



INDIA  
TERMS & POLICIES

Effective Date: 1 September 2023



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# TERMS & POLICIES

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1. APPLYING TO BECOME AN ASSOCIATE....	2	36. CARE AND QUALITY CONTROL REQUIREMENTS .....	9
2. MINIMUM AGE .....	2	37. RETAIL SALES .....	9
3. [RESERVED] .....	2	38. COMMISSIONS AND ADJUSTMENTS .....	9
4. ASSOCIATE RIGHTS AND PRIVILEGES .....	2	39. GOODS AND SERVICES TAX.....	9
5. PROMOTING THE BUSINESS OPPORTUNITY .....	2	40. DELIVERY AND RISK OF LOSS .....	9
6. INDEPENDENT CONTRACTOR STATUS ....	2	41. RETURN POLICY.....	9
7. TERMINATION BY ASSOCIATE .....	2	43. ABUSIVE RETURNS.....	10
8. ADHERENCE TO COMPENSATION PLAN. 2		44. TERM OF A USANA BUSINESS .....	10
9. ASSOCIATE-CREATED MATERIAL.....	3	45. INVESTIGATION AND NOTICE OF POLICY VIOLATIONS.....	10
10. PRODUCT CLAIMS.....	3	46. COMPLIANCE .....	10
11. INCOME AND LIFESTYLE REPRESENTATIONS .....	3	47. APPEAL PROCESS .....	10
12. ASSOCIATE RESPONSIBILITIES .....	4	48. EFFECT OF TERMINATION .....	10
13. SOCIAL MEDIA .....	4	49. PROTECTION OF CONFIDENTIAL INFORMATION .....	10
14. MINIMUM ADVERTISED PRICE .....	4	50. INDEMNIFICATION .....	11
15. EMAIL SOLICITATION .....	5	51. AMENDMENTS.....	11
16. MEDIA PROMOTION.....	5	52. ASSUMPTION OF RISK.....	11
17. INTELLECTUAL PROPERTY.....	5	53. CHANGE OF SPONSORSHIP WAIVER.....	11
18. USE OF ASSOCIATE NAME, LIKENESS, AND IMAGE.....	5	54. INTEGRATED AGREEMENT.....	11
19. SERVICE OUTLETS .....	5	55. FORCE MAJEURE.....	11
20. ONLINE SALES.....	5	56. SEVERANCE.....	11
22. COMPETING PRODUCTS AND NON-SOLICITATION.....	6	57. SURVIVAL.....	11
23. CROSSLINE RAIDING.....	6	58. WAIVER.....	11
24. NON-DISPARAGEMENT .....	6	59. NO RELIANCE.....	11
25. ONE BUSINESS PER ASSOCIATE.....	6	60. HEADINGS .....	12
26. CO-APPLICANTS .....	7	61. TRANSLATIONS .....	12
27. TRANSFER OF THE AGREEMENT.....	7	62. CAPITALISED TERMS.....	12
28. SEPARATION OF BUSINESS PARTNERS 8		63. DISPUTE RESOLUTION AGREEMENT.....	12
29. SPONSOR/PLACEMENT CHANGES.....	8	64. DATA PRIVACY .....	13
30. CONFLICTING ENROLMENTS.....	8	65. DEFINITIONS .....	13
31. ANTI-MANIPULATION .....	8		
32. AUTHORISED SALES .....	8		
33. ACTIONS OF THIRD PARTIES .....	8		
34. BABYCARER .....	8		
35. COMPLIANCE WITH THE LAW .....	9		

## 1. APPLYING TO BECOME AN ASSOCIATE

An individual may apply to become an Associate by completing the following steps:

- Complete, sign, and submit an online or hardcopy Associate Application to the Company; and
- Provide both proof of identity and proof of address in the form of valid government identification.

All information on how to complete an Associate Application can be received from the applicant's Sponsor. Joining as an Associate is free. An Associate is not required to purchase any Product or Sales Tools as a condition to join.

## 2. MINIMUM AGE

Persons under the age of eighteen (18), or twenty-one (21) in the state of Maharashtra, cannot become an Associate, and no existing Associate shall knowingly Recruit or Sponsor, or attempt to Recruit or Sponsor, any person under the age of eighteen (18), or twenty-one (21) in Maharashtra.

## 3. [RESERVED]

## 4. ASSOCIATE RIGHTS AND PRIVILEGES

The Agreement grants Associates the following rights and privileges:

- Purchase USANA Products at a discounted price;
- Participate in the USANA Compensation Plan (and receive bonuses and commissions, to the extent eligible);
- Sponsor other individuals as Preferred Customers, Affiliates, or Associates into the USANA business and thereby build a Team;
- Sell USANA Products and keep the difference between the price the Associate paid the Company for the Products and the price at which the Associate sold the Products to Customers;
- Participate in promotional and incentive contests and other USANA programs;
- Attend USANA conventions and events internationally (at their own expense); and
- Participate in USANA-sponsored support, service, training, motivational, and recognition functions upon payment of appropriate charges, if applicable.

An Associate's continued participation in any of the above activities or acceptance of any other benefits under the Agreement constitutes acceptance of the Agreement, and any and all renewals and amendments thereto.

## 5. PROMOTING THE BUSINESS OPPORTUNITY

Associates are only permitted to sell and promote Products, the USANA opportunity, and services, or Recruit or Enrol any prospective Associate or Customers, in India.

## 6. INDEPENDENT CONTRACTOR STATUS

Associates are independent contractors engaged on a principle-to-principle basis. The Agreement and these Terms & Policies do not create an employer/employee relationship, agency, partnership, or joint venture between the Company and the Associate, and Associates shall not represent themselves to be employees, agents, or representatives of the Company or purchasers of a franchise. Associates are responsible for paying any income or other taxes they may owe, and for their own business expenses. Associates are not entitled to benefits that USANA may make available to its employees. Associates may engage helpers or assistants without seeking approval from the Company, but any Associate who hires others remains fully responsible for the activities of such helpers or assistants, such that any breaches of the Agreement by any such person will be deemed to have been committed by the Associate who hired such person. Associates will not be treated as employees for tax purposes or for any other reason.

Associates shall establish their own goals, hours, place of business, and methods of sale, so long as they comply with the Agreement. Associates are solely responsible for all decisions made and all costs incurred with respect to their activities under the Agreement. All Associates assume every entrepreneurial and business risk in connection with the Agreement. Associates are responsible for obtaining any applicable state or local licenses, permits, and other governmental approvals, including, but not limited to, any qualifications that may be required to transact business in a state wherever the Associate carries out his business.

## 7. TERMINATION BY ASSOCIATE

An Associate may voluntarily terminate his/her Agreement in the following ways:

- Written Notice. An Associate may terminate his/her Agreement at any time for any reason. Termination must be submitted in writing to the Company by email at [customerserviceIN@usanainc.com](mailto:customerserviceIN@usanainc.com) or by mail at its principal business address.
- Failure to Reaffirm Adherence to the Agreement. From time to time, Associates may be prompted to re-affirm the application of, and adherence to, the Agreement. Failure to agree to the Agreement may result in the termination of the Agreement.

