

Sisel Policy Review

9/15/16

To be in harmony with recent legal and regulatory actions as seen through cases filed in the United States by the Federal Trade Commission and private class action lawsuits, Sisel commits, affirms and reaffirms its commitment to the following business principles:

- Sisel does not promote a marketing plan or model that improperly creates a system of rewards not related to the sale and consumption of Sisel's outstanding line of products. Compensation is integrally tied to the offering of Sisel's products. Sisel's standard is to promote products first and its marketing opportunity second.
- Sisel and its Distributors are not authorized to offer special incentives, side deals, undisclosed preferential deals, or other forms of incentives or enticement as part of the recruitment process. During any recruitment situation, neither employees nor Distributors are authorized to expressly or implicitly offer any benefit(s) or reward(s) that is not stated in its current compensation plan and not generally available to other Distributors. New Distributors may be placed by their enrolling sponsor in the downline of their choice, but it is contrary to Sisel's policies to place a new Distributor in a newly created position within an existing downline.
- Sisel does not grant unearned rank advancements, recognitions, titles or designations. Distributors are not to be grandfathered into qualifying positions. When a Distributor achieves a particular rank or designation, if circumstances change and the Distributor no longer qualifies for the rank or designation, the Distributor's status will be changed accordingly. It is Sisel's policy that rank designations should accurately reflect a Distributor's achievement and current status.
- It is contrary to Sisel's policies for its employees or Distributors to promote success of its Distributors through the improper use of images, statements, earnings claims or other direct or indirect messages that communicate a lifestyle that is not regularly achievable by Distributors. Earnings representations and sales figures are to be truthful, accurate, and presented in a manner that is understandable and not false, misleading or deceptive, and generally achievable.
- Sisel does not require Distributors to place minimum orders to become a Distributor. Distributors are not required to maintain a certain level(s) of inventory. By policy, Distributors are not to stockpile or maintain excess amounts of inventory that cannot be used within a reasonable amount of time. Prior to placing orders, Distributors must certify that they have sold or consumed at least 70% of all their previous order(s). Distributors are not to purchase product merely to achieve advancement or qualification in Sisel's marketing plan. Sisel's marketing plan strives to promote the sale of its products to end-users and places a priority on promoting and rewarding end-user product sales.
- Sisel's auto-ship program is available to Distributors and Preferred Customers as a convenience. No distributor or Preferred Customer is obligated to enroll in Sisel's auto-ship program. Unless the distributor has a commercial distributor account, auto-ship orders are not to be larger than \$500 USD per month. Distributor's motivation for participating in Sisel's auto-ship program is to conveniently purchase product for use or sale and not to achieve advancement or

qualification. Distributor must achieve a minimum of \$50 or more in sales of products to end-users (not to other Distributors) in order to be eligible to receive commissions. Individuals principally interested in using Sisel's products should be designated as a Preferred Customer while individuals interested in creating a downline in addition to using Sisel's products should be Distributors.

- Distributors are expected to track and maintain records of sales to all retail end-users. These records should include, but not be limited to, the date, name and address, product, quantity, price and other identifying information. Distributors have the primary responsibility to track products they sell or consume with credible supporting documentation and provide such documentation to Sisel upon request. If a Distributor cannot provide credible proof of sales to end users upon request, such accounts may be changed to a Preferred Customer account.
- Distributors are authorized to have and manage a single Sisel Distributor or Preferred Customer account. It is contrary to Sisel's policies to have more than one account. It is also contrary to Sisel's policies to purchase product on behalf of another Distributor or Preferred Customer in order to qualify for commissions or bonuses. Distributors may not use another individual's credit card to order product or pay for services without the credit card holder's prior written approval. Each account should have its own credit card or bank account and Distributors should avoid purchasing product for other Distributors or Preferred Customers. Upon request, Distributors may be asked to explain the reason(s) why their credit card or ewallet funds are being used to purchase product on another account and/or to certify that they are not purchasing products on other accounts to qualify for commissions or bonuses. Distributors found in violation of this policy may be subject to discipline.
- Distributors are required to provide active and ongoing training to Distributors they sponsor. In addition to training on Sisel's products, Distributors should provide training on other topics such as how to be successful in business. New Distributors must certify that they have reviewed, understand and agree to Sisel's Policies and Procedures prior to sponsoring any other Distributor(s).
- Sisel affirms that Distributors who cancel their Distributor Agreement may return to Sisel unused qualifying product. As Distributors are required to certify that at least 70% of previous order(s) have been sold or consumed before placing new orders, consistent with such certification, Distributors who cancel their Distributor Agreement may return 100% of their most recent order and up to 30% of the immediately preceding order. Sisel does not issue refunds on products previously certified as being sold or used. All returned product must be in resalable condition with no less than six months' time prior to the product's expiration. This policy does not apply where local laws or regulations require a different right to return resalable products.
- In the event any customer, Preferred Customer or Distributor complains about a Sisel product or sales, Sisel is committed to review and take such steps as it deems appropriate to address any issues or wrongs that may have occurred. Distributors should forward customer concerns and complaints to the corporate offices for review and resolution.