “approved,” “endorsed” or otherwise sanctioned by any government agency.

Holding Applications or Orders

Business Associates must not manipulate enrollments of new applicants and purchases of products. All BA Applications and Agreements, and product orders must be sent to Amega within 72 hours from the time they are signed by a BA or placed by a customer, respectively.

Identification

All individual Business Associates should provide their Social Insurance Number (SIN), while business entities should register a Business Number (BN) to Amega on the BA Application and Agreement. Upon enrollment, the Company will provide a unique BA Identification Number to the BA by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses.

In the event that a BA does not submit a valid SIN, Amega will only pay commissions to the \$500 threshold. Thereafter, the Company will not issue commissions or bonuses to the BA until an SIN is submitted. Further, the Company may also disallow logins to the CyberOffice, and the Business Associate’s business may be placed on suspension, until a properly completed SIN is received by the Company. Any business remaining on suspension for 60 days will be canceled.

Income Taxes

Each BA is responsible for paying provincial and governmental taxes on any income generated as a BA. Every year, Amega will provide a Revenue Canada T4a earnings statement to each CANADIAN resident who had at least \$500 in the previous calendar year.

Independent Contractor Status

Business Associates are independent contractors, and are not purchasers of a franchise or a business opportunity. The agreement between Amega and its Business Associates does not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the BA. Business Associates shall not be treated as an employee for his or her services or for Federal or Provincial tax purposes. All Business Associates are responsible for paying local, provincial, and federal taxes due from all compensation earned as a BA of the Company. The BA has no authority (expressed or implied), to bind the Company to any obligation. Each BA shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the BA Agreement, these Policies and Procedures, and applicable laws.

Insurance

You may wish to arrange insurance coverage for your business. Your homeowner’s insurance policy does not cover business-related injuries or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your business property is protected. This can often be accomplished with a simple “Business Pursuit” endorsement attached to your present home owner’s policy.

International Marketing

Because of critical legal and tax considerations, Amega must closely monitor BA activities when the activities are outside of the Business Associate’s home country. Accordingly, Business Associates are authorized to enroll new Business Associates and build teams, as well as sell Amega products in countries outside of their country of residence so long as they are in compliance with all policies set forth by The Company.



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Business Associates may use their standard Replicated Websites to conduct business building or retail activity outside of their home country. When directing prospects to their Replicated Websites, the system will automatically recognize the country from which they are viewing the site and during the order or enrollment process will provide details that are pertinent to that country.

When a new enrollee or customer utilizes this site, the enrolling or selling BA must provide them with both their BA Name as well as their BA Identification Number. Both of these are located in the top header in the CyberOffice. The new enrollee or customer will be asked to provide this information and if they do not, the enrolling BA may not receive credit for the enrollment or purchase.

If a BA does not comply with this policy, the new enrollee or customer will be asked to provide information that does not pertain to their country of residence, such as a social security number or zip code.

Inventory Loading

Business Associates must never purchase more products than they can reasonably use or sell to retail customers in a month, and must not influence or attempt to influence any other BA to buy more products than they can reasonably use or sell to retail customers in a month.

Adherence to Laws and Ordinances

Business Associates shall comply with all federal, provincial, and local laws and regulations in the conduct of their businesses. Many cities and other jurisdictions have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to Business Associates because of the nature of their business. However, Business Associates must obey those laws that do apply to them. If a city or other official tells a BA that an ordinance applies to him or her, the BA shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of Amega.

Minors

A person who is recognized as a minor in his/her province of residence may not be an Amega BA. Business Associates shall not enroll or recruit minors into the Amega program.

One Amega Business per BA and Per Household

A BA may operate or have an ownership interest, legal or equitable, as a sole proprietorship, partner, shareholder, trustee, or beneficiary, in only one Amega business. No individual may have, operate or receive compensation from more than one Amega business. Individuals of the same family unit may not enter into or have an interest in more than one Amega Business. A "family unit" is defined as spouses and dependent children living at or doing business at the same address.

In order to maintain the integrity of the Amega Marketing and Compensation Plan, husbands and wives or common-law couples (collectively "spouses") who wish to become Amega Business Associates must be jointly sponsored as one Amega business. Spouses, regardless of whether one or both are signatories to the BA Application and Agreement, may not own or operate any other Amega business, either individually or jointly, nor may they participate directly or indirectly (as a shareholder, partner, trustee, trust beneficiary, or any other legal or equitable ownership) in the ownership or management of another Amega business in any form.

An exception to the one business per BA rule will be considered on a case by case basis if two Business Associates marry or in cases of a BA receiving an interest in another business through inheritance. Requests for exceptions to policy must be submitted in writing to the Compliance Department.

Actions of Household Members or Affiliated Individuals/Entities

If any member of a Business Associate's immediate household engages in any activity which, if performed by the BA, would violate any provision of the Agreement, such activity will be deemed a violation by the BA and Amega may take disciplinary action pursuant to the Statement of Policies against the BA.



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Similarly, if any individual associated in any way with a corporation, partnership, LLC, trust, sole proprietorship, cooperative or other entity (collectively "Business Entity") violates the Agreement, such action(s) will be deemed a violation by the Business Entity, and Amega may take disciplinary action against the Business Entity.

Likewise, if a BA enrolls in Amega as a Business Entity, each shareholder, officer, member, partner, or other individual or entity with an ownership interest or management responsibility in the Business Entity shall be personally and individually bound to, and must comply with, the terms and conditions of the Agreement.

Sale, Transfer or Assignment of Amega Business

Although an Amega business is a privately owned, independently operated business, the sale, transfer or assignment of an Amega business, and the sale, transfer, or assignment of an interest in a Business Entity that owns or operates an Amega business is subject to certain limitations.