## 8. ADHERENCE TO COMPENSATION PLAN

Associates must adhere to the terms of the Compensation Plan. Associates shall not:

- Require or encourage other current or prospective Customers and/or Associates to participate in USANA in any manner that varies from or to circumvent or manipulate the Compensation Plan;
- Require or encourage other current or prospective Customers and/or Associates to execute any agreement or contract other than official USANA agreements and contracts in order to become an Associate or Preferred Customer;

- Require or encourage other current or prospective Customers or Associates to make any purchase from, or payment to, any individual or other entity to participate in the Compensation Plan, other than those purchases or payments identified in Official USANA Material;
- Sell, or attempt to sell, lead lists to other Associates; or
- Create their own enrolment or application form. Online Associate Enrolments may only occur through USANA's corporate website or an Associate's USANA personal web page. All other Associate-created websites must link to the Associate's USANA Personal Web page for enrolment.

## 9. ASSOCIATE-CREATED MATERIAL

Associates may produce their own advertising or training materials, provided the materials comply with all of the provisions of these Terms & Policies, including that the material:

- Clearly identifies the material is created by an Independent Associate by visibly adding USANA's Independent Associate logo to the material, which is available for download from The Hub. Associates must not use any official USANA corporate logo on their personal advertising or training materials;
- Is produced in a professional and tasteful manner and does not reflect poorly upon USANA, including containing any material considered to be, in the Company's discretion, discourteous, deceptive, misleading, illegal, indecent, unethical, offensive, or immoral.
- Is truthful in content, makes no deceptive Income Claims or Lifestyle Claims, or therapeutic product claims;
- Does not imply an employment opportunity;
- Follows all laws and rules of conduct that apply to advertising and ethical business practices;
- Is not in violation of any intellectual property rights of the Company or any third party;
- Does not imply that such material has been approved, endorsed, produced, or recommended by USANA;
- Is not sold to other Associates for a profit; and
- Is only promoted within the Associate's own Upline and Team.

To ensure full compliance with USANA's advertising policy, Associates who wish to create independent advertising material must abide by the terms of these Terms & Policies and complete the Advertising Checklist, which can be found on The Hub. Completion of the checklist authorises Associates to produce advertising material. Should an Associate want to have his/her personally created advertising material reviewed by USANA's Ethics & Education Department, it can be submitted to [ethicsIN@usanainc.com](mailto:ethicsIN@usanainc.com). USANA reserves the right to review and require editing or removal of material at its discretion.

## 10. PRODUCT CLAIMS

Associates shall not make any claim that USANA Products are useful in the cure, treatment, diagnosis, mitigation, or prevention of any disease, symptoms of a disease, sickness, or injury.

Associates should not claim or imply that any Product is registered with or approved by the Food Safety and Standards Authority of India (FSSAI), the Food and Drug Administration ("FDA"), Central Drugs Standard Control Organisation (CDSCO), or any other regulatory authority.

## 11. INCOME AND LIFESTYLE REPRESENTATIONS

When presenting or discussing the USANA opportunity or Compensation Plan, Associates may not make income claims, representations, or testimonials (collectively "Income Claims") that are deceptive.

Deceptive Income Claims include any claim, testimonial, statement, or other representation, whether written or oral, that pertains to any of the following in connection with the USANA Business Opportunity:

- Exaggerated or guaranteed incomes, earnings, or profits;
- Hypothetical, potential, or estimated incomes, earnings, or profits that are in any way misleading;
- Claims that Associates may earn residual or unlimited income or otherwise replace their income;
- Claims that Associates may obtain financial freedom; or
- Any other false, untruthful, incomplete, or otherwise misleading or potentially misleading information that misrepresents the typical income or earning results of USANA Associates.

To not be deceptive, an Income Claim must strictly adhere to each of the following requirements:

- Unless the claim is typical, the Associate must include the appropriate Income Disclaimer. Current Income Disclaimers are available on The Hub;
- Associates may not disclose the amount of any bonus, commission, or other compensation from USANA or show cheques, copies of cheques, bank statements, tax statements, or similar financial records; and
- Associates may not alter or verbally embellish the Income Disclaimers in any way, including, but not limited to, adding any text.

Associates may not make deceptive "lifestyle" Income Claims ("Lifestyle Claims"). A Lifestyle Claim is a statement or depiction that implies or states that an Associate can achieve non-typical results. Examples of deceptive Lifestyle Claims include, but are not limited to, statements or claims that the USANA Business Opportunity will lead to:

- Early retirement or being able to quit one's job;

- Income equivalent to a full-time career (“career-level income”);
- A luxury lifestyle;
- The ability to purchase a home or vehicle;
- Vacations; or
- Anything similar thereto that misrepresents the typical income or earning results of USANA Associates.

Additionally, Associates shall not mention or refer to USANA in connection with any deceptive Income Claim or Lifestyle Claim by way of implication, for example, by mentioning USANA in a social media post in close proximity to a post suggesting a luxury lifestyle.

When presenting or discussing income or the Compensation Plan, Associates must make it clear to prospects that financial success in USANA requires selling USANA products, commitment, effort, financial investment, and sales skill. An Associate must never represent that one can be successful without diligently applying themselves or that earnings are guaranteed.

## 12. ASSOCIATE RESPONSIBILITIES

USANA Associates shall:

- Provide the Company with updated contact information and any renewed government identification documents;
- Before approaching any prospective Customer or Associate (“Prospect”), first ask for permission to approach, and carry their identity cards issued by USANA identifying them as Associates of USANA;
- At the initiation of any sale representation, truthfully and clearly identify (1) themselves, (2) that they are an Associate of USANA, (3) the Associate’s personal address, (4) the nature of goods or services sold, and (5) the purpose of such solicitation to the Prospect;
- When making an offer to sell to the Prospect, provide accurate and complete information, demonstration of goods and services, prices, credit terms, terms of payment, exchange, refund policy, return policy, terms of guarantee, and after-sale service;
- Provide an order form to the Prospect at or prior to the time of the initial sale. USANA Associates understand that the order form will identify USANA as the direct selling entity, and the Associate, including the name, address, unique registration number, identity proof issued by USANA, and contact number of the Associate, complete description of the goods or services to be supplied, the country of origin of the goods, the order date, the total amount to be paid by the consumer, the time and place for inspection of the sample and delivery of goods, consumer’s rights to cancel the order or to return the Product in saleable condition and avail full refund on sums paid as per USANA’s policy, and complete details regarding the complaint redressal mechanism of USANA;

- Comply with applicable laws and regulations for the sale of Products in India and;
- Ensure that actual Product delivered to the buyer matches the description of the Product delivered and Product ordered.

USANA Associates shall not:

- Visit a Prospect’s premises without USANA’s identity card and prior appointment or the Prospect’s consent;
- Use any misleading, deceptive, or unfair trade practices during the sale;
- Conduct fraudulent sales activities or false or misleading representations or engage in any other form of fraud, coercion, harassment, or unconscionable or unlawful means;
- Indulge in misselling of Products or services to Prospects;
- Refuse to take back spurious goods or deficient services and refund the consideration paid for goods and services provided;
- Induce Prospects to make a purchase based upon the representation that they can reduce or recover the price by referring Prospects to the Associate for similar purchases; and
- Promote/participate in a pyramid scheme and/or money circulation scheme, or enrol any person to such schemes, in garb of USANA’s business, or use USANA’s name and reputation towards such illegal schemes.

