

BALLTRON (PTY) LTD TERMS AND CONDITIONS

THE PARTIES to this Agreement are:

- a) The Company - meaning Balltron (Pty) Ltd., Balltron Park, Neutron Street, Techno Park, Stellenbosch 7600 for convenience, "the Company";
- b) INP - You: - being an Independent Network Partner, for convenience "INP";

INTERPRETATION: For the definitions and terminology, refer to the Company Website – www.balltron.com. Unless the context clearly indicates a contrary intention, any word connoting any gender includes the other gender and vice versa and any references to the singular includes the plural and vice versa.

1 YOUR RIGHTS & OBLIGATIONS

- 1.1 As an INP, you are deemed to be an independent contractor. No contract of employer/employee, master/servant or any form of joint venture of any kind between you and the Company exists. You have no power or authority to purport to represent the Company, neither to incur any liability, obligation nor to make any representation or otherwise, whether directly or indirectly, on its behalf. In particular you may not initiate nor accept any order nor accept any payment on the Company's behalf. You are entirely responsible for your own liabilities and obligations incurred in running your business and under no circumstances does the Company accept any responsibility for your affairs. You hereby agree to indemnify the Company against any liabilities arising out of the acts or omissions of a delegate.
- 1.2 You agree to operate your business lawfully and comply with all income and value added taxes and other governmental obligations, insurances and filing of relevant returns and information and to discharge those obligations timeously and to maintain proper accounts.
- 1.3 You acknowledge that the policies and procedures set out in the official Company website, as amended from time to time form an integral and fundamental part of this Agreement, are deemed to be incorporated herein. In the event of any conflict with any provisions in this contract, the terms and conditions as set out herein or on the company website will be deemed to prevail. All the provisions of this agreement shall be severable and no provision shall be affected by the invalidity of any other provision of this agreement. You are obliged to continually familiarise yourself with amendments to the policies and procedures from time to time and to constantly observe and familiarise yourself with the corporate materials, compensation plan, loyalty redeemable reward plan and any other documentation relied upon and published from time to time and the laws and regulations adopted and/or recommended by the Direct Selling Associations (DSA) code of business conduct and business practice.
- 1.4 You agree that your principle purpose is the promotion and referral of Products for which compensation is effected in accordance with this Agreement and the terms and conditions of the Company's Compensation Plan. In doing so, you undertake to act, promote and market the products and business opportunity lawfully, professionally, in a proper and businesslike manner, acting honestly and ethically and to use your best endeavours to do so, on a continuing and uninterrupted basis. You agree not to do anything which could reflect adversely on the goodwill, reputation and public perception of the Company, its products and Suppliers or other INPs, nor do or permit to be done anything which could bring the aforesaid into disrepute. You undertake not to make any claims, statements, warranties, representations, comments nor remarks relating to the Company nor its products, nor comment on its Compensation plan, structures and operations, other than that contained in our official literature nor engage in any misleading, deceptive or unfair recruiting methods.
- 1.5 Should you promote or sponsor other INPs you undertake to use your efforts to provide bona fide support and training in all areas of the opportunity including, but not limited to, ongoing contact, communication, encouragement and support at all reasonable times.
- 1.6 You are expressly forbidden, in any manner, from resorting to the use of public media, which includes radio, television, newspapers, magazines, internet, pamphlets etc, for our products, nor to purport or attempt to represent the Company or its members without our express written permission first obtained. Any media enquiries must be referred to the Company itself.
- 1.7 Any information of whatever nature you supply to us including personal details will be stored on a computer database and we may utilise that data for such purposes as we deem fit and in our sole discretion, including the disclosure and dissemination thereof, all of which you expressly and irrevocably endorse and consent to.
- 1.8 You acknowledge that you will at all times treat trade secrets as confidential prior to disclosing to any third party any information relating to the structure, identities and details of the Company INP's, Company and organisational summaries you acquire during and after your association with the Company for the purposes of the business you conduct you will need to obtain the express written consent of the company.
- 1.9 The Company name, Trademark, logos, mottos, emblems, intellectual property, descriptive words or phrases and any same or similar material together with the Company's marketing materials vest exclusively in the Company and may only be used with the prior written approval of the Company first hand has been obtained. The approved use of the Company's said Trademarks etc. or any other copyrighted proprietary products shall always indicate clearly that you are operating independently of the Company. No marketing material, including flyers, pamphlets, adverts or otherwise, with or without the Company name,

logo etc, may be reproduced in whole or in part without the Company's prior written approval first hand has been obtained. You are encouraged to use only the official Company promotional materials and website.

