



Independent Distributor Agreement

~ Code of Ethics ~

~ Policies and Procedures ~

~ Terms and Conditions ~

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AGREEMENT

This KZ1 Independent Distributor (“ID”) Agreement, in its present form and as amended at the sole discretion of KZ1 (the “COMPANY”) is in effect as of the date first displayed. Throughout this Independent Distributor Agreement, when the term “AGREEMENT” is used, it collectively refers to the “ID” Application and Agreement, these Code of Ethics, these Policies and Procedures, the KZ1 Compensation Plan, the Terms and Conditions, and the KZ1 Business Entity Application (if applicable). These documents are incorporated by reference into the “ID” “AGREEMENT” (all in their current form and as amended by KZ1). It is the responsibility of each “ID” to read, understand, adhere to, and ensure that he or she is aware of and operating under the most current version of the “AGREEMENT”. When recruiting and enrolling a new “ID” it is the responsibility of the Enroller to provide the most current version of the “AGREEMENT” and the KZ1 Compensation Plan to the applicant prior to his or her execution of the “AGREEMENT”.

By signing an “AGREEMENT” or accepting Commissions from the “COMPANY”, an “ID” demonstrates that he or she has read and understands and consents to abide and be bound by the “AGREEMENT” and any amendments thereto.

The “ID AGREEMENT” constitutes the entire contract between KZ1 and an “ID”. Any promises, representations, offers, or other communications not expressly set forth in the “ID AGREEMENT” are of no force and effect.



CODE OF ETHICS

The “COMPANY” has made a commitment to provide its KZ1 Independent Distributors, first-class Products, exceptional support and a proven, fair, and advantageous Compensation Plan. An “ID” may purchase Products directly from the “COMPANY” for both personal use and for resale to consumers. In turn, an “ID” agrees to represent the Products and Income Opportunity in an ethical and professional manner. Each “ID” agrees to abide by the following Code of Ethics as an KZ1 Independent Distributor:

Be **RESPECTFUL** of each and every person I meet while doing the KZ1 Independent Distributor Business.

Be **ETHICAL**, moral, legal and conduct myself in a financially sound manner and will not engage in any deceptive or illegal practice.

Be **POSITIVE**, I will not communicate disparaging comments about competitors’ products to others nor will I make slanderous, libelous and derogatory statements about competitors or other “IDs”.

Be **LOYAL**, I will not engage in activities that would bring disrepute to the “COMPANY”, other “IDs”, or me.

Be **TRUTHFUL**, in my representation of the Products and I will make no Product claim that is not contained in and supported by official “COMPANY” publications. I will always correctly represent the “COMPANY” Compensation Plan.

Be a **LEADER**, I will fulfill my Leadership responsibilities as a Sponsor by training, assisting, and otherwise supporting the “IDs” in my Marketing Organization.

Be **THOUGHTFUL**, I will respect the Sponsor relationship of every other “ID” and I will neither attempt to interfere with nor change these relationships nor will I make disparaging or untrue claims about other “IDs”.



STATEMENT OF POLICIES AND PROCEDURES

These Policies & Procedures are effective as of the date first displayed and govern the way an KZ1 Independent Distributor “ID” conducts business with the “COMPANY”, other “IDs”, and with Retail, Preferred and Challenge Customers. They replace and succeed all previous versions. The governing definitions are capitalized and found in *SECTION 20 - DEFINITIONS*. Any interpretation, clarification, exclusion, or exception to these Policies and Procedures, in order to be effective, must be in writing and signed by an authorized officer of the “COMPANY”. The “COMPANY” endeavors to enforce the Policies and Procedures on a uniform and non-discriminatory basis. However, any failure to enforce any of the provisions of the Policies and Procedures with one “ID” does not waive the “COMPANY’S” right to enforce any such provision(s) with that same “ID” or any other “ID”.

SECTION 1 – Introduction

1.1 – Purpose of Policies

KZ1 is a direct marketing company that markets products through Independent Distributors known as an “ID”. It is important to understand that your success and the success of your fellow “ID” is dependent upon the integrity of the men and women who market the “COMPANY” products. To clearly define the relationship that exists between an “ID” and the “COMPANY”, and to explicitly set a standard for acceptable business conduct, KZ1 has established the “AGREEMENT”.

“IDs” are required to comply with all of the Terms and Conditions set forth in the “AGREEMENT” which the “COMPANY” may amend at its sole discretion from time to time, as well as all federal, state, provincial, territorial, and local laws governing their KZ1 business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important that you read and abide by the “AGREEMENT”. Please review the information carefully. It explains and governs the relationship between you, as an independent contractor and the “COMPANY”. If you have any questions regarding any policy or rule, do not hesitate to seek an answer from anyone in your upline or at the “COMPANY”.

1.2 – Changes to the “AGREEMENT”

Because federal, state, provincial, territorial and local laws, as well as the business environment, periodically change, the “COMPANY” reserves the right to amend the “AGREEMENT” and its prices in its sole and absolute discretion. By signing the “ID AGREEMENT”, an “ID” agrees to abide by all amendments or modifications that the “COMPANY” elects to make. Amendments shall be effective upon notice to all “IDs” that the “AGREEMENT” has been modified. Notification of amendments shall be published in official “COMPANY” materials. The “COMPANY” shall provide or make available to all “IDs” a complete copy of the amended provisions by one or more of the following methods: (1) posting on the “COMPANY’S” official web site; (2) electronic mail (e-mail); (3) fax; (4) inclusion in “COMPANY” periodicals; (5) inclusion in product orders or bonus checks; or (6) special mailings. The continuation of an “ID” business or an “ID’s” acceptance of bonuses or commissions constitutes acceptance of any and all amendments.



1.3 — Delays

The “COMPANY” shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire and death, curtailment of a party’s source of supply, or government decrees or orders.

1.4 — Policies and Provisions Severable

If any provision of the “AGREEMENT”, in its current form or as may be amended, is found to be invalid, or unenforceable for any reason, only the invalid portion(s) of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect and shall be construed as if such invalid, or unenforceable provision never comprised a part of the “AGREEMENT”.

1.5 — Waiver

The “COMPANY” never gives up its right to insist on compliance with the “AGREEMENT” and with the applicable laws governing the conduct of an “ID” or an “ID” business. No failure of the “COMPANY” to exercise any right or power under the “AGREEMENT” or to insist upon strict compliance by an “ID” with any obligation or provision of the “AGREEMENT”, and no custom or practice of the parties at variance with the terms of the “AGREEMENT”, shall constitute a waiver of “COMPANY’S” right to demand exact compliance with the “AGREEMENT”. Waiver by the “COMPANY” can be affected only in writing by an authorized officer of the “COMPANY”. “COMPANY’S” waiver of any particular breach by an “ID”, or “COMPANY’S” waiver of any particular provision of the “ID AGREEMENT” or these Policies and Procedures, shall not affect or impair “COMPANY’S” rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other “ID”. Nor shall any delay or omission by the “COMPANY” to exercise any right arising from a breach affect or impair “COMPANY’S” rights as to that or any subsequent breach.

The existence of any claim or cause of action of an “ID” against the “COMPANY” shall not constitute a defense to the “COMPANY’S” enforcement of any term or provision of the “AGREEMENT”.

1.6 – Limitation of Liability

To the extent permitted by law, “IDs” agree that the “COMPANY”, its parent companies, directors, officers, shareholders, employees, assigns, successors, and agents (collectively referred to as “AFFILIATES”) shall not be liable for an “ID”, and an “ID” releases KZ1 and its “AFFILIATES” from, and waive all claims for, any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by an “ID” as a result of:

- A. An “ID’s” breach of the “ID AGREEMENT” (including these Policies and Procedures);
- B. The improper promotion or operation of a KZ1 business by an “ID” and any activities related thereto (e.g., the presentation of “COMPANY’S” products or Marketing and Compensation Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.);
- C. Any incorrect or wrong data or information provided by an “ID” to the “COMPANY” or,
- D. The “ID’s” failure to provide any information or data necessary for the “COMPANY” to operate its business.



SECTION 2 – Becoming an KZ1 Independent Distributor

2.1 — Requirements to Become an “ID”

To become an “ID”, each applicant must:

- A. Be of the age of majority in his or her state of residence;
- B. Reside in a country that KZ1 has officially opened for the distribution of its products and services;
- C. Have a valid Social Security or Federal Tax ID number;
- D. Submit a properly completed “ID” Application and “AGREEMENT” to KZ1.

To become an “ID”, a new applicant is required to complete, read and agree to an “ID” Application and “ID AGREEMENT”. The application should be accurately completed in its entirety and the applicant(s), including all partners, shareholders and equity owners, must agree to the “ID” Application and “ID AGREEMENT” personally. Electronically submitted applications are considered as a received document. The “COMPANY” reserves the right to reject any “ID” Application at its sole discretion. Upon notification of acceptance by “COMPANY”, the new “ID” will be entered into the “COMPANY” computer and electronic business files. If there are any errors on an Application, the “ID” should verify with the “ID” Support Department at “COMPANY” as soon as the error is discovered to avoid delays in any rights under the “AGREEMENT”.

Eligibility requirements to become an KZ1 Independent Distributor are as follows:

- A. **Legal Age.** Any individual who is of legal age and residing in a country where “COMPANY” is currently doing business is eligible to become an “ID”.
- B. **ID Number.** An “ID” Identification Number is to be inserted on the Application. This number should be either the Individual's Social Security Number, a Federal Tax Identification Number, if applying as a business, or a government I.D., such as a passport number. Incorrect Tax I.D. Numbers can result in a \$100 USD fine and/or termination.
- C. **Legal Entity.** If an Applicant is a corporation, partnership or other legal entity, all shareholder(s) of the corporate Applicant, all partner(s) of the partnership or all owners of the legal entity applicant must agree to the “ID” Application, a list of the names of each shareholder of the corporate Applicant, each partner of the partnership Applicant, or each owner if another legal entity must accompany the “ID” Application. All legal documentation should be submitted with the Application, including but not limited to, articles of incorporation or organization, partnership agreements, regulations, charters, licenses, shareholder agreements, partnership agreements, and other pertinent legal information. The “ID” Application can be rejected without such documentation.
- D. **Change of Enrollers.** An “ID” wishing to change enrollers can do so only by resigning and then waiting six (6) months before rejoining with a new enroller without his/her original sales organization.
- E. **Independent Contractors.** An “ID” is Independent Contractors. They are not franchisees, joint ventures, partners, employees or agents of the “COMPANY”, and are prohibited from stating or implying whether orally or in writing, otherwise. An “ID” have no authority to bind the “COMPANY” to any obligation. The “COMPANY” is not responsible for payment or co-payment of any employee benefits. An “ID” is responsible for liability, health,



disability, workmen's compensation and other insurance. An "ID" sets their own hours and determines how to conduct their "COMPANY" business and are responsible for their own management decisions subject to the "AGREEMENT". The reference to "position" is as it applies to "ID's" participation in the "ID" Compensation Plan and adherence to the "AGREEMENT".

2.2 — "ID" Benefits

Once an "ID" Application and "AGREEMENT" has been accepted by KZ1, the benefits of the Compensation Plan and the "ID AGREEMENT" are available to the new "ID". These benefits include the right to:

- A. Purchase KZ1 products at the "ID" price;
- B. Retail KZ1 products and profit from these sales;
- C. Participate in the "COMPANY" Marketing and Compensation Plan (receive bonuses and commissions, if eligible);
- D. Enroll other individuals as an "ID" into the KZ1 business and thereby, build a marketing organization and progress through the "COMPANY" Marketing and Compensation Plan;
- E. Receive periodic "COMPANY" literature and other "COMPANY" communications;
- F. Participate in "COMPANY sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges, if applicable; and
- G. Participate in promotional and incentive contests and programs sponsored by the "COMPANY" for its "IDs".

2.3 — Renewal of Your KZ1 Business

The term of the "ID AGREEMENT" is one year from the date of its acceptance by KZ1. An "ID" may renew his or her "ID AGREEMENT" each year by paying an annual renewal fee on or before the anniversary date of the "ID AGREEMENT". If the renewal fee is not paid within 30 days after the expiration of the current term of the "ID AGREEMENT", the "ID AGREEMENT" will be canceled. An "ID" may elect to utilize the Automatic Renewal Program ("ARP"). Under the "ARP", the renewal fee is automatically charged to the "ID's" credit card or checking account prior to the anniversary date of the "AGREEMENT". "ID" not participating in the "ARP" may renew by paying the annual subscription fee with a check or money order.