## 13. SOCIAL MEDIA

Associates are responsible to ensure all content and material they produce and/or post, as well as all postings on any social media site they own, operate, or control, is in compliance with these Terms & Policies. Examples of social media platforms include, but are not limited to, blogs, Facebook, Instagram, Twitter, LinkedIn, YouTube, WeChat, or Pinterest.

The user must act ethically, responsibly, and professionally while participating on social media. Do not post any content or materials that are obscene, threatening, derogatory, disparaging, malicious, or that infringe on or violate, in any way, any law or any right of any person or entity, or any other content that might in any way reflect poorly on the USANA brand or culture.

An Associate shall not, through his/her involvement on social media platforms imply or state that they represent USANA’s views in any way.

## 14. MINIMUM ADVERTISED PRICE

Associates may sell Products from their inventory at any price they choose. However, Products may not be advertised below the Preferred Price as set forth on the price list on The Hub. However, Associates may advertise the following non-price incentives in conjunction with Products: free shipping, free or discounted logo gear, and product samples.



## 15. EMAIL SOLICITATION

To comply with the law and to avoid harm to USANA's brand integrity, Associates are prohibited from sending unsolicited emails to promote USANA, its Products, and Business Opportunity to individuals who have not specifically requested such information. Requests for emails to cease by email recipients must be honoured immediately.

## 16. MEDIA PROMOTION

Associates may not promote the Products or Business Opportunity through interviews with the media, articles in publications, news reports, blogs, radio, TV, billboards, or any other public information, trade, or industry information source, unless USANA approves it in advance. If an Associate receives an inquiry from any member of the media or a widespread media outlet (i.e., national, worldwide news outlet) at a USANA event, he/she should refer the inquiry to [customerserviceIN@usanainc.com](mailto:customerserviceIN@usanainc.com).

## 17. INTELLECTUAL PROPERTY

USANA is the sole and exclusive owner of all USANA intellectual property, including USANA Product names, trademarks, trade names, trade dress, patents, copyrights, and trade secrets (collectively "Intellectual Property"). Unless otherwise communicated by the Company, Associates are granted a limited license to utilise Intellectual Property to advertise USANA's products and to promote their USANA Business, in accordance with these Terms & Policies. Associates may not use any Intellectual Property for any other purpose. Each Associate's limited license to use Intellectual Property concludes immediately upon termination (for any reason, whether termination is voluntary or involuntary) of the Associate's Business. Upon termination of the limited license, the former Associate shall immediately discontinue using Intellectual Property, return all hard copies of Intellectual Property to USANA, and permanently delete any electronic copies of Intellectual Property. To protect the Company's brand integrity and intellectual property, Associates may not:

- Attempt to register or sell any Intellectual Property in any country;
- Use any Intellectual Property, or any derivative or confusingly similar variation thereof, in any legal entity name, website URL, or email address;
- Use the Company name in a social media handle or username unless the use clearly indicates that the Associate is independent;
- Record or reproduce audio or visual materials from any USANA corporate function or presentation by any USANA representative, employee, or other Associates;
- Publish, or cause to be published, in any written or electronic media, the name, photograph or likeness, copyrighted materials, or property of individuals associated with USANA, without express written authorisation from the individual and/or USANA.

Associates are allowed to use "USANA" in their social media username or profile name if the Associate:

- Includes their name or business name as it is on file with USANA, and;
- Clearly identifies themselves as an Independent Associate in the profile bio.

If the social media page is for a group, private or public, there must be a single contact person listed in the bio or profile.

## 18. USE OF ASSOCIATE NAME, LIKENESS, AND IMAGE

Associates grant USANA a perpetual and irrevocable license to use the Associate's name, testimonial, picture, photograph, image, video, and/or audio recording, as well as any other likeness of the Associate in USANA's promotional material. ASSOCIATES WAIVE ALL RIGHTS OF PUBLICITY AND FURTHER WAIVE ALL RIGHTS TO COMPENSATION FOR USANA'S USE OF SUCH MATERIAL.

## 19. SERVICE OUTLETS

To protect USANA's brand integrity, Associates may display and retail Products only in facilities that are primarily service-related businesses (defined as businesses where services are the primary source of revenue). Approved facilities include, but are not limited to, health spas, beauty shops, and physicians' and chiropractors' offices. No Product banners or other USANA advertising material may be displayed to the general public in a manner as to attract the general public into the establishment to purchase Products. Associates are not allowed to market or sell Products in any other type of retail outlet (i.e. non service-related businesses where services are not the primary source of revenue). Prohibited retail outlets include, but are not limited to, brick and mortar retail outlets and kiosks.

## 20. ONLINE SALES

Associates may sell Products via online sources such as a social media site or website under control of the Associate. To protect USANA's brand integrity and other Associates' ability to meaningfully participate in the Business Opportunity, online sales are NOT permitted on internet classified ad sites, auction sites, e-commerce shopping sites, or order fulfillment sites including, but not limited to, Amazon, Flipkart, Facebook Marketplace, eBay, Craigslist, Taobao, etc. Promotion of Products through any approved online medium must comply with all promotion and marketing policies in these Terms & Policies.

## 21. UNAUTHORISED RECRUITING; PARTICIPATION IN OTHER DIRECT SALES COMPANIES

During the term of the Agreement, and for a period of twelve (12) months after the expiration or termination of the Agreement by either party, for any reason, an Associate may not Promote products or Recruit any Associates or Customers to participate in any way in any Competing Direct Sales Company.

The term "Recruit" means the direct or indirect, actual, or attempted, sponsorship, solicitation, enrolment, encouragement, or effort to influence in

any other way. This includes any action that would cause the termination or curtailment of the business relationship between any Associate or Preferred Customer and USANA or any promotion that may be foreseen to draw an inquiry from any other Associates or Customers about any other Direct Sales company. Such conduct constitutes improper solicitation even if the Associate's actions are in response to an inquiry made by another Associate or Customer. The term "Promote" means to directly or indirectly sell, offer to sell, or promote the products of the Competing Direct Sales Company to any current Associate or Customer through any means, including, but not limited to, the use of any website, blog, or other social media site on which they discuss or promote, or have discussed or promoted, the Business Opportunity or Products.

Associates are discouraged from promoting any non-competing Direct Sales Company products or business opportunity to USANA Associates or Customers.

The Company has provided Associates with access to its Confidential Information, which is valuable and confidential to the Company, and specialised training and sales and marketing strategies. The Associate declares that any and all information related to the Products, Business model, and commercial aspects known during the performance of the Agreement with USANA are proprietary of USANA. Therefore, any disclosure of this information to third parties may lead to irreparable harm and damage to USANA and any such disclosure will be an inappropriate use of privileged commercial information that may imply unfair competition. In case of breach of this obligation, the Associate shall pay an amount equal to the Associate's total commissions for the prior twelve (12) months as liquidated damages, without prejudice to the applicable legal actions. The Associate thereby agrees that this Section is fair and reasonable, necessary to protect the business of the Company and its affiliates and other Associates, and that this Section does not preclude the Associate from earning a living.

## 22. COMPETING PRODUCTS AND NON-SOLICITATION

Associates shall not state or imply that enrolling in USANA is a requirement of joining any other business opportunity or for buying another product or service. Associates also shall not state that non-USANA products or opportunities are recommended, encouraged, or essential to achieving success in USANA. Associates shall not specifically target or approach Associates or Preferred Customers to participate in any non USANA-endorsed training program.