- 1.10 You agree that you will not acquire any simultaneous direct or indirect beneficial interest in more than one position without our prior written and official approval. Neither you nor any nominee, legal persona, agent, representative may have any direct or indirect interest in, nor be any form of beneficiary in the Company program more than once.
- 1.11 Whilst it is recognised that you may be engaged in other business activities, you expressly agree and undertake that during the currency of this agreement and for a period of six months after the termination thereof (for any reason whatsoever), you may not be a party to nor have any interest, direct or indirect, in another INP's branch, including any personal recruitment, nor market or otherwise promote the sale of any goods or services which compete directly with the Products or encourage, persuade, sponsor nor recruit any person who is a Customer and/or INP to market or sell the products of any other company which uses a channel of distribution similar to that of the Company. Moreover you shall not, during this period, seek to persuade any other INP to terminate their position with the Company, nor to become less active as an INP. You undertake, additionally, not to cause, nor do or permit to be done anything the purpose, or effect of which could be construed as interfering with the Company's contractual relationship with another INP, and, without prejudice to the generality of the foregoing, you will not directly entice, solicit, contact, sponsor, recruit nor accept any other INP into opportunities in ventures in third party Companies or entities.
- 1.12 You will send to the Company at its address stated in this Agreement (or to such other address the Company may notify the INP) payment in advance for all Registration Packs, Products ordered and/or any other monies due to the Company, by a method of payment acceptable to the Company.
- 1.13 No rebates nor other payments are due and no benefits are received from recruiting other INP's and no compensation is guaranteed from mere participation in the Company's Tell-A-Friend Programme. You acknowledge that the Company has not made any claims of guaranteed profits nor representations of anticipated profits that might result from an INP's efforts. You acknowledge that success as an INP comes from Product sales and the development of your own Organisation.
- 1.14 You will not accept any monies in any form from prospective and/or existing Company Customers and/or INP's on behalf of the Company.
- 1.15 You will not make any claim that any regulatory authority approves or endorses any of the Company Product(s) and/or Product(s) Provider(s) and/or the Company Marketing Methods, and you agree to abide by all applicable laws and regulations relating to this Agreement and the promotion and referral of the Products.
- 1.16 The INP, on signing the application agreement/form agrees to pay the Registration Pack amount as indicated on the application form.

2 THE COMPANY'S RIGHTS AND OBLIGATIONS

- 2.1 The Company may in its sole discretion:
 - 2.1.1 Accept or reject any application to become a Customer and/or INP.
 - 2.1.2 Request proof of ownership (for example, a copy of a the Company sales invoice) for any of the Registration Packs, Products or Corporate Materials that have been returned to the Company by the INP.
 - 2.1.3 The Company will from time to time provide the INP with up to date information on the Products and/or Corporate Materials and provide all necessary documentation pertaining to the Products. The Company will use its best endeavours to supply these to you within a reasonable time after receiving payment therefor. The Company reserves the right to amend or alter the price of the Products, specifications thereof, the compensation plan, form and content of its marketing materials at its discretion, on reasonable advance notice, from which date changes will become immediately effective.
- 2.2 The Company will make available to you the products and marketing materials as stipulated in the means and methods of acquiring the same for use and marketing of the same to anyone residing in any country where the Company is represented. No one will be granted any exclusive area or an exclusive franchise.
- 2.3 The Company will make payment to you of any rebates or rewards in accordance with the Compensation Plan as detailed in the Lifestyle Success Journal, as amended from time to time.
- 2.4 The Company undertakes to credit all Rebates due to the INP as set out in the Company Compensation Plan as amended from time to time.
- 2.5 The INP agrees that the Company may recover from any Rebates due including VAT (where applicable) in respect of Products which have not been paid for and/or returned to the Company, if the Company has refunded monies due to the INP in respect of such unpaid and/or returned Products, and also recover any Rebates due including VAT (where applicable) in respect of Products purchased by or supplied to the INP and/or INP and/or Customers in the INP's Organisation and not paid for by the INP and/or INP's and/or Customers in the INP's Organisation, and reclaim payment of the Rebates within 120 (one hundred and twenty) days of when such Rebates were paid.