SECTION 3 – Operating an Independent KZ1 Business

3.1 – Adherence to the “COMPANY” Marketing and Compensation Plan

An “ID” must adhere to the terms of the KZ1 Marketing and Compensation Plan as set forth in official KZ1 literature. An “ID” shall not offer the KZ1 opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official KZ1 literature. An “ID” shall not require or encourage other current or prospective “IDs” to participate in KZ1 in any manner that varies from the program as set forth in official KZ1 literature. An “ID” shall not require or encourage other current or prospective “IDs” to execute any agreement or contract other than official “COMPANY” “AGREEMENT” and contracts in order to become an KZ1 “ID”. Similarly, an “ID” shall not require or encourage other current or prospective “IDs” to make any purchase from, or payment to, any individual or other entity to participate in the KZ1 Marketing and Compensation Plan other than those purchases or payments identified as recommended or required in official “COMPANY” literature.

3.2 – Advertising

3.2.1 – In General

All “IDs” shall safeguard and promote the good reputation of KZ1 and its products. The marketing and promotion of the “COMPANY”, the KZ1 opportunity, the KZ1 Marketing and Compensation Plan, and KZ1 products shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote both the products and the tremendous business opportunity KZ1 offers, an “ID” should use the sales aids and support materials produced by the “COMPANY”. The rationale behind this requirement is simple. The “COMPANY” has carefully designed its products, product labels, Marketing and Compensation Plan, and promotional materials to ensure that each aspect of KZ1 is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal, state, and provincial laws. Were “IDs” allowed to develop their own sales aids and promotional materials (which includes Internet advertising), notwithstanding their integrity and good intentions, the likelihood that they would unintentionally violate any number of statutes or regulations affecting an KZ1 business is almost certain. These violations, although they may be relatively few-in-number, would jeopardize the KZ1 business opportunity for all “IDs”. Accordingly, an “ID” must submit all written sales aids, promotional materials, advertisements, and other literature (including proposed Internet advertising) to the “COMPANY” for approval. Unless an “ID” receives specific written approval, to use the material, the request shall be deemed denied. An “ID” may not sell KZ1 products on eBay or any other Internet auction sites.

3.2.2 – Spamming and Unsolicited Faxes

Except as provided in this section, an “ID” may not use or transmit unsolicited faxes, mass e-mail distribution, unsolicited e-mail, or “spamming” relative to the operation of their KZ1 independent business. The terms “unsolicited faxes” and “unsolicited e-mail” mean the transmission via telephone facsimile or electronic mail, respectively, of any material or information advertising or promoting KZ1, its products, its compensation plan or any other aspect of the “COMPANY” which is transmitted to any person, except that these terms do not include a fax or e-mail: (a) to any person with that person's prior express invitation or permission; or (b) to any person with whom the “ID” has an



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

How We Define Spam? The "COMPANY" defines spam as the sending of Unsolicited Commercial Email, Unsolicited Bulk Email, or Unsolicited Facsimiles, which is email or facsimile sent to recipients as an advertisement or otherwise, without first obtaining prior confirmed consent to receive these communications from the sender. This can include, but is not limited to, the following:

1. Email Messages
2. Newsgroup postings
3. Windows system messages
4. Pop-up messages (aka "adware" or "spyware" messages)
5. Instant messages (using AOL, MSN, Yahoo or other instant messenger programs)
6. Online chat room advertisements
7. Guestbook or Website Forum postings
8. Facsimile Solicitations
9. Facebook
10. MySpace
11. Twitter

Any "ID" found in violation of this rule risks suspension or termination of their Independent Distributorship. Please be advised that any legal or monetary fines imposed upon KZ1, based upon your actions, will be your responsibility and not the responsibility of KZ1.

3.2.3 — Telemarketing

The Federal Trade Commission ("FTC") and the Federal Communications Commission ("FCC") each have laws that restrict telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. While you may not consider yourself a "telemarketer" in the traditional sense of the word, these regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties (up to \$11,000.00 USD per violation).

Therefore, an "ID" must not engage in telemarketing relative to the operation of their KZ1 businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of an KZ1 product or service, or to recruit them for the KZ1 opportunity. "Cold calls" made to prospective customers or "IDs" that promote either KZ1's products or services or the KZ1 opportunity constitute telemarketing and are prohibited.



Notwithstanding the foregoing, an "ID" may place telephone call(s) to a prospective customer or "ID" (a "prospect") under the following limited situations:

- A. If the "ID" has an established business relationship with the prospect. An "established business relationship" is a relationship between an "ID" and a prospect based on the prospect's purchase, rental, or lease of goods or services from the "ID", or a financial transaction between the prospect and the "ID", within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- B. The prospect's personal inquiry or application regarding a product or service offered by the "ID", within the three (3) months immediately preceding the date of such a call.
- C. If the "ID" receives written and signed permission from the prospect authorizing the "ID" to call. The authorization must specify the telephone number(s) which the "ID" is authorized to call.
- D. An "ID" may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom an "ID" has at least a recent first-hand relationship (i.e., the "ID" recently personally met him or her). Bear in mind, however, that if an "ID" makes a habit of "card collecting" everyone he or she meets and subsequently calling them, the "FTC" may consider this a form of telemarketing that is not subject to this exemption. Thus, if an "ID" engages in calling "acquaintances," the "ID" must make such calls on an occasional basis only and not as a routine practice.
- E. In addition, an "ID" shall not use automatic telephone dialing systems relative to the operation of their independent KZ1 business. The term "automatic telephone dialing system" means equipment which has the capacity to: (a) store or produce telephone numbers to be called, using a random or sequential number generator; and (b) to dial such numbers.

3.2.4 — "ID" Web Sites

If an "ID" desires to utilize an Internet web page to promote his or her business, he or she may do so through the "COMPANY'S" replicated website program. Alternatively, an "ID" may develop their own website, however, any "ID" who does so: (a) must use the text of the "COMPANY'S" official website; and (b) may not supplement the content of his or her website with text from any source other than the "COMPANY". An "ID" who develops or publishes their own website must register their site(s) with the "COMPANY" and receive written approval from the "COMPANY" prior to the site(s) public availability. The use of any other website or web page, or the failure to register a non-KZ1 replicated website constitutes a material breach of these policies and procedures.

3.2.5 — Domain Names and E-Mail Addresses

An "ID" may not use or attempt to register any of KZ1's trade names, trademarks, service names, service marks, product names, the "COMPANY's" name, or any derivative thereof, for any Internet domain name. Nor may an "ID" incorporate or attempt to incorporate any of KZ1's trade names, trademarks, service names, service marks, product names, the "COMPANY'S" name, or any derivative thereof, into any electronic mail address.

3.2.6 — Trademarks and Copyrights

KZ1 will not allow the use of its trade names, trademarks, designs, or symbols by any person, including an "ID". An "ID" may not produce for sale or distribution any recorded "COMPANY" events and speeches, nor may an "ID" reproduce for sale or for personal use any recording of "COMPANY" produced audio or video tape presentations.



- A. An “ID” may not use any of the “COMPANY’S” current or after acquired trademarks or any confusingly similar variations of its marks, in a manner that is likely to cause confusion, mistake, or deception as to the source of the Products or services advertised.
- B. The “ID” agrees to immediately re-assign to the “COMPANY” any registration of the “COMPANY” names, trade names, trademarks, or Internet domain names registered or reserved in violation of this policy. The provisions of this Section survive the termination of the Contract “AGREEMENT”.
- C. The “COMPANY”, in its sole discretion, will determine whether a variation of its trademark is confusingly similar.
- D. An “ID” shall not use the “COMPANY’S” marks in countries where the use of such marks is prohibited.
- E. An “ID” must not use the name, logos, trademarks or other references to the “COMPANY’S” business or manufacturing partners in any Sales Tool, correspondence, or any form of advertising. You can use only the “KZ1 Independent Distributor” logo. You may not reproduce the “KZ1” logo.
- F. An “ID” may not use the “COMPANY” name, logo, trademarks and/or names of “COMPANY” products in any “ID” produced advertisements or materials.
- G. The “COMPANY’S” literature and media are copyrighted by the “COMPANY” and may not be duplicated.
- H. An “ID” may not use the name KZ1 or any of its trademarks as a part of your business, Corporation, Internet name, metatags source and search code, or e-mail address.
- I. An “ID” may not use the names or images of the “COMPANY” employees, executives, consultants, athletes, celebrities and/or organizations who endorse the “COMPANY”, except as specifically written in current “COMPANY” approved materials or except as permitted in writing by KZ1.

3.2.7 — Media and Media Inquiries

An “ID” must not attempt to respond to media inquiries regarding KZ1, its products, or their independent KZ1 business. All inquiries by any type of media must be immediately referred to KZ1’s Compliance Department. This policy is designed to assure that accurate and consistent information is provided to the public as well as a proper public image.

3.2.8 — “ID” Release

By entering into the “ID AGREEMENT”, an “ID” authorizes KZ1 to use his or her name and/or likeness in advertising or promotional materials and waives all claims for enumeration for such use.

3.3 — Bonus Buying

“Bonus buying” includes: (a) the enrollment of individuals or entities without the knowledge of and/or execution of an “ID” Application and “AGREEMENT” by such individuals or entities; (b) the fraudulent enrollment of an individual or entity as an “ID”; (c) the enrollment or attempted enrollment of non-existent individuals or entities as “ID’s” (“phantoms”); or (d) the use of a credit card by or on behalf of an “ID” or customer when the “ID” or customer is not the account holder of such credit card. Bonus buying constitutes a material breach of these Policies and Procedures, and is strictly and absolutely prohibited.



3.4 — Business Entities

A corporation, limited liability Company, partnership or trust (collectively referred to in this section as a “Business Entity”) may apply to be an “ID” by submitting its Certificate of Incorporation, Articles of Organization, Partnership Agreement or trust documents (these documents are collectively referred to as the “Entity Documents”) to KZ1, along with a properly completed Business Entity Registration form. If an “ID” enrolls online, the Entity Documents and Business Entity Registration Form must be submitted to KZ1 within 30 days of the online enrollment (If not received within the 30-day period, the “ID AGREEMENT” shall automatically terminate). An KZ1 independent business may change its status under the same Enroller from an individual to a partnership, corporation or trust or from one type of entity to another. There is a \$50.00 USD fee for each change requested, which must be included with the written request and the completed “ID” Application and “AGREEMENT”. The Business Entity Registration form must be signed by all of the shareholders, members, partners or trustees. Members of the entity are jointly and severally liable for any indebtedness or other obligation to KZ1.

3.5 — Changes to the KZ1 Business

3.5.1 — In General

Each “ID” must immediately notify “COMPANY” of all changes to the information contained on his or her “ID” Application and “AGREEMENT”. An “ID” may modify their existing “ID AGREEMENT” Application information (i.e., change Social Security number to Federal I.D. number, or change the form of ownership from an individual proprietorship to a business entity owned by the “ID”) by submitting a written request, a properly executed “ID” Application and “AGREEMENT”, and appropriate supporting documentation. Changes shall be processed only once per year. All changes must be submitted by November 30 to become effective on January 1 of the following year.

3.5.2 — Addition of Co-Applicants

When adding a co-applicant (either an individual or a business entity) to an existing KZ1 independent business, the “COMPANY” requires a written request as well as a properly completed “ID” Application and “AGREEMENT” containing the applicant and co-applicant’s Social Security Numbers and signatures. To prevent the circumvention of [3.24 — SALE, TRANSFER OR ASSIGNMENT OF KZ1 BUSINESS](#) (regarding transfers and assignments of KZ1 business), the original applicant must remain as a party to the original “ID” Application and “AGREEMENT”. If the original “ID” wants to terminate his or her relationship with the “COMPANY”, he or she must transfer or assign his or her business in accordance with [3.24 — SALE, TRANSFER OR ASSIGNMENT OF KZ1 BUSINESS](#). If this process is not followed, the business shall be canceled upon the withdrawal of the original “ID”. All bonus and commission checks will be sent to the address of record of the original “ID”. Please note that the modifications **permitted** within the scope of this paragraph do not include a change of Enroller. Changes of Enroller are addressed in [3.5.3 — CHANGE OF ENROLLER AND BINARY PLACEMENT](#), below. There is a fee for each change requested, which must be included with the written request and the completed “ID” Application and “AGREEMENT”. KZ1 may, at its discretion, require notarized documents before implementing any changes to an KZ1 independent business. Please allow thirty (30) days after the receipt of the request by the “COMPANY” for processing.