## 23. CROSSLINE RAIDING

Crossline raiding is strictly prohibited. "Crossline Raiding" is defined as the enrolment or attempted enrolment of an individual or entity that is a current Preferred Customer or has an Associate Agreement on file with USANA, or who has had such an Agreement within the preceding six (6) calendar months within a different line of Sponsorship.

- Associates may not demean, discredit, or invalidate other Associates in an attempt to entice another Associate to become part of the first Associate's Team.
- Associates must not promise more success in their own Team over another.
- If an Associate is approached by, or approaches a crossline Associate, he/she must direct and encourage the Associate back to his/her original Upline.
- Where a prospective Associate or Preferred Customer accompanies an Associate to a USANA meeting or function, no other USANA Associate may Recruit the prospect to Enrol in USANA for a period of fourteen (14) days or unless and until the Associate who brought the prospect to the function advises the other Associate that the prospect has elected not to Enrol in USANA and that the Associate is no longer Recruiting the prospect to Enrol in USANA, whichever occurs first. Violations of this policy are especially detrimental to the growth and sales of other Associates' Business and to USANA's business.

## 24. NON-DISPARAGEMENT

Associates must not disparage, ridicule, discredit, mock, demean, denounce, or act in an unfair manner toward USANA, other Associates, Products, the Compensation Plan, USANA's employees, other companies (including competitors), or other companies' products, services, or business activities. As used in this paragraph, "disparaging" means anything unflattering and/or negative, whether such communication is true or untrue. Nothing in this Section shall be construed to prohibit an Associate from filing a charge or complaint, including a challenge to the validity of the waiver provision of these Terms & Policies, with the local enforcement agency, or participating in any investigation conducted by the local enforcement agency, though Associates have waived any right to monetary relief, or otherwise complying with Associates' obligations to provide truthful testimony or information as required by a court or by statute.

## 25. ONE BUSINESS PER ASSOCIATE

An Associate may operate, receive compensation from, or have an ownership interest, legal or equitable, as a member, sole proprietorship, shareholder, trustee, or beneficiary in only one Business. However, notwithstanding this rule, an Associate's spouse may also Enrol as an Associate and operate a second Business as long as the spouse's Business is placed below one of the Associate's Business Centres and not in a Crossline Organisation (unless the Associate had operated their business for a reasonable period of time prior to their marriage to another Associate or inherited the Business prior to their marriage to another Associate). The spouse's Business must be a bona fide independent Business that is operated by the spouse.



## 26. CO-APPLICANTS

If an Associate chooses to include another person in his/her Business, this can be done upon enrollment or by submitting an Associate Application and Agreement with that person added as a Co-Applicant on the Agreement. An Associate who wishes to operate a USANA Business as a Co-Applicant will be required to: Meet the Associate application and minimum age requirements as set forth in the Agreement and;

- Not have previously had any ownership interest in or operated an USANA Business.

Only one Co-Applicant may be added to a distributorship. Multiple individuals who wish to jointly operate a Business must apply as a Corporation, Partnership, or Trust. The original applicant must remain party to the original Agreement once a Co-Applicant is added; however, if the original Associate chooses to terminate his/her jointly owned Business relationship with USANA, he/she must do so in accordance to the terms of the Agreement and the Co-Applicant will be subject to the Transfer Policy and must submit a Business Transfer Request.

An Associate may not add a Co-Applicant to a distributorship in order to circumvent the terms of the Agreement as set forth in the Transfer policy of the Agreement. If USANA becomes aware that the former Associate (Transferor) and/or the Transferor's Co-Applicant has engaged in conduct or activity that would violate the Agreement after granting the transfer request, USANA may apply sanctions to the transferred distributorship.

## 27. TRANSFER OF THE AGREEMENT

An Associate (the "Transferor") may sell or transfer his/her Business to an individual, partnership, trust, or corporation (the "Transferee") after applying for and receiving approval from USANA, which approval shall be in USANA's sole and absolute discretion. The review and approval process will not begin until USANA has received all of the documentation required in the Business Transfer Request Form.

USANA will not approve the sale or transfer of a Business:

- To or from any individual or entity that resides outside of India;
- That involves an Associate currently in violation of the Agreement or under investigation for same;
- To any individual or entity that is a current Associate or who has an ownership interest in any Business, or has had any ownership interest in, or operated, a Business;
- If either Transferor or Transferee is currently participating in another Direct Sales Company;
- If payment for purchase of the Business financed by Transferor or Transferee is not paying market value; or
- If USANA determines that purchase by, or transfer to, Transferee would not be in the best interest of USANA or the Associates in the

Upline or Downline of the Business.

The Transferor shall cause the Transferee to accept the Business "AS IS." No changes in line of Sponsorship may result from the transfer of a Business. All amounts due to Transferor from Transferee as part of the sale or transfer of a Business must be paid in full on or before the transfer date. Following the transfer of a Business, the Transferor may not have any financial interest in the Business, including, without limitation, receipt of any payments from the Business or the Transferee after the transfer date. Transferor also may not receive any compensation from the Business for sales that occur after the transfer date. Furthermore, a Transferor may not participate in the management or control of a Business after the transfer date, including, without limitation, providing general business advice to Transferee. After the transfer date and approval from USANA for the said transfer, the Transferor shall have no claims of any kind towards USANA including compensation.

As additional consideration for the approval of the transfer, if granted, and in addition to restrictions for terminated Associates set forth in USANA's Terms & Policies, the Transferor expressly agrees that for one year following the execution of this Business Transfer Request by USANA, the Transferor will not work for or with any capacity, including, but not limited to, as an employee, independent contractor or otherwise, any Competing Direct Sales Company. Transferor represents and agrees that this restriction on working for or with a Competing Direct Sales Company is reasonable in order to protect the business and proprietary interest of USANA and the Transferee. Transferor further agrees that this restriction is reasonable as to the one-year duration, and represents, acknowledges, and agrees that compliance expressly with this restriction will not be unduly burdensome. The Parties understand and agree that if the Transferor works for or with any Competing Direct Sales Company in violation of this provision, USANA may terminate the Transferee's Agreement and seek any other damages or other relief to which it may be entitled. USANA also reserves the right to terminate the Transferee's Agreement and seek damages or other relief to which it may be entitled if it learns that the Transferor has breached any provisions of the Associate Agreement, including USANA's Terms & Policies, or that any representation or other information included with this Business Transfer Request is false or incomplete.

Before any Business is transferred to a third party, USANA shall have the right of first refusal to acquire the Business. USANA shall have the right to acquire the Business for the lesser of:

- The same terms as offered to, and accepted by, a third party who is ready, willing, and able to perform; or
- The fair market value of the business as ascertained by a professional business appraiser who is mutually agreed upon by USANA and the Associate. The cost of acquiring an appraisal shall be borne by USANA.

## 28. SEPARATION OF BUSINESS PARTNERS

Should a jointly held Business be dissolved or transferred to a subset of the original owners, the individual(s) or entities that relinquished ownership in the original Business may apply as new Associates only after six (6) months of no USANA business activity, which includes, but is not limited to, training, promotion of Product or Business Opportunity, and Recruiting.