If a BA wishes to sell his or her Amega business, or interest in a Business Entity that owns or operates an Amega business, the following criteria must be met:

- The seller must submit a completed Request to Transfer Business Form to the Company; The selling BA must provide the Company with the right of first refusal to purchase his/her business under the same terms as negotiated and reduced to writing with a third party buyer.
- The buyer or transferee must become a qualified Amega BA. If the buyer is an active Amega BA, he or she must first terminate his or her Amega business and wait six calendar months before acquiring any interest in a different Amega business;
- Before the sale, transfer or assignment can be finalized and approved by Amega, any debt obligations the selling party has with Amega must be satisfied.
- The selling party must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign an Amega business;

Prior to selling an Amega business or Business Entity interest, the selling party must notify the Amega Compliance Department in writing and advise of his or her intent to sell the Amega business or Business Entity interest. The selling party must also receive written approval from the Compliance Department before proceeding with the sale. No changes in line of sponsorship can result from the sale or transfer of an Amega business.

After sale or transfer, the new BA will be paid at one achievement level below the current achievement level for a period of three months. At the end of the three month period, the new BA will be paid at the achievement level for which they are qualified.

The selling BA must pay Amega a nominal fee for processing the Transfer of Ownership. The selling BA may choose to have this fee deducted from existing pending commissions or to pay the fee in cash, with a money order or with a credit card.

Separation of an Amega Business

Amega Business Associates sometimes operate their Amega businesses as husband-wife partnerships, regular partnerships, LLCs, corporations, trusts, cooperatives or other Business Entities. At such time as a marriage may end in divorce or a corporation, LLC, partnership, trust, cooperative or other Business Entity 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 businesses up or down the line of sponsorship.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- One of the parties may, with consent of the other(s), operate the Amega business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize Amega to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.



- The parties may continue to operate the Amega business jointly on a “business-as-usual” basis, whereupon all compensation paid by Amega will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the Downline Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will Amega split commission and bonus checks between divorcing spouses or members of dissolving entities. Amega will recognize only one Downline Organization and will issue only one commission check per Amega business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by the Company, the BA Agreement shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in the original Amega business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting six calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait six calendar months from the date of the final dissolution before re-enrolling as a BA. In either case, the former spouse or business affiliate shall have no rights to any Business Associates in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new BA.

Sponsoring

All active Business Associates in good standing have the right to sponsor and enroll others into Amega. Each prospective or BA has the ultimate right to choose his or her own Sponsor. If two Business Associates claim to be the Sponsor of the same new BA, the Company shall regard the first application received by the Company as controlling.

Succession

Upon the death or incapacitation of a BA, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the Company to ensure the transfer is proper. Accordingly, a BA should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever an Amega business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased Business Associate's marketing organization provided the following qualifications are met. The successor(s) must:

- Execute a BA Agreement;
- Comply with terms and provisions of the Agreement;
- Meet all of the qualifications for the deceased Business Associate's status;
- The devisee must provide Amega with an “address of record” to which all bonus and commission checks will be sent;
- If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification Number. Amega will issue all bonus and commission checks and one 1099 to the business entity.

Transfer Upon Death of a BA

To effect a testamentary transfer of an Amega business, the executor of the estate must provide the following to Amega: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor's right to the Amega business; (3) certified letters testamentary or a letter of administration appointing an executor; and (4) written instructions from the authorized executor to Amega specifying to whom the business and income should be transferred.

Transfer Upon Incapacitation of a BA

To effectuate a transfer of an Amega business because of incapacity, the successor must provide the following to Amega: (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 administer the Amega business; and (3) a completed BA Agreement executed by the trustee.



Telemarketing Techniques

The Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and electronic Documents Act and the Telecommunications Act each have laws that restrict telemarketing practices. These federal agencies (as well as a number of provinces) have or are developing “do not call” regulations as part of their telemarketing laws. Although Amega does not consider Business Associates to be “telemarketers” in the traditional sense of the word, these government regulations broadly define the term “telemarketer” and “telemarketing” so that your inadvertent action of calling someone whose telephone number is listed on the federal “do not call” registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 per violation).

A telephone call(s) placed to a prospective customer or BA (a "prospect") is permissible under the following situations:

- If the BA has an established business relationship with the prospect. An “established business relationship” is a relationship between a BA and a prospect based on the prospect’s purchase, rental, or lease of goods or services from the BA, or a financial transaction between the prospect and the BA, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect’s purchase of a product or service.
- The prospect’s personal inquiry or application regarding a product or service offered by the BA, within the three (3) months immediately preceding the date of such a call.
- If the BA receives written and signed permission from the prospect authorizing the BA to call. The authorization must specify the telephone number(s) which the BA is authorized to call.
- You may call family members, personal friends, and acquaintances. An “acquaintance” is someone with whom you have at least a recent first-hand relationship within the preceding three months. Thus, if you engage in calling “acquaintances,” you must make such calls on an occasional basis only and not make this a routine practice.
- In addition, Business Associates shall not use automatic telephone dialing systems relative to the operation of their Amega businesses. The term “automatic telephone dialing system” means equipment that has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

CyberOffice Access

Amega makes online CyberOffices available to its Business Associates. CyberOffices provide Business Associates access to confidential and proprietary information that may be used solely and exclusively to promote the development of a Business Associate's Amega business and to increase sales of Amega products. However, access to a CyberOffice is a privilege, and not a right. Amega reserves the right to deny Business Associate's access to the CyberOffice at its sole discretion.