3.5.3 — Change of Enroller and Binary Placement

To protect the integrity of all marketing organizations and safeguard the hard work of all “IDs”, the “COMPANY” strongly discourages changes of Enroller and Binary Placement. Maintaining the integrity of enrollment is critical for the success of every “ID” and marketing organization. Accordingly, the transfer of an KZ1 independent business from one Enroller to another is rarely permitted.

ENROLLER CHANGES

Requests for change of Enroller must be submitted in writing to the Compliance Department and must include the reason for the transfer. Transfers will only be considered in the following two (2) circumstances:

- A. In cases involving fraudulent inducement, unethical recruiting and enrolling.
- B. Extreme lack of upline support, an “ID” may request that he or she be transferred to another Enroller. All requests for transfer alleging fraudulent enrollment practices shall be evaluated on a case by case basis.

The “ID” seeking to transfer submits a properly completed and fully executed Enroller Transfer Form which includes the written approval of his or her immediate four (4) upline “IDs”. Photocopied or facsimile signatures are not acceptable. All “ID” signatures must be notarized. The “ID” who requests the transfer must submit a fee of \$100.00 USD for administrative charges and data processing. An “ID” must allow thirty (30) days after the receipt of the Enroller Transfer Forms by “COMPANY” for processing and verifying change requests.

ENROLLER CHANGE GUIDELINES - DUE TO ERROR

- A. \$100 USD fee will be charged for each request, to cover, processing and testing for each individual who is changed.
- B. No changes allowed after Tuesday noon central time each week prior to BUSINESS CLOSE.

Within 24 Hours of Enrollment

1. SUBMIT a HELPDESK Ticket through Virtual Office (This is REQUIRED).
2. TICKET CONTENTS must include “ID” ID and Name of “ID” to have sponsor change as well as the Current and New Sponsors “ID” ID and Name.

Within Six (6) days of Enrollment

1. SUBMIT a HELPDESK Ticket through Virtual Office (This is REQUIRED).
2. TICKET CONTENTS must include “ID” ID and Name of “ID” to have sponsor change as well as the Current and New Sponsors “ID” ID and Name.
3. COMPLETE supporting documents and forms per instructions in the Help Desk Ticket Reply to your inquiry.
4. PROVIDE Payment information for processing fee of \$100 USD with supporting documentation and forms.

BINARY PLACEMENT CHANGE GUIDELINES - DUE TO ERROR

- A. \$100 USD fee will be charged for each request, to cover, processing and testing for each individual who is changed.
- B. No changes allowed after Tuesday noon central time each week prior to BUSINESS CLOSE.

Within 24 Hours of Enrollment



1. SUBMIT a HELPDESK Ticket through Virtual Office (This is REQUIRED).
2. TICKET CONTENTS must include "ID" ID and Name of "ID" to have placement change as well as the Current and New Placement "ID" ID and Name as well as whether the placement is Left or Right leg of the Placement.

Within Six (6) days of Enrollment

1. SUBMIT a HELPDESK Ticket through Virtual Office (This is REQUIRED).
2. TICKET CONTENTS must include "ID" ID and Name of "ID" to have placement change as well as the Current and New Placement "ID" ID and Name as well as whether the placement is Left or Right leg of the Placement.
3. COMPLETE supporting documents and forms per instructions in the Help Desk Ticket Reply to your inquiry.
4. PROVIDE Payment information for processing fee of \$100 USD with supporting documentation and forms.

3.5.4 — Cancellation and Re-application

An "ID" may legitimately change organizations by voluntarily canceling his or her KZ1 independent business and remaining inactive (i.e., no purchases of KZ1 products for resale, no sales of KZ1 products, no enrolling, no attendance at any "COMPANY" functions, participation in any other form of "ID" activity, or operation of any other KZ1 business) for six (6) full calendar months. Following the six-month period of inactivity, the former "ID" may reapply under a new Enroller. The "COMPANY" will consider waiving the six-month waiting period under exceptional circumstances. Such requests for waiver must be submitted to the "COMPANY" in writing.

3.6 — Unauthorized Claims and Actions

3.6.1 — Indemnification

An "ID" is fully responsible for all of his or her verbal and written statements made regarding KZ1 products, services, and the Marketing and Compensation Plan which are not expressly contained in official KZ1 materials. An "ID" agrees to indemnify KZ1 and KZ1 directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by KZ1 as a result of the an "ID's" unauthorized representations or actions. This provision shall survive the termination of the "ID AGREEMENT".

3.6.2 — Product Claims

No claims (which include personal testimonials) as to therapeutic, curative or beneficial properties of any products offered by KZ1 may be made except those contained in official KZ1 literature. No "ID" may make any claim that KZ1 products are useful in the cure, treatment, diagnosis, mitigation or prevention of any diseases. Such statements can be perceived as medical or drug claims. Not only are such claims violation of KZ1 policies, but they potentially violate federal and state laws and regulations, including the federal Food, Drug, and Cosmetic Act and Federal Trade Commission Act.



3.6.3 — Income Claims

In their enthusiasm to enroll prospective “ID”, some “IDs” are occasionally tempted to make income claims or earnings representations to demonstrate the inherent power of network marketing. This is counterproductive because a new “ID” may become disappointed very quickly if their results are not as extensive or as rapid as the results others have achieved. At KZ1, we firmly believe that the KZ1 income potential is great enough to be highly attractive, without reporting the earnings of others.

Moreover, the Federal Trade Commission and several states have laws or regulations that regulate or even prohibit certain types of income claims and testimonials made by persons engaged in network marketing. While an “ID” may believe it beneficial to provide copies of checks, or to disclose the earnings of themselves or others, such approaches have legal consequences that can negatively impact KZ1 as well as the “ID” making the claim unless appropriate disclosures required by law are also made contemporaneously with the income claim or earnings representation. Because “IDs” do not have the data necessary to comply with the legal requirements for making income claims, an “ID”, when presenting or discussing the KZ1 opportunity or Marketing and Compensation Plan to a prospective “ID”, may not make income projections, income claims, or disclose his or her KZ1 income (including the showing of checks, copies of checks, bank statements, or tax records). Hypothetical income examples that are used to explain the operation of the Marketing and Compensation Plan, and which are based solely on mathematical projections, may be made to prospective “ID”, so long as the “ID” who uses such hypothetical examples 1) makes clear to the prospective “ID” that such earnings are hypothetical; and 2) provides each prospective “ID” with a current copy of KZ1’s official income disclosure statement.

3.7 — Commercial Outlets and Sales

3.7.1 — Commercial/Retail Outlets

An “ID” may display and sell KZ1 products and KZ1 literature at privately owned retail and service outlets. In no event may such products or literature be sold or displayed at national chain stores or mass merchandisers. If an “ID” needs clarification regarding this policy, he or she should contact the KZ1 Compliance Department.

3.7.2 — Commercial Sales

The “COMPANY” will permit an “ID” to solicit and make commercial sales upon prior written approval from the “COMPANY”. For the purposes of these Policies and Procedures, the term “commercial sale” means the sale of:

- A. KZ1 products that equal or exceed \$3,000.00 USD or more in a single order; and
- B. To a third party who intends to resell the products to an end consumer.

3.7.3 — Trade Shows, Expositions and Other Sales Forums

An “ID” may display and/or sell KZ1 products at trade shows and professional expositions. Before submitting a deposit to the event promoter, an “ID” must contact the Compliance Department in writing for conditional approval, as KZ1’s policy is to authorize only one KZ1 independent business per event. Final approval will be granted to the first “ID” who submits an official advertisement of the event, a copy of the contract signed by both the “ID” and the event official, and a receipt indicating that a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Compliance Department. The



“COMPANY” further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products or the KZ1 opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer’s markets as these events are not conducive to the professional image KZ1 wishes to portray.

3.8 — Conflicts of Interest

3.8.1 — Non-solicitation

KZ1 “ID’s” are free to participate in other multilevel or network marketing business ventures or marketing opportunities (collectively “network marketing”). However, during the term of this “AGREEMENT”, “ID’s” may not recruit other KZ1 “ID’s” for any other network marketing business. Following the cancellation of this “AGREEMENT”, and for a period of six months thereafter, a former “ID” may not recruit any KZ1 “ID” for another network marketing business if: 1) that “ID” was in the former “ID’s” downline marketing organization; or 2) the former “ID” met, developed a relationship with, or gained knowledge of the “ID” by virtue of their mutual participation in KZ1. The term “recruit” means actual or attempted solicitation, enrollment, encouragement, or effort to influence in any other way, either directly or through a third party, another KZ1 “ID” or customer to enroll or participate in another multilevel marketing, network marketing or direct sales opportunity. This conduct constitutes recruiting even if the “ID’s” actions are in response to an inquiry made by another “ID”. “ID’s” must not sell, or attempt to sell, any competing non-KZ1 products or services to KZ1 “ID’s”. Any product or services in the same generic category as an KZ1 product or service is deemed to be competing (e.g., any dietary supplement is in the same generic category as KZ1’s **Impaqt Edge**, **Impaqt Reset**, and **Seven+ CLASSIC**, and is therefore a competing product, regardless of differences in cost, quality, ingredients or nutrient content.).

“ID’s” may not display KZ1 products or services with any other products or services in a fashion that might in any way confuse or mislead a prospective customer or “ID” into believing there is a relationship between the KZ1 and non-KZ1 products or services. “IDs” may not offer the KZ1 opportunity, products or services to prospective or existing customers or “ID’s” in conjunction with any non-KZ1 program, opportunity, product or service. “ID’s” may not offer any non-KZ1 opportunity, products or services at any KZ1-related meeting, seminar or convention, or immediately following such event.

3.8.2 — Downline Activity Reports

Downline Activity Reports are available for “ID” access and viewing at KZ1’s official web site and through the virtual back office of “ID’s” replicated web sites. Access to online Downline Activity Reports is password protected. All Downline Activity Reports and the information contained therein are confidential and constitute proprietary information and business trade secrets belonging to KZ1. Downline Activity Reports are provided to “ID’s” in strictest confidence and are made available to “ID’s” for the sole purpose of assisting “ID’s” in working with their respective Downline Organizations in the development of their KZ1 business. “ID’s” should use their Downline Activity Reports to assist, motivate, and train their downline “ID’s”. The “ID” and KZ1 agree that, but for this “AGREEMENT” of confidentiality and nondisclosure, KZ1 would not provide Downline Activity Reports to the “ID”. An “ID” shall not, on his or her own behalf, or on behalf of any other person, partnership, association, corporation or other entity:



- A. Directly or indirectly disclose any information contained in any Downline Activity Report to any third party;
- B. Directly or indirectly disclose his or her password or other user access code to his or her Downline Activity Report;
- C. Use the information to compete with KZ1 or for any purpose other than promoting his or her KZ1 business;
- D. Recruit or solicit any "ID" listed on any report, or in any manner attempt to influence or induce any "ID", to alter their business relationship with KZ1; or
- E. Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any Downline Activity Report.

3.9 — Cross-Enrolling

Actual or attempted cross enrolling is strictly prohibited. "Cross enrolling" is defined as the enrollment of an individual who or entity that already has a current "ID AGREEMENT" on file with KZ1, or who has had such an "AGREEMENT" within the preceding six calendar months, within a different line of enrollment. The use of a spouse's or relative's name, trade names, DBAs, assumed names, corporations, partnerships, trusts, federal ID numbers, or fictitious ID numbers to circumvent this policy is prohibited. "ID's" shall not demean, discredit or defame other "ID's" in an attempt to entice another "ID" to become part of the first "ID's" marketing organization. This policy shall not prohibit the transfer of an KZ1 business in accordance with [3.24 — SALE, TRANSFER OR ASSIGNMENT OF KZ1 BUSINESS](#).