## 29. SPONSOR/PLACEMENT CHANGES

USANA will not permit any change in Placement and/or Sponsor except in the following circumstances:

- Where an Associate has been fraudulently or unethically induced into joining USANA;
- Where an incorrect Placement and/or Sponsor was made due to an Associate error, a change in Placement and/or Sponsor can be made to correct the error where a request for a change is made within ten (10) days of Enrolment or;
- If an Associate's Business is inactive for six (6) consecutive months, the Associate may terminate their Business and immediately re-enrol in another Placement. For purposes of this policy only, "inactive" means that no Product order is placed under any of the Associate's Business Centres.

If an Associate terminates his/her Business in writing, the Associate may rejoin under the Sponsor of his/her choice after completing a waiting period of six (6) consecutive months, during which time the former Associate may not engage in any USANA business activity (as defined in this Section) either for himself/herself or indirectly for another Associate.

## 30. CONFLICTING ENROLMENTS

Every prospective Associate has the ultimate right to choose his/her own Sponsor. As a general rule, the first Associate who does meaningful work with a prospective Associate is considered to have first claim to Sponsorship. In the event that a prospective Associate, or any Associate on behalf of a prospective Associate, submits more than one Associate Agreement to USANA listing a different Sponsor on each, the Company will consider valid the first Associate Agreement that it receives, accepts, and processes. If there is any question concerning the Sponsorship of an Associate, the final decision will be made by USANA.

## 31. ANTI-MANIPULATION

To help ensure compliance with laws applicable to Direct Sales companies, manipulating the Compensation Plan by an Associate or any Associate working with another third party is strictly prohibited.

Manipulation includes, but is not limited to:

- Fictitious Enrolments, including using false or incomplete contact information or identification, or information that cannot be verified using reasonable efforts;
- Enrolling individuals who were not aware of

their Enrolment, have little or no knowledge about their Business, or who have no intention of operating a Business;

- Enrolling individuals as Associates who wished to be Customers only;
- Excessive Product purchases, or gifting of Product, as determined by the Company in its discretion, solely for the purpose of qualifying for commissions, bonuses, or advancement in the Compensation Plan. An Associate may not purchase more Product than he/she can reasonably resell to end Customers or personally consume in any Four-Week Rolling Period, nor encourage others to do so;
- Abusive returns for refunds;
- Participating in Downline purchasing (placing a sales order in a Business Centre other than where the sale was generated);
- Failing to submit Associate or Preferred Customer applications within one business day; and
- Any other illegal, fraudulent, or unethical conduct.

Associates agree that the Company can adjust or recover any compensation awarded as a result of Compensation Plan manipulation, regardless of whether the recipient of the compensation was complicit in the manipulation. The Associate agrees to return any monies that the Company determines was awarded as a result of Compensation Plan manipulation or complete any necessary paperwork allowing the Company to withhold the monies from future payments to the Associate.

## 32. AUTHORISED SALES

Associates are only permitted to sell Products to Customers as defined herein. Associates may not sell or transfer Products to any person or entity the Associate knows or has reason to know intends to resell the Products. Associates may not sell or transfer a quantity of the Products to any individual greater than what the individual can personally consume in a Four-Week Rolling Period.

## 33. ACTIONS OF THIRD PARTIES

If a third party acting on behalf of, or with the active or passive assistance or knowledge of, an Associate engages in conduct that would be a violation of these Terms & Policies, the conduct of the third party may be imputed to the Associate, and the Associate's Business may be terminated. "Knowledge" of misconduct is not limited to actual knowledge. If an Associate engages in acts or omissions that the Associate knows, OR SHOULD KNOW, will enable a third party to violate these Terms & Policies if such action was taken by the Associate, the Associate shall be deemed to have knowledge of the violation.

## 34. BABYCARE

Only Chinese nationals registered with BabyCare as a BabyCare Associate may do business in Mainland China. Associates not registered with BabyCare may

not do business activities in Mainland China, which include, but are not limited to, training, promotion, and recruiting in China. Associates may not send any USANA Products to China.

### 35. COMPLIANCE WITH THE LAW

Associates must obey all laws, regulations, and ordinances and obtain all required licenses and registrations, including, but not limited to, Goods and Services Tax, Trade registrations, etc., that apply to an Associate's Business under law.

### 36. CARE AND QUALITY CONTROL REQUIREMENTS

Associates may not relabel, alter, or tamper with the labels on any USANA Products, information, materials, packaging, or programs in any way. USANA Products must be sold in their original packaging only. Any such tampering may subject the Associate to severe civil and criminal penalties. Promptly upon receipt of Products, Associates must inspect Products and their packaging for damage, defect, broken seals, evidence of tampering, or other non-conformance (a "Defect"). If any Defect is identified, do not offer the Product for sale, and promptly report the Defect to USANA. Associates must also inspect inventory regularly for expired or soon-to-be expired Products and remove those Products from inventory. Associates may not sell any Products that are past their shelf life, expired, or within ninety (90) days of expiration. Products must be stored in a cool, dry place, away from direct sunlight, and in an environment where the Products and the Products' packaging are not susceptible to physical damage. Associates must also cooperate with USANA with respect to any Product recall or other consumer safety information dissemination effort.

### 37. RETAIL SALES

To help ensure compliance with laws applicable to Direct Sales companies, Associates must sell products to Customers to be qualified for commissions. These Customers can be either retail Customers, Preferred Customers, or any combination of the two. Associates are required to furnish retail Customers with a digital receipt or hard copy of the official USANA Retail Sales Receipt. Associates must retain all retail sales receipts for a period of two (2) years and furnish them to USANA at the Company's request.

Associates who wish to engage in Product retail sales shall obtain all necessary registration and licenses, including the FSSAI Registration and License.

### 38. COMMISSIONS AND ADJUSTMENTS

Commissions and bonuses are paid on Product sales. Accordingly, USANA will adjust commissions and bonuses earned from any sale which is subsequently returned or charged back. USANA will deduct the Sales Volume attributable to the returned/charged back Product from the Upline Associate's Group Volume after a refund/chargeback is processed.

USANA pays commissions weekly. An Associate

must review his/her commissions and report any errors or discrepancies to USANA within thirty (30) days from the date of the commission cheque. Errors or discrepancies that are not brought to USANA's attention within the 30-day period will be deemed waived by the Associate.

The Company may require an Associate's Permanent Account Number (PAN) if his/her commissions exceed the reporting threshold according to local income tax law.

No monies should be paid to or accepted by Associates for a sale except at the time of Product delivery.

Unless otherwise required by law, any commissions and bonuses which USANA is unable to pay to an Associate after USANA's unsuccessful attempts to locate the Associate, will be subject to USANA's Unclaimed Commissions policy.

### 39. GOODS AND SERVICES TAX

USANA will collect and remit GST on Sales made by it. Similarly, should Associates become liable to payment of GST, they must seek registration and comply with the GST requirements and other taxes as per law. Failure to provide GST documentation may result in a delay of payment of bonuses and commissions and/or termination of the Agreement.

### 40. DELIVERY AND RISK OF LOSS

USANA may deliver Products to Associates by common carrier. If USANA ships Products by common carrier, Associates agree to pay for freight, handling, and other pertinent shipping charges to cover the cost of shipping the Products from USANA's warehouse to the Associate's shipping address. Delivery of Products is complete when USANA delivers the Products to the common carrier, and title to the Products and risk of their loss or damage in shipment pass to Associates at that time.