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- 2.6 The Company will only pay Rebates due to an INP once the cumulative amount due exceeds R100 (one hundred rand).
- 2.7 The Company will pay, or provide other benefits calculated in accordance with the Compensation Plan, as amended from time to time, together with and including its internationally affiliated or associated entities or companies compensation plans to the best of its ability, but will not incur liability in the event of foreign impediments, restrictions or conditions being applied to such compensation.
- 2.8 The Company has the right to change the provisions of this Agreement, the standard Terms and Conditions, Policies and Procedures, the Compensation Plan in its sole discretion at any time with not less than 60 (sixty) days written notice and such change shall forthwith become incorporated in this Agreement/Mandate. Changes by the Company to this Agreement in accordance with this clause, may be notified by any reasonable means, including its websites.

3 REGISTRATION PACK

- 3.1 The amount will be debited according to the selected method of payment on the day that the applicant becomes an INP. An administration fee of 10c for each Product purchased in each and every INP's Organisation will be deducted automatically on a monthly basis from the INP's Rebates. This amount will be reviewed periodically and the INP will be informed of any changes.
- 3.2 Registration Pack (including shipping and VAT)
- 3.2.1 On the successful acceptance and payment of the Registration Pack as displayed overleaf, the INP will receive products as shown on the Application Form overleaf.
- 3.2.2 The Product Rebate Value (PRV) for the Registration Pack Option is shown on the Application Form overleaf.
- 3.2.3 Should the INP join prior to the annual reprint of the Lifestyle Success Journal, he will receive the current year's Lifestyle Success Journal, whereas should he join after the re-print, the INP will receive the following year's Lifestyle Success Journal.

4 TERMINATION OR SUSPENSION OF INDEPENDENT NETWORK PARTNER (INP)

- 4.1 During the first 14 (fourteen) days of his appointment, the INP has the right to cancel his appointment as an INP at any time without charge nor penalty by giving written notice to that effect; thereafter, the INP may terminate his appointment at any time without further charge by giving 30 (thirty) days' written notice to that effect. In each case the notice shall be given to the Company at its address set out in the Agreement or to such other address the Company may notify the INP.
- 4.2 The Company may terminate this agreement and the appointment of an INP immediately, without liability, by giving the Independent Network Partner 30 (thirty) days' written notice to that effect to the most recent address given on the INP's application form or such other address as has been properly notified to the Company. The Company reserves the right, in its sole and unfettered discretion, to appoint another INP in his place and stead.
- 4.3 If the INP cancels this Agreement within the first 14 days, he may additionally cancel any complete and unfulfilled orders with the Company, without charge and receive a full refund of anything he has paid in connection with his participation in the Company Tell-A-Friend Programme. Additionally, if the INP returns to the Company (at its address set out in this Agreement or to such other address the Company may notify the INP) any Products he has purchased in that period, the Company will give him a full refund for them, provided that they are returned in the condition in which they were supplied to the INP (except for their external wrapping which may be broken).
- 4.4 If the INP terminates his appointment within 14 days of entering into it, or if the Company terminates the appointment, then, the INP shall have no further contractual obligations nor have any claims of whatever nature as an INP against the Company.
- 4.5 The Company shall upon written notice to the INP be entitled to suspend the appointment of the INP immediately, without incurring any liability of whatsoever nature, if, in the sole opinion of the Company, the INP appears to have breached any of the terms of this Agreement, or conducts himself in a manner which in the Company's sole opinion may result in a situation where the parties cannot further sustain any form of contractual relationship. Should the INP not remedy the breach of the agreement and/or not rectify the breakdown in the relationship with the company within 7 days of the company giving notice to the INP of such breach and/or breakdown of the relationship the company shall be entitled to immediately cancel the appointment of the INP without incurring any liability of whatsoever nature. Nothing in this Agreement shall preclude the Company from seeking other remedies against, the INP, including, but not limited to, damages suffered by the Company as a result of any breach to the Agreement or other conduct detrimental to the Company and its interests, purposes and goals.
- 4.6 The Company shall be entitled to terminate the appointment of the INP immediately, without liability, if the INP breaches or breaks any of the terms of this Agreement, or conducts himself in a manner which in the Company's sole opinion cannot further sustain any form of contractual relationship. Nothing in

this Agreement shall preclude the Company from seeking other remedies against the INP, including, but not limited to, damages suffered by the Company as a result of any breach of the Agreement or other conduct detrimental to the Company and its interests, purposes and goals.