3.9.1 — Cross-Sponsoring of Spouse or Household Member

You may not circumvent your original line of sponsorship by joining another downline organization or a different leg of your sponsor by sponsoring yourself, your spouse, dependent children, a household member ("related party") or any business or Company operating under a business name (DBA) in which you and/or a related party have a direct or indirect ownership interest. Husband, wife, DBA household members, partners and/or dependent children must all be in the same downline underneath the first position owned. It is permissible to be in separate legs provided they are under the first position owned.

Violations of this Policy will result in the termination of the cross-sponsored account, and you will be instructed to work exclusively in the original position. Neither the cross sponsored position nor the downline organization will be moved. If the Sponsor or Enroller is found to have knowingly or willingly encouraged the cross-sponsoring, the Sponsor/Enroller will be subject to further disciplinary action in accordance with the Compliance Disciplinary Procedure. You may not participate as a partner, consultant or employee of another Associate position until after six full business periods in the event this policy is violated.

3.10 — Errors or Questions

If an "ID" has questions about or believes any errors have been made regarding commissions, bonuses, Downline Activity Reports, or charges, the "ID" must notify KZ1 in writing within 60 days of the date of the purported error or incident in question. KZ1 will not be responsible for any errors, omissions or problems not reported to it within 60 days.



3.11 — Excess Inventory Purchases Prohibited

“ID’s” are not required to carry inventory of products or sales aids. “ID’s” who do so may find making retail sales and building a marketing organization somewhat easier because of the decreased response time in fulfilling customer orders or in meeting a new “ID’s” needs. Each “ID” must make his or her own decision with regard to these matters. To ensure that “ID’s” are not encumbered with excess inventory that they are unable to sell, such inventory may be returned to KZ1 upon the ID’s cancellation pursuant to the terms of *7.2 — RETURN OF INVENTORY AND SALES AIDS BY AN ID*.

KZ1 strictly prohibits the purchase of products in unreasonable amounts primarily for purposes of qualifying for commissions, bonuses or advancement in the Marketing and Compensation Plan. “ID’s” may not purchase more product inventory than they can reasonably resell or consume in a month nor may they encourage others to do so. “IDs” are prohibited from purchasing more than \$1,000.00 USD in products per month unless they certify to KZ1 that they have pending retail orders in excess of that amount or provide KZ1 with other written reason why such a purchase is necessary.

3.12 — Governmental Approval or Endorsement

Neither federal nor state regulatory agencies nor officials approve or endorse any direct selling or network marketing companies or programs. Therefore, “ID’s” shall not represent or imply that KZ1 or its Marketing and Compensation Plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

3.13 — Holding Applications or Orders

“ID’s” must not manipulate enrollments of new applicants and purchases of products. All “ID” Applications and “AGREEMENTs”, and product orders must be sent to KZ1 within 72 hours from the time they are signed by an “ID” or placed by a customer, respectively.

3.14 — Identification

All “ID’s” are required to provide their Social Security Number, Social Insurance Number, or a Federal Employer Identification Number to KZ1 on the “ID Application and AGREEMENT”. Upon enrollment, the “COMPANY” will provide a unique “ID” Identification Number to the “ID” by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses.

3.15 — Income Taxes

Every year, KZ1 will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who falls into one of the following categories:

- A. Had earnings of over \$600 USD in the previous calendar year; or
- B. Made purchases during the previous calendar year in excess of \$5,000 USD.

Each “ID” is responsible for paying local, state/provincial, and federal taxes on any income generated as an “ID”. If an KZ1 business is tax exempt, the Federal tax identification number must be provided to KZ1.

3.16 — Independent Contractor Status

“IDs” are independent contractors, and are not purchasers of a franchise or a business opportunity. The AGREEMENT between KZ1 and its “ID’s” does not create an employer/employee relationship, agency, partnership, or



joint venture between the “COMPANY” and the “ID”. AN “ID” SHALL NOT BE TREATED AS AN EMPLOYEE FOR HIS OR HER SERVICES OR FOR FEDERAL OR STATE TAX PURPOSES. All “ID’s” are responsible for paying local, state, and federal taxes due from all compensation earned as an “ID” of the “COMPANY”. KZ1 is not responsible for withholding and shall not withhold or deduct from an “ID’s” bonuses and commissions, if any, FICA or taxes of any kind, unless withholding becomes legally required. The “ID” has no authority (expressed or implied), to bind the “COMPANY” to any obligation. “IDs” are not authorized to and will not incur any debt, expense, obligation, or open any checking account on behalf of, for, or in the name of KZ1. Each “ID” agrees that he or she shall control the manner and means by which he or she operates his or her KZ1 business, and shall establish his or her own goals, hours, and methods of sale, subject to compliance with these Policies and Procedures and applicable law. Each “ID” shall be solely responsible for paying all expenses incurred, including but not limited to travel, food, lodging, secretarial, office, long distance telephone, and other expenses.

The name of KZ1 and other names as may be adopted by KZ1 are proprietary trade names, trademarks and service marks of KZ1. As such, these marks are of great value to KZ1 and are supplied to “ID’s” for their use only in an expressly authorized manner. Use of KZ1 name on any item not produced by the “COMPANY” is prohibited except as follows:

Independent Distributor’s Name
KZ1 Independent Distributor

All “ID’s” may list themselves as an “KZ1 Independent Distributor” in the white or yellow pages of the telephone directory under their own name. No “ID” may place telephone directory display ads using the KZ1 name or logo. “ID’s” may not answer the telephone by saying “KZ1”, “KZ1 Incorporated”, or in any other manner that would lead the caller to believe that he or she has reached corporate offices of the “COMPANY”.

3.17 — Insurance

3.17.1 — Business Pursuits Coverage

An “ID” may wish to arrange insurance coverage for your business. Neither your homeowner’s insurance policy nor your automobile insurance policy covers business-related injuries, or the theft of or damage to inventory or business equipment. Contact your insurance agent to make certain that your property is protected. This can often be accomplished with a simple “Business Pursuit” endorsement attached to your present homeowner’s and automobile policies.

3.17.2 — Product Liability Coverage

The “COMPANY”, based on their relationship with manufacturers, has protection against product liability claims. Independent “IDs” must market KZ1 products in accordance with “COMPANY” Policies and applicable laws and regulations. Any product liability insurance does not extend coverage to claims or actions that arise as a result of an “ID’s” misconduct in marketing the products.



3.18 — International Marketing

Because of critical legal and tax considerations, including: compliance with foreign laws regarding the approval, registration or licensure of products or services; regulations regarding ingredients, labeling, and packaging; cautionary statements; protection of intellectual property; compliance with customs, tax, and immigration laws; compliance with direct selling laws; product and income representations; and literature content and language requirements, the “COMPANY” must limit the resale of KZ1 products, and the presentation of the KZ1 business to prospective customers and “IDs” located within countries that the “COMPANY” has officially announced as being open for the promotion and sale of KZ1 products and the KZ1 opportunity. Moreover, allowing a few “IDs” to conduct business in markets not yet opened by the “COMPANY” would violate the concept of affording every “ID” the equal opportunity to expand internationally.

Accordingly, an “ID” is authorized to sell KZ1 products and enroll “IDs” only in the countries in which KZ1 is authorized to conduct business, as announced in official “COMPANY” literature. KZ1 products or sales aids cannot be shipped into or sold in any foreign country. “IDs” may sell, give, transfer, or distribute KZ1 products or sales aids only in their home country. In addition, no “ID” may, in any unauthorized country: (a) conduct sales, enrollment or training meetings; (b) enroll or attempt to enroll potential Customers, or “IDs”; or (c) conduct any other activity for the purpose of selling KZ1 products, establishing a marketing organization, or promoting the KZ1 opportunity.

Change of address from one country to another will require an “ID” to:

1. SUBMIT a HELPDESK Ticket through Virtual Back Office (This is REQUIRED).
2. TICKET CONTENTS must include new address (Legal proof of address change, must be government issued).
3. COMPLETE supporting documents and forms per instructions in the Help Desk Ticket Reply to your inquiry.
4. PROVIDE Payment information for processing fee with supporting documentation and forms.

A \$50.00 USD fee will be charged for each request.

3.19 — Adherence to Laws and Ordinances

3.19.1 — Local Ordinances

Many cities and counties have laws regulating certain home-based businesses. In most cases these ordinances are not applicable to an “ID” because of the nature of their business. However, “IDs” must obey those laws that do apply to them. If a city or county official tells an “ID” that an ordinance applies to him or her, the “ID” shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of KZ1. In most cases there are exceptions to the ordinance that may apply to “IDs”.

3.19.2 — Compliance with Federal, State, and Local Laws

An “ID” shall comply with all federal, state, and local laws and regulations in the conduct of their businesses.

3.20 — Minors

A person who is recognized as a minor in his/her state of residence may not be an “ID”. An “ID” shall not enroll or recruit minors into the KZ1 program.



3.21 — One KZ1 Business per Individual and Per Entity

An individual may operate or have an ownership interest, legal or equitable, in only one KZ1 business. That same individual may have an ownership interest, legal or equitable, in an additional KZ1 business only if the second KZ1 business is owned and operated by a partnership, corporation, LLC or trust. Except as specifically provided herein, no individual may have, operate or receive compensation from more than one KZ1 business.

3.21.1 — Actions of Household Members or Affiliated Individuals

If any member of an “ID’s” immediate household engages in any activity which, if performed by the “ID”, would violate any provision of the “AGREEMENT”, such activity will be deemed a violation by the “ID” and KZ1 may take disciplinary action pursuant to the Statement of Policies against the “ID”. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively “affiliated individual”) violates the “AGREEMENT”, such action(s) will be deemed a violation by the entity, and KZ1 may take disciplinary action against the entity.

3.22 — Re-packaging and Re-labeling Prohibited

An “ID” may not re-package, re-label, refill or alter the labels on any KZ1 products, information, materials or programs in any way. KZ1 products must be sold in their original containers only. Such re-labeling or repackaging would likely violate federal and state laws, which could result in severe criminal penalties. You should also be aware that civil liability can arise when, as a consequence of the repackaging or re-labeling of products, the persons using the products suffer any type of injury or their property is damaged.

3.23 — Requests for Records

Any request from an “ID” for copies of invoices, applications, downline activity reports, or other records may require payment of a fee of \$2.00 USD per page per copy. This fee covers the expense of mailing and time required to research files and make copies of the records.

3.24 — Sale, Transfer or Assignment of KZ1 Business

An “ID” may not assign any rights or delegate any duties under the “ID AGREEMENT” without the prior written consent of KZ1. Any attempt to transfer or assign an KZ1 business without the express written consent of KZ1 will render the “ID AGREEMENT” voidable at the option of KZ1. Therefore, although an KZ1 business is a privately owned, independently operated business, the sale, transfer or assignment of an KZ1 business is subject to certain limitations. If an “ID” wishes to sell his or her KZ1 business, he or she must receive written authorization from the “COMPANY”. In order to sell, transfer or assign an KZ1 business, the following criteria must be met:

- A. Protection of the existing line of enrollment must always be maintained so that the KZ1 business continues to be operated in that line of enrollment.
- B. The buyer or transferee must be (or must become) a qualified “ID”. If the buyer is an active “ID”, he or she may be required to terminate his or her KZ1 business simultaneously with the purchase, transfer, assignment or acquisition of any interest in the new KZ1 business. The purchaser will be required to terminate an existing KZ1 business or form a business entity if the purchase of the subject business will result in a violation of *3.21 — ONE KZ1 BUSINESS PER INDIVIDUAL AND PER ENTITY* above.



- C. Before the sale, transfer or assignment can be finalized and approved by KZ1, any debt obligations the selling “ID” has with KZ1 must be satisfied.
- D. The selling “ID” must be in good standing and not in violation of any of the terms of the “AGREEMENT” in order to be eligible to sell, transfer or assign an KZ1 business.
- E. The new ownership of an “ID” will be responsible for all income earned in the calendar year that the transfer of ownership is executed. The new owner of the an “ID” must understand that the new owner will be responsible for the taxes earned on that KZ1 Independent Distributorship, including but not limited to all bonuses and commissions generated in the calendar year and will be 1099 income and will be reported as such in the name on record of ownership as of December 31 end of year.

Prior to selling an KZ1 business, the selling “ID” must notify the Compliance Department of his or her intent to sell the KZ1 business. No changes in line of enrollment can result from the sale or transfer of an KZ1 business. A properly executed Transfer of Ownership form must be completed and notarized and submitted with a \$50 USD administrative fee at time of application of transfer to KZ1 Compliance Department.