### 41. RETURN POLICY

*Satisfaction Guarantee:* USANA offers an unconditional money-back satisfaction guarantee on all Products and Sales Tools. If for any reason a buyer is not satisfied with any Product or Sales Tools, the buyer may return the Sales Tools or any unused Product within thirty (30) days from the date of delivery for an exchange or a one-hundred per cent (100%) refund, less shipping.

Associates must honour this money-back guarantee to their personal retail Customers. If, for any reason, an Associate's retail Customer is dissatisfied with any USANA Product purchased from the Associate, such retail Customer may return the Product to the Associate from whom the Product was purchased. If the retail Customer requests a refund, the Associate who sold the Product to the retail Customer must immediately refund the retail Customer's purchase price (less shipping charges). Retail Customers must return Product to the Associate who sold it to them; USANA will not accept returned Product directly from retail Customers. The Associate should then contact Customer Service to request a refund/replacement.



The satisfaction guarantee does not apply to Products and Sales Tools purchased from individuals who are not Associates or to Products purchased through unauthorised channels, including, but not limited to, Amazon or FlipKart.

*Product and Sales Tool Returns:* Associates may return any Product or Sales Tool for an additional thirty (30) days after the satisfaction guarantee period (up to sixty (60) days from the date of delivery) for a one-hundred per cent (100%) refund (less shipping charges) if the Product is less than thirty per cent (30%) consumed.

## 42. COOLING-OFF PERIOD

Customers, Preferred Customers, and newly Enrolled Associates have a thirty (30) business day Cooling-off period from the date of joining USANA within which they can cancel their initial purchase and obtain a full refund.

## 43. ABUSIVE RETURNS

If USANA determines that an Associate is abusing the satisfaction guarantee, the Associate will be refunded according to Section 41, and the Associate's Business may be terminated.

## 44. TERM OF A USANA BUSINESS

Unless otherwise terminated under this Agreement, the term of an Associate Agreement remains active and will be automatically terminated two years after an Associate's last personal Product purchase or sale to a Preferred Customer. USANA reserves the right to terminate all Associate Agreements upon thirty (30) days' notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; (3) terminate distribution of its Products and/or services via direct selling channels; or (4) for any other reason deemed fit by USANA after notice to the Associate.

## 45. INVESTIGATION AND NOTICE OF POLICY VIOLATIONS

If USANA believes, or has reason to believe, that an Associate has violated, or is violating, any term of the Agreement, including, but not limited to, these Terms & Policies and other USANA Literature, the Ethics & Education Department will conduct an investigation into the alleged conduct. USANA reserves the right to withhold bonuses, commissions, or other compensation during the pendency of an investigation. The investigation findings will be submitted to the Ethics Committee for a decision. If upon review of the investigation the Ethics Committee deems it appropriate to take action, including, but not limited to, termination of the Associate's Agreement, the Ethics & Education Department will notify the Associate of its conclusion(s). Any written notices may be issued in any commercially reasonable means including, but not limited to, email sent to the Associate's email address on file with the Company.

## 46. COMPLIANCE

Violation of the Agreement, any illegal, fraudulent, deceptive, or unethical business conduct, or any act or omission by an Associate that the Company

reasonably believes may damage its reputation or goodwill, may result in termination, suspension, and/or any other appropriate action to address the misconduct.

## 47. APPEAL PROCESS

An Associate or former Associate may appeal a decision from the Ethics Committee to the USANA Ethics Appeal Committee. The Associate's appeal must be in writing and must be received by the Ethics & Education Department. If the Associate files an appeal, it will be reviewed by the Ethics & Education Department and submitted to the Ethics Appeals Committee. The Ethics Appeals Committee will review the decision by the Ethics Committee and notify the Associate of its decision. This decision of the Ethics Appeals Committee will be final. Prior to bringing any dispute resolution proceeding, Associates must fully exhaust the USANA appeals process.

## 48. EFFECT OF TERMINATION

Following the effective date of an Associate's termination of his/her Business for any reason, the former Associate will have no right, title, claim, or interest to his/her former Business, to the Team which the former Associate operated, or any bonus and/or commission from the sales generated by his/her former Team. Following an Associate's termination for any reason, the former Associate will not represent him/herself as a USANA Associate, will not have the right to sell USANA Products or services, must remove any USANA sign from public view, and must discontinue using any other materials bearing any USANA logo, trademark, or service mark. An Associate who voluntarily terminates his/her Agreement will receive commissions and bonuses only for the last full calendar week prior to his/her termination.

An Associate whose Agreement is involuntarily terminated by USANA will receive commissions and bonuses only for the last full calendar week prior to termination. However, if monies were held in the course of an investigation, the Associate is not entitled to receive those monies regardless of whether the termination was voluntary or involuntary. The Associate has no other right to receive commissions or bonuses following termination.

## 49. PROTECTION OF CONFIDENTIAL INFORMATION

USANA's Confidential Information includes, but is not limited to, lists of Associates and/or Customers maintained by USANA and all trade secret information that may come into the possession of an Associate or the data included in Genealogy Reports. An Associate may not use USANA's Confidential Information for any purpose other than for developing his/her Business. To protect USANA's brand integrity and intellectual property, an Associate will not, on the Associate's own behalf or on behalf of any third party:

- Disclose any Confidential Information to any third party; or

- Use the reports, or the information contained in the reports, for any purpose other than to build or operate the Associate's Business.

This provision will survive the termination or expiration of the Associate Agreement.

## 50. INDEMNIFICATION

The Associate agrees to indemnify and hold USANA harmless with respect to any claims, damages, losses, fines, penalties, judgments, settlements, or other expenses, including, but not limited to, USANA's own reasonable attorneys' fees, arising from any breach by the Associate of the Agreement, misuse of Products, or violation of law, and any other act or omission that occurs in the course and scope of conducting his/her Business. The provisions of this section survive the termination of the Agreement.

## 51. AMENDMENTS

USANA may, in its discretion, which shall be exercised reasonably and in good faith, from time to time amend the Agreement, including, without limitation, these Terms & Policies. Amendments will be effective thirty (30) days after notice of the amendment is posted on The Hub. An email communication will also be sent to the Associate's email address on file. Except as otherwise provided in the Dispute Resolution Agreement contained in Section 63, Associates agree that thirty (30) days after such notice, any modification becomes effective and is automatically incorporated into the Agreement as an effective and binding provision. An Associate may opt out of any proposed amendments by terminating his/her Agreement prior to the effective date of such proposed amendments. An Associate's continued participation in the Business Opportunity on or after the effective date of any amendment constitutes acceptance of the amended Agreement. Unless expressly agreed to by an Associate, amendments shall not be retroactive to conduct that occurred prior to the effective date of the amendment.

## 52. ASSUMPTION OF RISK

An Associate understands that while travelling to or from Company-related meetings, events, activities, workshops, retreats, or gatherings, he/she does so as a part of his/her own independent business and not in any manner as an employee, agent, or functionary of the Company, notwithstanding the fact that his/her attendance may be based in whole or in part by invitation from, or agreement with, the Company to attend. He/she assumes all risk and responsibility for such travel.

## 53. CHANGE OF SPONSORSHIP WAIVER

If an Associate improperly changes his/her Sponsor, USANA reserves the sole and exclusive right to determine the final disposition of the Team that was developed by the Associate in his/her second line of Sponsorship. ASSOCIATES WAIVE ANY AND ALL CLAIMS AGAINST USANA AND ITS RELATED PARTIES THAT RELATE TO OR ARISE FROM USANA'S DECISION REGARDING THE DISPOSITION OF ANY TEAM THAT DEVELOPS BELOW AN

ASSOCIATE WHO HAS IMPROPERLY CHANGED HIS/HER SPONSOR.