5 CONSEQUENCES OF SUSPENSION

- 5.1 In the event that this Agreement is suspended as per 4.5 above, the INP agrees that he will immediately cease to represent himself as an INP, cease to refer Products to prospective Customers and/or INP's and supply the Company with any information which may be requested in order for the Company to determine the outcome of the suspension.
- 5.2 The Company reserves the right to ensure continued service to the Customers and/or INP's referred by the INP.
- 5.3 For the duration of the suspension all rebate payments calculated on the INP's Organisation will be accrued pending the outcome of the suspension. Should the matter be resolved and the suspension of the Agreement be removed, the rebates will be paid over within 48-hours of the INP being notified of such resolution.

6 CONSEQUENCES OF TERMINATION

- 6.1 In the event that this Agreement expires or is terminated for any reason, the INP agrees that he will immediately cease to represent himself as an INP, cease to refer Products to prospective Customers and/or INP's and forthwith return to the Company all Corporate Materials including any advertising materials, brochures, samples or other materials pertaining to the Products; and comply with all other applicable provisions of this Agreement.
- 6.2 The Company reserves the right to ensure continued service to the Customers and/or INP's referred by the INP.
- 6.3 Once an INP's appointment has been terminated (either by the INP or by the Company), he will only be eligible to re-apply to become an INP through a different Sponsor or INP after 6 (six) months have elapsed from the effective date of resignation and after providing, where required, such information or documentation as the Company may require in advance.

7 SALE OR ASSIGNMENT OF INP/DEATH

- 7.1 An INP may only sell his position/business if he has the Network Title of Club 70 or above and the continued operation of the INP shall be subject to application by the proposed new INP and the acceptance by the Company (which shall be at the Company's sole discretion) of the new INP.
- 7.2 Upon the death of an INP, any Rebates accrued at the date of death shall be held for the benefit of the estate of the deceased INP. In the absence of a testamentary beneficiary, the Company 'Rolling' Procedure will be invoked, or the Company may at its sole discretion appoint a new INP. The Company however reserves the unfettered discretion to approve any new owner.

8 GENERAL

- 8.1 This Agreement constitutes the entire agreement between the Company and the INP and supersedes any previous agreements, representations or undertakings, and, save for amendments contemplated herein, no addition to or variation of its terms shall be of any force or effect unless agreed to in writing by the Management of the Company. The failure by the Company at any time to require strict or proper performance of or to enforce its rights under this Agreement shall in no way affect the Company's rights to require the remedy of any breach of any provision of this Agreement and shall not be construed as any form of waiver.
- 8.2 If any provision in this Agreement shall be held to be unenforceable or invalid, the remaining parts of such provisions and the remainder of the Agreement shall continue to be binding in full force and effect.
- 8.3 This Agreement shall be governed and construed in accordance with the Laws of South Africa and the parties hereby submit to the exclusive jurisdiction of the Cape Provincial courts.
- 8.4 Any notice(s) the INP wishes to send to the Company, should be sent to its address set out in the Agreement or to such other address the Company may notify to the INP. Any notices which the Company wishes to send to the Company INP's, will be sent to the address given on the INP's application form or to any other address, which the INP has notified the Company should be used in its place.
- 8.5 The INP hereby indemnifies the Company against any liabilities or losses arising out of the acts or omissions directly or indirectly of any incorrect details supplied by the applicant or any late distribution, returned / lost mail of Lifestyle Success Journals whatsoever including spelling, change of address on or after distribution date, etc.
- 8.6 The INP hereby indemnifies the Company, its Directors, staff and shareholders from and against any cost, losses, liability or expense arising out of the non-performance or gross negligence of the Company's Service Providers involved with the provision of External Products offered by the Company.
- 8.7 This agreement shall terminate without liability to either party in the event that either party is prevented from complying with their obligations in terms hereof due to Force Majeure or other circumstances beyond their control and not brought about as a result of any negligence on their part.