3.25 — Separation of an KZ1 Business

An “ID” sometimes operates their KZ1 businesses as husband-wife partnerships, regular partnerships, corporations, or trusts. At such time as a marriage may end in divorce or a corporation, partnership or trust (the latter three entities are collectively referred to herein as “entities”) may dissolve, arrangements must be made to assure that any separation or division of the business is accomplished so as not to adversely affect the interests and income of other businesses up or down the line of enrollment. If the separating parties fail to provide for the best interests of other “IDs” and the Company, KZ1 will involuntarily terminate the “ID AGREEMENT”.

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

- A. One of the parties may, with consent of the other(s), operate the KZ1 business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize KZ1 to deal directly and solely with the other spouse or non-relinquishing shareholder, partner or trustee.
- B. The parties may continue to operate the KZ1 business jointly on a “business-as-usual” basis, whereupon all compensation paid by KZ1 will be paid in the joint names of the “ID” or in the name of the entity to be divided as the parties may independently agree between themselves.

Under no circumstances will the Downline Organization of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will KZ1 split commission and bonus checks between divorcing spouses or members of dissolving entities. KZ1 will recognize only one Downline Organization and will issue only one commission check per KZ1 business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business, the “ID AGREEMENT” shall be involuntarily canceled.



If a former spouse or a former entity affiliate has completely relinquished all rights in their original KZ1 business, they are thereafter free to enroll under any Enroller of their choosing, so long as they meet the waiting period requirements set forth in *3.5.4 — CANCELLATION AND RE-APPLICATION*. In such case, however, the former spouse or partner shall have no rights to any “IDs” in their former organization or to any former retail customer. They must develop the new business in the same manner as would any other new “ID”.

3.26 — Enrolling

All active “IDs” in good standing have the right to recruit and enroll others into KZ1. Each prospective “ID” has the ultimate right to choose his or her own Enroller. If two “IDs” claim to be the Enroller of the same new “ID”, the “COMPANY” shall regard the first application received by the “COMPANY” as controlling.

3.27 — Stacking

The term “stacking” includes: (a) the failure to transmit to KZ1, or the holding of an Independent “ID” Application and “AGREEMENT” in excess of two business days after its execution; (b) the placement or manipulation of “ID” Applications and “AGREEMENTS” for the purpose of maximizing compensation pursuant to KZ1’s Marketing and Compensation Plan; or (c) providing financial assistance to new “IDs” for the purpose of maximizing compensation pursuant to KZ1’s Marketing and Compensation Plan. Stacking constitutes a material breach of these Policies and Procedures and is strictly and absolutely prohibited.

3.28 — Succession

Upon the death or incapacitation of an “ID”, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to the “COMPANY” to ensure the transfer is proper. Accordingly, an “ID” should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever an KZ1 business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased “ID’s” marketing organization provided the following qualifications are met. The successor(s) must:

- A. Execute a new “ID AGREEMENT”;
- B. Comply with terms and provisions of the “AGREEMENT”; and
- C. Meet all of the qualifications for the deceased “ID’s” status.

Bonus and commission checks of an KZ1 business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide KZ1 with an “address of record” to which all bonus and commission checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a federal taxpayer Identification number. KZ1 will issue all bonus and commission checks and one IRS Form 1099 to the business entity.

3.28.1 — Transfer Upon Death of an “ID”

To affect a testamentary transfer of an KZ1 business, the successor must provide the following to KZ1: (1) an original death certificate; (2) a notarized copy of the will or other instrument establishing the successor’s right to the KZ1 business; and (3) a completed and executed “ID AGREEMENT”.



3.28.2 — Transfer Upon Incapacitation of an “ID”

To affect a transfer of an KZ1 business because of incapacity, the successor must provide the following to KZ1: (1) a notarized copy of an appointment as trustee; (2) a notarized copy of the trust document or other documentation establishing the trustee’s right to administer the KZ1 business; and (3) a completed “ID AGREEMENT” executed by the trustee.



SECTION 4 – Responsibilities of KZ1 Independent Distributors

4.1 – Change of Address or Telephone

To ensure timely delivery of products, support materials, and commission checks, it is critically important that KZ1's files are current. Street addresses are required for shipping. An "ID" planning to move should send their new address and telephone numbers to KZ1's Corporate Offices to the attention of the KZ1 Customer Service Department. To guarantee proper delivery, two weeks advance notice must be provided to KZ1 on all changes. Special Note: If you are presently on the Auto-Ship program, you must submit a new Auto-Ship Agreement. If more than one change of address notice or Auto-Ship Agreement has been submitted to KZ1, the most recent one will supersede previous notices or Agreements. Please allow thirty (30) days after the receipt of the notice or Agreement by KZ1 for processing.

4.2 – Continuing Development Obligations

4.2.1 – Ongoing Training

Any "ID" who enrolls another "ID" into KZ1 must perform a bona fide assistance and training function to ensure that his or her downline is properly operating his or her KZ1 business. An "ID" must have ongoing contact and communication with the "IDs" in their Downline Organizations. Examples of such contact and communication may include, but are not limited to: newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, and the accompaniment of downline "IDs" to KZ1 meetings, training sessions, and other functions. Upline "IDs" are also responsible to motivate and train new "IDs" in KZ1 product knowledge, effective sales techniques, the KZ1 Marketing and Compensation Plan, and compliance with the "COMPANY" Policies and Procedures. Communication with and the training of downline "IDs" must not, however, violate [3.2 – ADVERTISING](#) (regarding the development of "ID"-produced sales aids and promotional materials).

An "ID" must monitor the "IDs" in their Downline Organizations to ensure that downline "IDs" do not make improper product or business claims or engage in any illegal or inappropriate conduct. Upon request, every "ID" should be able to provide documented evidence to KZ1 of his or her ongoing fulfillment of the responsibilities of an Enroller.

4.2.2 – Increased Training Responsibilities

As an "ID" progresses through the various levels of leadership, they will become more experienced in sales techniques, product knowledge, and understanding of the KZ1 program. They will be called upon to share this knowledge with lesser experienced "IDs" within their organization.

4.2.3 – Ongoing Sales Responsibilities

Regardless of their level of achievement, an "ID" has an ongoing obligation to continue to personally promote sales through the generation of new customers and through servicing their existing customers.

4.3 – Non-disparagement

KZ1 wants to provide its "IDs" with the best products, compensation plan, and service in the industry. Accordingly, we value your constructive criticisms and comments. All such comments should be submitted in writing to



the Customer Service Department. Remember, to best serve you, we must hear from you! While KZ1 welcomes constructive input, negative comments and remarks made in the field by “IDs” about the “COMPANY”, its products, or compensation plan serve no purpose other than to sour the enthusiasm of other “IDs”. For this reason, and to set the proper example for their downline, an “ID” must not disparage KZ1, other “IDs”, KZ1’s products, the Marketing and Compensation plan, or KZ1’s directors, officers, or employees. The disparagement of KZ1, other “IDs”, KZ1’s products, the Marketing and Compensation plan, or KZ1’s directors, officers, or employees constitutes a material breach of these Policies and Procedures.

4.4 — Providing Documentation to Applicants

An “ID” must provide the most current version of the Policies and Procedures and the Compensation Plan to individuals whom they are enrolling to become an “ID” before the applicant signs an “ID AGREEMENT”. Additional copies of Policies and Procedures can be acquired from KZ1.

4.5 — Reporting Policy Violations

An “ID” observing a Policy violation by another “ID” should submit a written report of the violation directly to the attention of the KZ1 Compliance Department. Details of the incidents such as dates, number of occurrences, persons involved, and any supporting documentation should be included in the report.



SECTION 5 – Sales Requirements for an KZ1 Independent Distributor

5.2 — No Price or Territory Restrictions

The KZ1 Marketing and Compensation Plan is based upon the sale of KZ1 products to end consumers. An “ID” must fulfill personal and Downline Organization retail sales requirements (as well as meet other responsibilities set forth in the “AGREEMENT”) to be eligible for bonuses, commissions and advancement to higher levels of achievement. The following sales requirements must be satisfied for an “ID” to be eligible for commissions:

- A. An “ID” must satisfy the Personal Sales Volume requirements associated with their rank as specified in the KZ1 Marketing and Compensation Plan. “Personal Sales Volume” includes purchases made by the “ID” and purchases made by the “ID’s” Clients / Retail, and Preferred Customers.
- B. An “ID” is expected to resell 70% of all products purchased from KZ1. All retail sales should be carefully documented. Blank retail sales receipts are available for purchase to help facilitate this process. An “ID” should remit all necessary sales tax as deemed by their state of residence. An “ID” may not retail any KZ1 product for less than the wholesale price. KZ1 will randomly audit “IDs” for retail sales in compliance with the 70% requirement. By reordering, an “ID” certifies that he or she has complied with this policy.
- C. An “ID” must develop or service at least five Customers in any combination of a Retail Customer, Preferred Customer, or Challenge Customer every month.

5.3 — Sales Receipts

An “ID” must provide their Retail Customers with two copies of an official KZ1 sales receipt at the time of the sale. These receipts set forth the Customer Satisfaction Guarantee for KZ1 products, as well as any consumer protection rights afforded by federal or state law. An “ID” must maintain all retail sales receipts for a period of two years and furnish them to KZ1 at the “COMPANY’S” request. Records documenting the purchases of an “ID’s” online customers will be maintained by KZ1.

If a sale qualifies as a “door-to-door” sale, an “ID” must ensure that the following information is contained on each sales receipt:

1. The date of the transaction;
2. The date (not earlier than the third business day following the date of the transaction) by which the buyer may give notice of cancellation; and
3. Name and address and contact information of the selling “ID”;

Remember that Customers must receive two copies of the sales receipt. In addition, an “ID” who makes “door-to-door” sales must orally inform the buyer of his or her cancellation rights.

For the purposes of these Policies and Procedures, a “door-to-door” sale means a sale, or contract for sale, of consumer goods or services with a purchase price of \$25 USD or more, in which the buyer’s agreement or offer to purchase is made at a place other than the place of business of the seller (e.g., sales at the buyer’s residence or at facilities rented on a temporary or short-term basis, such as hotel or motel rooms, convention centers, fairgrounds and



restaurants, or sales at the buyer's workplace). The phrase "consumer goods or services" is defined as "goods or services purchased, leased, or rented primarily for personal, family, or household purposes, including courses of instruction or training regardless of the purpose for which they are taken." Thus, whether a transaction involves "consumer goods or services" will depend upon the ultimate purposes of the purchaser.

"Door-to-door" sales do not include a transaction:

1. Made pursuant to prior negotiations in the course of a visit by the buyer to a retail business establishment having a fixed permanent location where the products are exhibited for sale on a continuing basis; or
2. Conducted and consummated entirely by mail or telephone, and without any other contact between the buyer and the seller or its representative prior to delivery of the products or performance of the services.



SECTION 6 – Bonuses and Commissions

6.1 – Bonus and Commission Qualifications

An “ID” must be active and in compliance with the “AGREEMENT” to qualify for bonuses and commissions. So long as an “ID” complies with the terms of the “AGREEMENT”, KZ1 shall pay commissions to such “ID” in accordance with the Marketing and Compensation plan. The minimum amount for which KZ1 will issue a check is \$30.00 USD. If an “ID’s” bonuses and commissions do not equal or exceed \$30.00 USD, the “COMPANY” will accrue the commissions and bonuses until they total \$30.00 USD. A check will be issued once \$30.00 USD has been accrued. If an “ID” fails to reach the minimum amount of \$30.00 USD for six calendar months from date of issue of the first commissions or bonus, the amount will be forfeited to the “COMPANY”.

6.2 – Adjustment to Bonuses and Commissions

6.2.1 – Adjustments for Returned Products

An “ID” receives bonuses and commissions based on the actual sales of products to end consumers. When a product is returned to KZ1 for a refund or is repurchased by the “COMPANY”, the bonuses and commissions attributable to the returned or repurchased product(s) will be deducted, in the month in which the refund is given, and continuing every pay period thereafter until the commission is recovered, from the “IDs” who received bonuses and commissions on the sales of the refunded products. In the event that any such “ID” terminates his or her “ID AGREEMENT”, and the amounts of the bonuses or commissions attributable to the returned products have not yet been fully recovered by the “COMPANY”, the remainder of the outstanding balance may be set off against any amounts owed to the terminated “ID” pursuant to *7.2 – RETURN OF INVENTORY AND SALES AIDS BY AN ID*.