## 54. INTEGRATED AGREEMENT

The Agreement is the final expression of the understanding and agreement between Associates and the Company (collectively, the "Parties") concerning all matters touched upon in the Agreement and supersedes all prior and contemporaneous agreements of understanding (both oral and written) between the parties. The Agreement invalidates all prior notes, memoranda, demonstrations, discussions, and descriptions relating to the subject matter of the Agreement. The Agreement may not be altered or amended except as provided in this Agreement. The existence of the Agreement may not be contradicted by evidence of any alleged prior contemporaneous oral or written agreement. Should any discrepancy exist between the terms of the Agreement and verbal representations made to an Associate by any Company employee or another Associate, the express written terms and requirements of the Agreement will prevail.

## 55. FORCE MAJEURE

USANA will not be responsible for delays and failures in performing its obligations due to circumstances beyond its reasonable control.

## 56. SEVERANCE

If any provision of the Agreement as it currently exists or as may be amended is found to be invalid, illegal, or unenforceable for any reason, such provision shall be reformed only to the extent necessary to make it enforceable, and if it cannot be so reformed, only the invalid provision will be severed from the Agreement; the remaining terms and provisions will remain in full force and effect and will be construed as if such invalid, illegal, or unenforceable provision never comprised a part of the Agreement.

## 57. SURVIVAL

The provisions of this Agreement set forth in Sections 21, 33, 49, 50, 51, 63 and any remedies for the breach thereof, shall survive the cancellation or expiration of the Agreement.

## 58. WAIVER

No failure on the part of USANA to exercise, and no delay in exercising, any right or remedy under the Agreement will operate as a waiver, therefore; nor will any single or partial waiver of a breach of any provision of the Agreement operate or be construed as a waiver of any subsequent breach; nor will any single or partial exercise of any right or remedy of the Agreement preclude any other or further exercise thereof or the exercise of any other right or remedy granted hereby or by law. Only in rare circumstances will a policy be waived, and such waiver must be in writing and signed by an authorised officer of USANA. The waiver will apply only to that specific case.

## 59. NO RELIANCE



Associates should seek their own professional advice (legal, financial, tax, etc.) pertaining to their Business; USANA does not provide professional advice to Associates.

## 60. HEADINGS

The headings to these Terms & Policies are for reference purposes only and shall not be given substantive effect.

## 61. TRANSLATIONS

In the event that any discrepancies exist between the English version of the Terms & Policies and Agreement and any translation thereof, the English version will be controlling.

## 62. CAPITALISED TERMS

All capitalised terms used herein and not otherwise defined in these Terms & Policies will have the meanings set forth in the Compensation Plan.

## 63. DISPUTE RESOLUTION AGREEMENT

THIS PROVISION AFFECTS HOW ANY CONTROVERSY, CLAIM, OR DISPUTE OF WHATEVER NATURE ARISING BETWEEN AN ASSOCIATE, ON THE ONE HAND, AND USANA AND/OR THE RELATED PARTIES, ON THE OTHER, WHETHER SUCH DISPUTE IS BASED ON RIGHTS, PRIVILEGES, OR INTERESTS RECOGNISED BY OR BASED UPON STATUTE, CONTRACT, TORT, COMMON LAW, OR OTHERWISE ("DISPUTES"), SHALL BE RESOLVED. THE PARTIES UNDERSTAND AND AGREE THAT THIS SECTION 63 OPERATES AS A SEPARATE AND DISTINCT AGREEMENT THAT IS SEVERABLE FROM THE REMAINDER OF THE AGREEMENT AND IS ENFORCEABLE REGARDLESS OF THE ENFORCEABILITY OF ANY OTHER PROVISION OF THE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THESE TERMS & POLICIES. THE PARTIES FURTHER UNDERSTAND AND AGREE THAT THE UN ENFORCEABILITY OF THE ASSOCIATE AGREEMENT IN WHOLE OR IN PART SHALL NOT SUPPORT A FINDING THAT THE DISPUTE RESOLUTION PROVISION IN THIS SECTION 63 IS UNENFORCEABLE. CONSIDERATION FOR THIS PROVISION INCLUDES, WITHOUT LIMITATION, THE PARTIES' MUTUAL AGREEMENT TO ARBITRATE DISPUTES. THIS SECTION 63 WILL SURVIVE THE TERMINATION OF THE AGREEMENT.

All Disputes shall be submitted for resolution to binding arbitration in Delhi in accordance with the Indian Arbitration Act and Rules framed thereunder by a Sole Arbitrator chosen by you from three arbitrator panel suggested by USANA. In order to promote to the fullest extent reasonably possible a mutually amicable resolution of Disputes in a timely, efficient, and cost-effective manner, the Parties hereby waive their respective rights to trial by any court.

TO THE FULLEST EXTENT ALLOWED BY LAW, THE RESOLUTION OF ANY DISPUTE SHALL BE LIMITED TO INDIVIDUAL RELIEF ONLY AND SHALL NOT INCLUDE CLASS, COLLECTIVE, OR REPRESENTATIVE RELIEF. IN ANY ARBITRATION

OF A DISPUTE, THE ARBITRATOR OR ARBITRAL PANEL SHALL ONLY HAVE THE POWER TO AWARD INDIVIDUAL RELIEF AND SHALL NOT HAVE THE POWER TO AWARD ANY CLASS, COLLECTIVE, OR REPRESENTATIVE RELIEF. THE PARTIES UNDERSTAND AND AGREE THAT EACH IS WAIVING THE RIGHT TO TRIAL OR TO PARTICIPATE IN A CLASS, COLLECTIVE, OR OTHER REPRESENTATIVE ACTION.

To the extent permitted by applicable law, the arbitration shall be conducted on a strictly confidential basis, and Associates shall not disclose the existence or nature of any claim, defense, or argument; any documents, correspondence, pleadings, briefing, exhibits, arguments, testimony, evidence, or information exchanged or presented in connection with any claim, defense, or argument; or any rulings, decisions, or results of any claim, defense, or argument (collectively, "Arbitration Materials") to any third party, with the sole exception of the Associate's legal counsel, who the Associate shall ensure complies with these confidentiality terms. The Parties agree to take all necessary steps to protect the confidentiality of the Arbitration Materials in connection with any court proceeding, agree to use their reasonable best efforts to file any court proceeding permitted herein and all documents containing Confidential Information under seal, and agree to the entry of an appropriate protective order encompassing the confidentiality terms of this Associate Agreement.

Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including, without limitation, legal and filing fees, provided, however, that if fees are sought under a statute or rule that sets a different standard for awarding fees or costs, then that statute or rule shall apply. However, if any damages awarded are greater than INR 10,00,000 or the arbitrator(s) determines that the Dispute is frivolous, the arbitrator(s) shall require that the losing party pay the prevailing party's costs and expenses of arbitration, including legal, expert, and filing fees and costs, to the fullest extent allowed by applicable law.

Any arbitration proceeding under this Dispute Resolution Agreement must be commenced no later than one year after the controversy or claim arose. Failure to timely commence an arbitration proceeding constitutes both an absolute bar to the commencement of an arbitration proceeding with respect to the Dispute, and a waiver of the Dispute. The Parties agree that time is of the essence.