6.2.2 – Other Deductions

KZ1 will deduct from all bonus and commission checks a check processing fee of \$2.95 USD. KZ1 reserves the right, in its sole discretion to promote any “ID” to a rank above that which they are currently qualified for.

6.3 – Unclaimed Commissions and Credits

An “ID” must deposit or cash commission and bonus checks within 90 days from their date of issuance. A check that remains uncashed after 90 days will be void. After a check has been voided, KZ1 will attempt to notify an “ID” who has an uncashed check by sending a monthly written notice to his or her last known address identifying the amount of the check and advising that the “ID” can request that the check be reissued. There shall be a \$35.00 USD charge for reissuing a check, and a \$10.00 USD fee for each notice that is sent to the “ID”. These charges shall be deducted from the balance owed to the “ID”.

Customers and “IDs” who have a credit on account must use their credit within six months from the date on which the credit was issued. If credits have not been used within six months, KZ1 shall attempt to notify the “ID” or Customer on a monthly basis, by sending written notice to the last known address, advising the “ID” or Customer of the credit. There shall be a \$10.00 USD charge for each attempted notification. This charge shall be deducted from the “ID’s”, or Customer’s credit on account.



6.4 — Online and Telephonic Activity Reports

All information provided by KZ1 in online or telephonic downline activity reports, including but not limited to personal and group sales volume (or any part thereof), downline enrollment activity, and accrued bonuses and commissions is believed to be accurate and reliable. Nevertheless, due to various factors including the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; returned products; credit card and electronic check charge-backs; the information is not guaranteed by KZ1 or any persons creating or transmitting the information.

ALL VOLUME INFORMATION (E.G., PSV) IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR, BUT WITHOUT LIMITATION, THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE, OR NON-INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, KZ1 AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY "ID" OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF KZ1 OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, KZ1 OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THIS "AGREEMENT" OR TERMS AND CONDITIONS RELATED THERETO.

Access to and use of KZ1's online and telephone activity reporting services and the information obtained thereby is at your own risk. All such information is provided to you "as is". If you are dissatisfied with the accuracy or quality of the information, your sole and exclusive remedy is to discontinue use of and access to KZ1's online and telephone activity reporting services.



SECTION 7 – Product Guarantees, Returns and Inventory Repurchase

7.1 – Product Guarantee

KZ1 offers a 100% 30-day money-back satisfaction guarantee (less shipping charges) to all Customers. Throughout the product guarantees, returns and inventory repurchase, it should be understood that any state or governmental required refund policy differing from this will, of course, be honored and any and all are specifically adopted and included herein the same as if written herein. In addition, if any jurisdiction has any rule or law inconsistent with any of these provisions in this instrument said provisions are adopted in lieu of those expressed herein, if any.

7.1.1 – Returns by Retail Customers

KZ1 offers, through its “IDs”, a 100% 30-day money-back guarantee to all Retail Customers. Every “ID” is bound to honor the Retail Customer guarantee. If, for any reason, a Retail Customer is dissatisfied with any KZ1 product, the Retail Customer may return the unused portion of the product to the “ID” from whom it was purchased, within thirty (30) days, for a replacement, exchange or a full refund of the purchase price (less shipping costs). (see *SECTION 13 – REFUND POLICY*)

7.1.2 – Retail Customer 3 Day Cancellation Right

In addition, a Retail Customer who makes a purchase of \$25.00 USD or more has three business days (72 hours) after the sale or execution of a contract to cancel the order and receive a full refund consistent with the cancellation notice on the order form. When an “ID” makes a sale, or takes an order from a Retail Customer who cancels or requests a refund within the 72 hour period, the “ID” must promptly refund the Customer's money as long as the products are returned to the “ID” in substantially as good condition as when received. Additionally, an “ID” must orally inform Customers of their right to rescind a purchase or an order within 72 hours, and ensure that the date of the order or purchase is entered on the order form. All Retail Customers must be provided with two copies of an official KZ1 sales receipt at the time of the sale. The back of the receipt provides the Customer with written notice of his or her rights to cancel the sales agreement.

7.1.3 – Returns by Online Customers

KZ1 offers online Customers an unconditional 30-day money-back guarantee. If, for any reason, an online Customer is dissatisfied with any KZ1 product, he or she may return that product to the “COMPANY” within thirty (30) days, for a replacement, exchange or a full refund of the purchase price (less shipping). (see *SECTION 13 – REFUND POLICY*)

7.1.4 – Returns by ID (Products Returned by Personal Retail Customers)

If a personal Retail Customer returns a product to the “ID” from whom it was purchased, the “ID” may return it to the “COMPANY” for an exchange or refund (less shipping). All products returned by personal Retail Customers must be returned to the “COMPANY” within 10 days from the date on which it was returned to the “ID” along with the sales receipt which the “ID” gave to the customer. (see *SECTION 13 – REFUND POLICY*)



7.2 — Return of Inventory and Sales Aids by an ID

Unless otherwise stated by KZ1 for a specific country or region or market territory, KZ1 has a 100% money-back guarantee on all initial or first purchase orders if they are returned within ninety (90) days of purchase in compliance with the RMA guidelines. KZ1 also offers a 90% money-back return on all unopened, unused, and undamaged products from all subsequent orders, only unopened original boxes will be accepted if they are returned within ninety (90) days of purchase and providing that the 70% rule from *5.2 — NO PRICE OR TERRITORY RESTRICTIONS B* has been followed.

Upon receipt of the products and sales aids, the “ID” will be reimbursed the cost of the product purchase less shipping charges, bonuses, taxes and commissions paid. If the purchases were made through a credit card, the refund will be credited back to the same account. An “ID’s” request of a refund will be notice to KZ1 as a cancellation of that “ID’s” business distributorship.

This refund policy is subject to exception in any state where applicable law dictates refunds based on criteria other than indicated in this policy

7.2.1 — Montana Residents

A Montana resident may cancel his or her “ID AGREEMENT” within 15 days from the date of enrollment for a full refund of any replicated web site subscription fees.

7.3 — Procedures for All Returns

The following procedures apply to all returns for refund, repurchase, or exchange:

- A. All merchandise must be returned by the “ID” or Customer who purchased it directly from KZ1.
- B. All products to be returned must have a Return Authorization Number which will be obtained by calling the Customer Service Department. This Return Authorization Number must be written on each carton returned.
- C. The return is accompanied by:
 - a. A completed and signed Consumer Return Form;
 - b. A copy of the original dated retail sales receipt; and
 - c. The unused portion of the product in its original container.
- D. Proper shipping carton(s) and packing materials are to be used in packaging the product(s) being returned for replacement, and the best and most economical means of shipping is suggested. All returns must be shipped to KZ1 with shipping pre-paid. Any “refused” shipments that are returned will have an additional shipping charge deducted from any credit that may be due as the return shipping charges are paid for by KZ1. This deduction will be equal to the original shipping charge. KZ1 does not accept shipping-collect packages. The risk of loss in shipping for returned product shall be on the “ID”. If returned product is not received by the “COMPANY’s” Distribution Center, it is the responsibility of the “ID” to trace the shipment.
- E. If an “ID” is returning merchandise to KZ1 that was returned to him or her by a personal Retail Customer, the product must be received by KZ1 within ten (10) days from the date on which the Retail Customer returned the merchandise to the “ID”, and must be accompanied by the sales receipt the “ID” gave to the Customer at the time of the sale.

No refund or replacement of product will be made if the conditions of these rules are not met.



SECTION 8 – Dispute Resolutions and Disciplinary Proceedings

8.1 – Disciplinary Sanctions

Violation of the “AGREEMENT”, these Policies and Procedures, or any illegal, fraudulent, deceptive or unethical business conduct by an “ID”, or “IDs” taking any hostile or adverse action or position against or adverse to the “COMPANY” including but not limited to filing suit or threatening to file suit or threatening to take legal action of any kind against the “COMPANY” may result, at KZ1’s discretion, in one or more of the following corrective measures:

- A. Issuance of a written warning or admonition;
- B. Requiring the “ID” to take immediate corrective measures;
- C. Imposition of a fine, which may be withheld from bonus and commission checks;
- D. Loss of rights to one or more bonus and commission checks;
- E. KZ1 may withhold from an “ID” all or part of the “ID’s” bonuses and commissions during the period that KZ1 is investigating any conduct allegedly violative of the “AGREEMENT”. If an “ID’s” business is canceled for disciplinary reasons, the “ID” will not be entitled to recover any commissions withheld during the investigation period;
- F. Suspension of the individual’s “ID AGREEMENT” for one or more pay periods;
- G. Involuntary termination of the offender’s “ID AGREEMENT”;
- H. Any other measure expressly allowed within any provision of the “AGREEMENT” or which KZ1 deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the “ID’s” policy violation or contractual breach;
- I. In situations deemed appropriate by KZ1, the “COMPANY” may institute legal proceedings for monetary and/or equitable relief.

8.2 – Grievances and Complaints

When an “ID” has a grievance or complaint with another “ID” regarding any practice or conduct in relationship to their respective KZ1 businesses, the complaining “ID” should first report the problem to his or her Enroller who should review the matter and try to resolve it with the other party’s upline Enroller. If the matter cannot be resolved, it must be reported in writing to the Customer Service Department of the “COMPANY”. The Customer Service Department or Compliance Department will review the facts and attempt to resolve it.

8.3 – Arbitration

Any controversy or claim arising out of or relating to the “AGREEMENT”, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If an “ID” wishes to bring an action against KZ1 for any act or omission relating to or arising from this “AGREEMENT”, such action must be brought within one year from the date of the alleged conduct giving rise to the cause of action. Failure to bring such action within one year shall bar all claims by an “ID” against the “COMPANY” for such act or omission. An “ID” waives all claims that any other statute of limitation applies. An “ID” waives all rights to trial by jury or to any court. All arbitration proceedings shall be held in the City of Palm Beach Gardens, Florida, unless the laws of the state in which an “ID” resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that



state. The parties shall be entitled to all discovery rights allowed under the Federal Rules of Civil Procedure. No other aspects of the Federal Rules of Civil Procedure shall be applicable to arbitration. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Association provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of the "AGREEMENT".

Nothing in these Policies and Procedures shall prevent the "COMPANY" from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect the "COMPANY's" interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

8.4 — Governing Law, Jurisdiction and Venue

Jurisdiction and venue of any matter not subject to arbitration shall reside in Maricopa County, State of Arizona unless the laws of the state in which an "ID" resides expressly require the application of its laws, in which case that state's law shall govern all issues related to jurisdiction and venue. The Federal Arbitration Act shall govern all matters relating to arbitration. The laws of the State of Florida shall govern all other matters relating to or arising from the "AGREEMENT" unless the laws of the state in which an "ID" resides expressly require the application of its laws.



SECTION 9 – Ordering

9.1 — Purchasing KZ1 Products

Each “ID” should purchase his or her products directly from the “COMPANY”. If an “ID” purchases products from another “ID” or any other source, the purchasing “ID” will not receive the personal sales volume that is associated with that purchase.

9.2 — General Order Policies

On mail orders with invalid or incorrect payment, the “COMPANY” will attempt to contact the “ID” by phone, and/or mail to try to obtain another payment. If these attempts are unsuccessful after five working days the order will be returned unprocessed. No C.O.D. orders will be accepted. The “COMPANY” maintains no minimum order requirements. Orders for products and sales aids may be combined.

9.3 — Shipping and Back Order Policy

The “COMPANY” will normally ship products within three (3) business days from the date on which it receives an order. The “COMPANY” will expeditiously ship any part of an order currently in stock. If, however, an ordered item is out-of-stock, it will be placed on back order and sent when the “COMPANY” receives additional inventory. An “ID” will be charged and given Personal Sales Volume on back ordered items unless notified on the invoice that the product has been discontinued. The “COMPANY” will notify “IDs”, and Customers if items are back-ordered and are not expected to ship within 30 days from the date of the order. An estimated shipping date will also be provided. Back ordered items may be canceled upon a Customer’s or “ID’s” request. Customers and “IDs” may request a refund, credit on account, or replacement merchandise for canceled back orders. If a refund is requested, the “ID’s” Personal Sales Volume will be decreased by the amount of the refund in the month in which the refund is issued.

9.4 — Confirmation of Order

An “ID” and/or recipient of an order must confirm that the product received matches the product listed on the shipping invoice and is free of damage. Failure to notify the “COMPANY” of any shipping discrepancy or damage within thirty (30) days of shipment will cancel an “ID’s” right to request a correction.

9.5 — Auto-Ship Program

An “ID” may choose to participate in the optional Auto-Ship Program (ASP). ASP may be established at any time through the submission of the ASP manager located in an “ID’s” or Customer’s virtual back office or with a written request to the “COMPANY” indicating the amount of Product to be shipped each month and the method of payment to be used. When instituting ASP at the time of enrollment, the “ID Agreement” serves as a confirmation for the setup of the ASP. An ASP profile will be charged at a set time during the month, and the product will be shipped at a set time thereafter. The new ADP order may be tracked by an “ID” utilizing the Order History reporting system or may obtain tracking numbers from the “COMPANY” after the product is shipped. The scheduled dates for ASP processing, account charges, shipping or account changes are posted in the “COMPANY’s” KZ1Office.com virtual back office website and are subject to change by the “COMPANY” from time to time. Payments will be verified prior to processing and ASP order for shipment. In the event authorization is declined, the “COMPANY” may attempt to contact the “ID” and reattempt order



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processing. The "COMPANY will not be held responsible for Personal Sales Volume, Binary Business Volume or Commissions shortfalls due to unprocessed orders.



SECTION 10 – Payment and Shipping

10.1 — Deposits

No monies should be paid to or accepted by an “ID” for a sale to a personal Retail Customer except at the time of product delivery. “IDs” should not accept monies from Retail Customers to be held for deposit in anticipation of future deliveries.

10.2 — Insufficient Funds

It is the responsibility of each “ID” to ensure that there are sufficient funds or credit available in his or her account to cover the monthly Auto Ship order. The “COMPANY” will not contact an “ID” in regard to orders canceled due to insufficient funds or credit. This may result in an “ID’s” failure to meet his or her Personal Sales Volume requirements for the month.

10.3 — Returned Checks

All checks returned by an “ID’s” bank for insufficient funds will be re-submitted for payment. A \$25.00 USD returned check fee will be charged to the account of the “ID” in addition to any direct charges assessed by the “COMPANY’s” bank. After receiving a returned check from a Customer or an “ID”, all future orders must be paid by Credit Card, money order or cashier’s check. Any outstanding balance owed to the “COMPANY” by an “ID” for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.

10.4 — Restrictions on Third Party Use of Credit Cards and Checking Account Access

An “ID” shall not permit other “IDs” or Customers to use his or her credit card, or permit debits to their checking accounts, to enroll or to make purchases from the “COMPANY”.

10.5 — Sales Taxes

As independent contractors, an “ID” is responsible to collect and remit the appropriate sales tax on all products which they sell to their personal Retail Customers. You should consult with your local sales tax authority to ensure that the tax is properly remitted.



SECTION 11 – Inactivity and Cancellation

11.1 – Termination through Inactivity

An “ID” who does not place a product order within a twelve (12) month period or does not earn commissions within a twelve (12) month period will be considered inactive and will be terminated by the “COMPANY”. Once an “ID” has been terminated, the individual or business entity will immediately forfeit any and all claims to, and any future benefits derived from, that “ID” distributorship permanently. Any and all terminated “IDs” shall revert to, and become the sole property of, the “COMPANY”. The “COMPANY” reserves the right to reissue or use any terminated ID as it sees fit.” An individual or business entity terminated for inactivity may become a distributor after six (6) months under any sponsor they choose.

11.2 – Effect of Cancellation

So long as an “ID” remains active and complies with the terms of the “ID AGREEMENT” and these Policies and Procedures, KZ1 shall pay commissions to such “ID” in accordance with the Marketing and Compensation Plan. An “ID’s” bonuses and commissions constitute the entire consideration for the “ID’s” efforts in generating sales and all activities related to generating sales (including building a downline organization). Following an “ID’s” non-renewal of his or her “ID AGREEMENT” or voluntary or involuntary cancellation of his or her “ID AGREEMENT” (all of these methods are collectively referred to as “cancellation”), the former “ID” shall have no right, title, claim or interest to the marketing organization which he or she operated, or any commission or bonus from the sales generated by the organization. An “ID” whose business is canceled will permanently lose all rights as an “ID”. This includes the right to sell KZ1 products and services and the right to receive future commissions, bonuses, or other income resulting from the sales and other activities of the “ID’s” former downline sales organization. In the event of cancellation, an “ID” agrees to waive all rights they may have, including but not limited to property rights, to their former downline organization and to any bonuses, commissions, or other remuneration derived from the sales and other activities from his or her former downline organization.

The former “ID” shall not hold himself or herself out as an “ID” and shall not have the right to sell KZ1 products or services. An “ID” whose “ID AGREEMENT” is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

11.3 – Involuntary Cancellation

An “ID’s” violation of any of the terms of the “AGREEMENT”, including any amendments that may be made by KZ1 in its sole discretion, may result in any of the sanctions listed in [8.1 – DISCIPLINARY SANCTIONS](#), including the involuntary cancellation of his or her “ID AGREEMENT”. Cancellation shall be effective on the date on which written notice is mailed, return receipt requested, to the “ID’s” last known address, or when the “ID” receives actual notice of cancellation, whichever occurs first.



KZ1 expressly reserves the right to terminate all “ID AGREEMENTs” upon thirty (30) days written notice in the event that it elects to: (1) cease business operations; (2) dissolve as a corporate entity; or (3) terminate distribution of its products and services via direct selling.

11.4 — Voluntary Cancellation

A participant in this network marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the “COMPANY” at its principal business address. The written notice must include the “ID’s” signature, printed name, address, “ID” I.D. Number and witnessed by a person the minimum age of 21 years. Once a position has been terminated with a cancellation it cannot be transferred or sold to another individual. An individual terminated for cancellation may become a distributor after 6 months under any sponsor they choose.

11.4.1 — Non-renewal

An “ID” may also voluntarily cancel his or her “ID AGREEMENT” by failing to renew the “AGREEMENT” on its anniversary date.



SECTION 12 – Shipping Policy

KZ1 employs fulfillment centers in Utah and Tennessee for the United States to fulfill orders received for any of its products purchased by its Customers. Orders may also be fulfilled from the Corporate Headquarters of KZ1. The default shipping agent of KZ1 is the United Parcel Service (UPS). The default shipping service with UPS is UPS Ground. A tracking number will be assigned and made available to the Customer for each order fulfilled.

The fulfillment of orders will occur within 24 to 48 business hours of the order being processed and payment being confirmed. Payments made by check, physical or electronic, may delay the fulfillment of an order no longer than to ensure payment is not returned due to insufficient funds, incorrect routing or account information, etc. The delay will be a minimum of five (5) business days.



SECTION 13 – Refund Policy

30-Day Trial & Return Policy:

If you are not satisfied with your KZ1 product purchase, KZ1 will refund your purchase price or replace the product for orders placed within 30-days of your initial product order.

To Receive Proper Credit Please Follow These Guidelines:

1. Only product purchases made within 30-days of your initial order date are eligible for refund.
2. To request a refund, you must contact Customer Service within 30 calendar days of your initial purchase date.
3. Shipping charges are non-refundable.
4. All products must be returned to an KZ1 designated distribution center as indicated by Customer Service.

For Refunds Exceeding 2 cases:

- a. All products in excess of 2 cases returned, must be in resalable condition.
 - b. All products in excess of 2 cases are subject to a 10% administration fee.
5. Obtain a Return Merchandise Authorization Number (RMA#) from the KZ1 Customer Service Department.
 6. Returns must be received within 10 business days of RMA issuance.
 7. Return the product by a traceable means of delivery with the RMA# to KZ1's distribution center in the United States indicated on the label of delivery of product.
 8. Use proper shipping carton(s) and packaging materials to return product at purchaser's risk and expense, send by traceable means delivery.
 9. Refunds will be processed within 10 business days of receipt of product.

When purchases are made directly from an Independent Marketing Consultant's on-hand inventory the Distributor must uphold this Customer 30-Day Money Back Guarantee.

This return policy applies to orders made by Retail Customers, Preferred Customers, and Challenge Customers direct from an KZ1 Independent Distributor and purchases by KZ1 Independent Distributors for personal use. Personal use for an "ID" is defined as a two (2) bottle order in any 28-Day period. Non-personal use orders as an Independent Distributor are subject *7.2 — RETURN OF INVENTORY AND SALES AIDS BY AN ID*.



SECTION 14 – Privacy Policy

KZ1 is committed to protecting your privacy. The “COMPANY” is committed to provide a high level of protection for the personally-identifiable information it collects and uses.

The purpose of this Privacy Policy is to inform you as to what information may be collected from you when you visit our website (“the Site”) or when you become an “ID” or Customer, how such information will be used by the “COMPANY” and/or other persons or entities, with whom such information may be shared, your choices regarding the collection, use and distribution of such information, your ability to edit, update, correct or delete such information and the security procedures that we have implemented to protect your privacy.

NOTICE

Collection of Information

At different occasions, you may be asked for certain types of personally-identifiable information (e.g., your first and last name, mailing address, city, state, zip code, telephone number, email address, credit card number, bank information in connection with automatic deposit/debits, etc.). We hope you will provide us with this information. However, if you do not want to disclose your personally-identifiable information to us, please do not submit it. This does mean that in some cases we will not be able to provide you the service you have requested.

We may also collect non-personally identifiable information from you when you visit the Site (e.g., your IP address, browser type, domain name, etc.). This information is collected and analyzed in the aggregate in order to improve the function and content of the Site.

Use of Information

We use the information that is collected about you for a variety of purposes. You will be informed about these purposes at the time of collection. In general, however, we foresee the following uses:

Website visitors

Information about you may be used to add you to our email subscription list, provide your name to KZ1 Independent Distributors (hereafter “ID”) in connection with your expressed interest in our products and/or business opportunity, analyze trends and statistics, enhance the operation of the Site, serve content and advertisements and send informational and promotional materials about the “COMPANY” and other companies.

Customers

Information about Customers will be used to provide Customer service, confirm and fulfill orders, ship orders, and/or administer payments and possible problems or disputes with dispatchers and other service providers.

Distributors

Information about Distributors will be used to provide Distributor services, calculate earnings and bonuses, provide training on new products and services, and ensure compliance with the Policies and Procedures defined



between the “COMPANY” and an “ID”.

CHOICE

We have existing business relationships and may develop other relationships in the future with business partners. In these instances, we may share or otherwise allow access to information that is collected about you that will enable our business partners to contact you regarding products and services that may be of interest.

At the time we collect your information you will be given the choice to accept or refuse the disclosure of your information for such marketing purposes, and for marketing by the “COMPANY”.

ONWARD TRANSFERS

We may employ vendors to perform functions on our behalf. Examples of such functions include fulfilling orders, delivering packages, email administrative functions, processing credit card payments, and providing Customer service. These vendors are under a contractual obligation to use confidential data received from the “COMPANY” only for purposes that fall within the functions for which they were hired.

We may disclose information that we collect about you when we have reason to believe that this is necessary to identify, contact or bring legal action against persons or entities who may be harming you, us or others. We may also disclose information when we believe the law requires it.

Genealogy Reports, which includes information on an “ID” in another “ID’s” downline, including, but not limited to, name, address, identification number, telephone number, email address, fax number, level or rank, volume and sales statistics, are provided to the “ID” in the strictest confidence and for the sole purpose of supporting the “ID” to further develop their “ID” business. (The downline organization consists of all “ID’s” that were personally sponsored by a particular “ID”, and in turn, all other persons sponsored by those “ID’s”.)

Genealogy Reports, including all data contained therein, constitute confidential, proprietary trade secrets of the “COMPANY”. “ID’s” may not collect, distribute or gather confidential information or personal or aggregate information about other “ID’s” of the “COMPANY” or their Customers, except in connection with their downline and solely for the purpose of promoting their KZ1 business, and to manage, motivate and train their downline.

You need to be aware that “ID’s” who receive the Genealogy Reports may be based in countries that do not offer the same or a similar level of privacy protection as is available in your own country. However, the “COMPANY” will take reasonable measures to ensure that the information is kept in confidence.