This Dispute Resolution Agreement shall survive termination of the Associate Agreement for any reason.

The decision of the arbitrator(s) shall be final and binding upon the parties and may, if need be, be reduced to a judgment in any court of competent jurisdiction. However, an appeal will be permitted if any damages awarded are greater than INR 1,00,00,000. In such instances, the Indian Arbitration Act and Rules will govern the appeal.

There shall be no interlocutory appeals to any court, or any motions to vacate any order of the

arbitrator(s) that is not a final award dispositive of the arbitration in its entirety, except as required by law.

Nothing in this Agreement shall prevent USANA or the Associate from applying to and obtaining from any court having jurisdiction a writ of attachment, temporary restraining order, preliminary injunction, permanent injunction, or other available relief to safeguard and protect USANA's or the Associate's interest prior to, during, or following the filing of any arbitration or other proceeding, or pending the rendering of a decision or award in connection with any arbitration or other proceeding.

Jurisdiction and venue of any matter not subject to arbitration shall reside in Delhi. The parties waive any claim that such jurisdiction is an inconvenient or inappropriate forum. The laws of the State of Delhi, without consideration of choice of law principles, shall govern disputes involving the Associate Agreement, except that, as applicable, the Indian Arbitration Act shall govern the Agreement without giving effect to any state law to the contrary.

PARTIES AGREE THAT USANA'S LIABILITY WHETHER UNDER CONTRACT OR OTHERWISE ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED THE LESSER OF A) ACTUAL DAMAGE OR LOSS ACCESSED BY THE ARBITRATOR OR B) TOTAL COMMISSION EARNED BY THE DISTRIBUTOR DURING THE SIX-MONTH PERIOD PRECEDING THE DATE OF DISPUTE.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, ANY AMENDMENT BY USANA TO THE DISPUTE RESOLUTION AGREEMENT IN THIS SECTION 63 SHALL ONLY TAKE EFFECT UPON AN ASSOCIATE'S EXPRESS AGREEMENT TO SUCH AMENDMENT. AN ASSOCIATE MAY INDICATE HER/HIS AGREEMENT TO SUCH PROPOSED AMENDMENT BY FOLLOWING THE INSTRUCTIONS ACCOMPANYING THE PROPOSED AMENDMENT. USANA MAY TERMINATE THE ASSOCIATE AGREEMENT OF ANY ASSOCIATE WHO DOES NOT AGREE TO A PROPOSED AMENDMENT TO THE DISPUTE RESOLUTION AGREEMENT WITHIN THIRTY (30) DAYS AFTER NOTICE OF THE AMENDMENT IS PROVIDED. ANY SUCH AMENDMENT SHALL APPLY TO ALL CLAIMS BROUGHT BY THE ASSOCIATE OR USANA ON OR AFTER THE EFFECTIVE DATE OF THE AMENDMENT, REGARDLESS OF THE DATE OF OCCURRENCE OR ACCRUAL OF ANY FACTS UNDERLYING SUCH CLAIM.

## 64. DATA PRIVACY

USANA will process the Associate's personal data in accordance with our [privacy policy](#). The privacy policy contains the details of our processing rules and your data subject rights. If you do not agree to the terms of our Privacy Policy, please do not accept the current USANA Associate Terms & Policies.

## 65. DEFINITIONS

**Agreement:** The legally binding contract between the Company and the Associate consisting of the Associate Application, the Terms & Policies, Consumer Grievance and Redressal Policy, and the Compensation Plan.

**Application (or "Associate Application"):** The form completed and signed by a person who wishes to enter into an Associate Agreement with the Company.

**Associate:** An independent contractor authorised by the Company under the Agreement to purchase and resell Products to Customers, recruit other Associates, and participate in the Company's Compensation Plan. An Associate's relationship to the Company is governed by the Agreement.

**Business:** The account created when either an individual or a business entity enters into a contractual relationship with the Company.

**Business Centre:** The centre of an Associate's business-building activity, through which Product is purchased and Sales Volume is accumulated.

**Business Opportunity:** Activities determined by the Company to be a promotion of the Company's Products or Compensation Plan.

**Compensation Plan:** The specific plan utilised by the Company that outlines the details and requirements of the compensation structure for Associates.

**Competing Direct Sales Company:** A Direct Sales company that sells nutritional supplements, food and energy products, skin care products, or any other health and wellness products similar to or competing with the Products.

**Confidential Information:** Information pertaining to USANA's business that may be provided or made available to Associates, whether in writing, electronically, orally, or in any other form, that is confidential, proprietary, and/or not generally available to the public, including, but not limited to, USANA's trade secrets, intellectual property, identity and contact information of Associates and Customers, and data included in Genealogy Reports or other non public reports.

**Crossline Organisation:** Associates who are not directly above or below you in your Placement line of Sponsorship.

**Customer:** A person who purchases Product for the purpose of personal use and who does not intend to resell Product to any third party.

**Direct Sales:** Direct selling means marketing, distribution, and sale of goods or provision of services through a network of sellers other than through a permanent retail location.

**Direct Sales Company:** A company that sells products or services directly to consumers through an independent sales force in a non-retail environment.

**Downline:** All Associates located beneath a particular Associate in a line of sponsorship.

**Enrolment (Enrol):** The act of contracting with the Company to operate an independent Business.

**Four-Week Rolling Period:** A rolling block of four consecutive pay periods (four Fridays).

**Genealogy Report:** A report generated by the Company that provides proprietary data relating to the identities and sales information of an Associate's Team.

**Group Volume:** The commissionable volume from Product sales generated by an Associate's Team.

**Misselling:** Selling a product or service by misrepresenting in order to successfully complete a sale and includes providing consumers with misleading information about a product or service or omitting key information about a product or providing information that makes the product appear to be something it is not.

**Official USANA Material:** Advertising and informational material the Company provides regarding Products and the Business Opportunity.

**Placement:** The positioning of an Associate in his/her Sponsor's Downline.

**Preferred Customer:** An individual who purchases Products for personal consumption directly from USANA at a discounted price. Preferred Customers are not authorised to resell product and do not participate in the Compensation Plan.

**Products:** The products Associates are authorised to market and sell under the Agreement.

**Related Parties:** Any of USANA's officers, directors, owners, employees, agents, or affiliated entities. Related Parties are intended third-party beneficiaries of the Agreement for purposes of the Agreement referring specifically to them, including, but not limited to, the Dispute Resolution Agreement in Section 63.

**Sales Tools:** Company-created material, of any kind, for the purpose of Product sales, recruitment, or training of Associates.

**Sales Volume:** The points generated from Product sales by an Associate.

**Sponsor:** The Associate who brings another Associate into the USANA Opportunity.

**Team:** An Associate's Team consists of all Preferred Customers and Associates below him/her in the sales organisation.

**The Hub:** USANA's back office software.

**Upline:** The direct line of Associates placed in the sales organisation above an Associate.

**USANA or Company:** USANA Health Sciences India Private Limited.

**Welcome Kit:** A selection of Company training materials and business support literature that each new Associate receives upon enrolment. The Welcome Kit is provided to Associates at no cost.

[illegible]



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Sector 43, Gurgaon 122002, India

Effective Date: 1 September 2023  
CCR-020334 IN en 08/2023