SECURITY

We take reasonable steps to ensure that the personal information we collect about you remains accurate, timely and secure. Unfortunately, no data transmission over the Internet can be guaranteed to be 100% secure and while we strive to protect your personal information, we cannot guarantee or warrant its complete security. We shall not be



responsible for harm that you or any person may suffer as a result of a breach of confidentiality in respect to your use of the Site or any information you transmit to the Site.

DATA INTEGRITY

Personally-identifiable information will be kept in active files or systems as long as needed to meet the purposes for which it was collected or as required to perform the contractual relationship with the "ID" and his/her up-line, and the commercial relationship with the Customer.

The "COMPANY" will make reasonable efforts to ensure that the information is accurate and complete.

ACCESS OR CORRECTIONS TO YOUR INFORMATION

If you identify any inaccuracy in your personal information, or if you need to make a change or would like to verify such information, please contact us so that we may update your information in our records or you may go online to one of the "COMPANY's" websites and update your own information by logging into the Member's Area. Our contact information is set forth below. We will use commercially reasonable efforts to accommodate all such requests.

COMPLAINTS

The "COMPANY" takes privacy concerns seriously. If you believe that the "COMPANY" has not complied with this Privacy Policy, you may write to the address below or call us. Please describe in as much detail as possible the ways in which you believe that the "COMPANY" Policy has not been complied with. We will investigate your complaint promptly. If you do not receive acknowledgment of your complaint, or your complaint is not satisfactorily addressed, you should contact the Compliance Department, which will serve as a liaison with the "COMPANY" to resolve your concerns. Contact details for the Compliance Department are as follows: compliance@teamkz1.com.

WEBSITE SPECIFIC

Protection of Children

The Site is a general audience web site that is not specifically designed or targeted at children. We do not knowingly collect, use or disseminate any personally-identifiable information from children under the age of 13. If, however, we become aware that personally-identifiable information regarding a child under the age of 13 has been collected at the Site, we will use such information for the sole purpose of contacting a parent or guardian of the child to obtain verifiable parental consent. If we cannot obtain consent after a reasonable period of time, or if when contacted a parent or guardian requests that we do not use or maintain such information, we will make reasonable efforts to delete it from our records. Upon request by a parent or guardian, the "COMPANY" will provide a description of the specific types of personal information collected from a child who is under the age of 13.

Cookies

Cookies are small pieces of information that are stored on computer hard drives. We may use cookies to recognize you when you return to the Site in order to provide you with a better user experience. Our cookies do not contain any personally-identifying information, such as your name, or sensitive information, such as your credit card



number. We may allow third parties to use cookies on the Site. We do not control the use or contents of third party cookies. Web browsers often allow you to erase existing cookies from your hard drive, block the use of cookies and/or be notified when cookies are encountered. If you elect to block cookies, please note that you may not be able to take full advantage of the features and functions of the Site.

Third-Party Links

The Site may contain links to web sites operated and maintained by third parties over which we have absolutely no control. Any information you provide to third party websites will be governed under the terms of each websites' privacy policy and we encourage you to investigate and ask questions before disclosing any information to the operators of third party websites. We have no responsibility or liability whatsoever for the content, actions or policies of third party websites. The inclusion of third party websites on our Site in no way constitutes an endorsement of such websites' content, actions or policies.

MODIFICATIONS TO POLICY

This Privacy Policy is effective as of December 5, 2007. The "COMPANY" reserves the right to change this Privacy Policy at any time. Any changes to this Policy will be effective immediately upon notice, which may be provided to you via e-mail or by posting the latest version on our Site. Your subsequent use of the Site is deemed as acceptance of such changes. Be sure to review this Privacy Policy periodically to ensure familiarity with its most current version. You can easily confirm whether any revisions have been posted since your last visit by checking the date on which the Policy was last revised, which is set forth at the bottom of this Policy. If you object to such changes, we will honor our prior privacy policies as to any data previously collected. If you disagree with the changes in our policy, however, please do not use the Site after the posting of such changes online. By using the Site following the posting of changes to this Privacy Policy, you agree to all such changes.

QUESTIONS OR COMMENTS OR TO CONTACT US

If you have questions or comments about this Privacy Policy, or you wish to access or make changes to information we have about you, please call Distributor Relations at 561-626-3430 (only for Distributors) or contact us at: 4200 Northcorp Parkway Suite 150, Palm Beach Gardens, FL 33410 or compliance@teamkz1.com.



SECTION 15 – Spam Policy

KZ1. (hereafter "the Company") strictly prohibits the sending of unsolicited bulk email (SPAM).

How We Define Spam? We define spam as the sending of Unsolicited Commercial Email, Unsolicited Bulk Email, or Unsolicited Facsimiles, which is email or facsimile sent to recipients as an advertisement or otherwise, without first obtaining prior confirmed consent to receive these communications from the sender. This can include, but is not limited to, the following:

1. Email Messages
2. Newsgroup postings
3. Windows system messages
4. Pop-up messages (aka "adware" or "spyware" messages)
5. Instant messages (using AOL, MSN, Yahoo or other instant messenger programs)
6. Online chat room advertisements
7. Guestbook or Website Forum postings
8. Facsimile Solicitations
9. Facebook
10. MySpace
11. Twitter

IF YOU OR ANYONE YOU KNOW IS "SPAMMED" BY SOMEONE WHO IS SELLING OR DESCRIBING THE "COMPANY'S" PRODUCTS OR SERVICES, PLEASE CONTACT US PROMPTLY SO THAT WE MAY TAKE APPROPRIATE ACTION.

compliance@teamkz1.com



SECTION 16 – Compliance Policy

At KZ1 (hereafter "the Company"), we are committed to and singularly focused on building a brand that is widely recognized worldwide, while creating an business opportunity unparalleled by either conventional or network marketing standards. In doing so, there are compliance measures that need be enforced to protect the "COMPANY's" business opportunity for all.

THE "COMPANY" POLICY

Whereas the "COMPANY" encourages the creation of any supplemental marketing material by any KZ1 Independent Distributor (hereafter "ID"), the "COMPANY" requires all advertising of any media type (including, but not limited to, printed or copied materials of any kind, newspapers, magazines, radio, Internet, television, video, etc.) be approved by the "COMPANY's" Compliance Department, prior to its publication or use. The "COMPANY" reserves the right, at its discretion, to edit or discontinue previously approved "ID" advertisements.

DOMAIN NAME POLICY

The word "KZ1" or any derivative thereof cannot be used in domain names.

ENFORCEMENT

As these compliance policies are vital to the long-term stability of the "COMPANY" and the preservation of the opportunity for all, violations of these policies will be strictly enforced. Failure to obtain approval for advertising material of any kind and/or failure to implement the policies in any material may result in the following:

1. Formal warning letter and/or probation
2. Suspension of commissions
3. Termination of "ID" position
4. Possible litigation

APPROVAL

"ID's" must obtain "COMPANY" approval by submitting a copy of the proposed materials to KZ1 prior to its public use. All proposed materials may be mailed to KZ1 Compliance Department, 4200 Northcorp Parkway Suite 150, Palm Beach Gardens, FL 33410, or emailed to compliance@teamkz1.com.



SECTION 17 – Earnings & Income Disclosure Policy

We make every effort to ensure that we accurately represent products and services and their potential for income. Earning and Income statements made by our “COMPANY” and its Customers are estimates of what we think you can possibly earn. There is no guarantee that you will make these levels of income and you accept the risk that the earnings and income statements differ by individual.

As with any business, your results may vary, and will be based on your individual capacity, business experience, expertise, and level of desire. There are no guarantees concerning the level of success you may experience. The testimonials and examples used are exceptional results, which do not apply to the average KZ1 Independent Distributor (hereafter “ID”), and are not intended to represent or guarantee that anyone will achieve the same or similar results. Each individual’s success depends on his or her background, dedication, desire and motivation.

There is no assurance that examples of past earnings can be duplicated in the future. We cannot guarantee your future results and/or success. There are some unknown risks in business and on the internet that we cannot foresee which can reduce results. We are not responsible for your actions.

The use of our information, products or services should be based on your own due diligence and you agree that our “COMPANY” is not liable for any success or failure of your business that is directly or indirectly related to the purchase and use of our information, products or services.



SECTION 18 – Website Terms of Use

KZ1 (hereafter "the Company") maintains this website (hereafter "Site") for your personal information, education and communication. Please feel free to browse the Site, but please read these terms of use (hereafter "Terms of Use") before doing so.

BY USING AND/OR ACCESSING ANY PART OF THE SITE, YOU ARE UNCONDITIONALLY CONSENTING TO BE BOUND BY THESE TERMS OF USE. IF YOU DO NOT AGREE TO THESE TERMS OF USE, THEN PLEASE DO NOT USE THE SITE.

References in these Terms of Use to "you" or "your" refer to you, the person requesting access to and use of the Site.

1. THE PRODUCTS ON THE SITE ARE NOT INTENDED TO DIAGNOSE, TREAT, CURE, OR PREVENT ANY DISEASE. INFORMATION AND STATEMENTS REGARDING DIETARY SUPPLEMENTS HAVE NOT BEEN EVALUATED BY THE FOOD AND DRUG ADMINISTRATION AND ARE NOT INTENDED TO DIAGNOSE, TREAT, CURE OR PREVENT ANY DISEASE. INFORMATION ON THE SITE IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT MEANT TO SUBSTITUTE FOR THE ADVICE PROVIDED BY YOUR OWN PHYSICIAN OR OTHER MEDICAL PROFESSIONAL. YOU SHOULD NOT USE THE INFORMATION CONTAINED HEREIN FOR DIAGNOSING OR TREATING A HEALTH PROBLEM OR DISEASE, OR PRESCRIBING ANY MEDICATION. YOU SHOULD READ CAREFULLY ALL PRODUCT PACKAGING. IF YOU HAVE OR SUSPECT THAT YOU HAVE A MEDICAL PROBLEM, PROMPTLY CONTACT YOUR HEALTH CARE PROVIDER.

2. The trademark KZ1® and the other trademarks displayed on the Site are registered and unregistered trademarks of the "COMPANY". Nothing contained on the Site should be construed as granting, by implication, estoppels or otherwise, any license or right to use any trademark displayed on the Site, or any license or right to use any other trademark owned by any other third party. In the event that you misuse any trademark in violation of these Terms of Use, the "COMPANY" will aggressively enforce its intellectual property rights to the fullest extent of the law, including the seeking of criminal prosecution.

3. You should assume that all content, materials, designs, text and images (collectively, the "Materials") contained on the Site are copyrighted and may not be used except as provided in these Terms of Use. You may download one copy of the Materials to one computer for your personal and non-commercial home use provided you do not change any copyright, trademark, or other proprietary notice. If you modify or use the Materials for any other purpose, you will be violating the intellectual property rights of the "COMPANY". The "COMPANY" neither warrants nor represents that your use of the Materials will not infringe rights of third parties not affiliated with the "COMPANY". Any unauthorized use of the Materials is strictly prohibited and is a violation of the rights of the "COMPANY" and/or third parties, including, without limitation, under copyright laws, trademark laws, the laws of privacy and publicity.

4. The Site may provide you with an opportunity to communicate with us. Please be aware that any communication, whether it be suggestions, ideas, graphics, or other material, to the "COMPANY" through the Site or otherwise will be treated as non-confidential and non-proprietary. Anything you submit, transmit, or post becomes the property of the "COMPANY" and the "COMPANY" is free to use any ideas, concepts, suggestions, graphics, photography, or know-how



contained in any communication for any purpose whatsoever, whether commercial or non-commercial, without payment of any compensation to you.

5. While the "COMPANY" uses reasonable efforts to include accurate and up to date information in the Site, we make no warranties or representations as to the accuracy, correctness, reliability or otherwise with respect to such information, and assume no liability or responsibility for any omissions or errors (including, without limitation, typographical errors and technical errors) in the content of the Site.

6. Information in the Site is subject to change without notice. In addition, the "COMPANY" may make changes to the products described in the Site and prices for such products at any time without notice. Information regarding the "COMPANY's" products and services is applicable only in the United States unless otherwise noted. Some products and services may not be available in certain areas. The "COMPANY" makes no representation that the Materials included in the Site are appropriate or available for use in countries other than the United States. Those who do access the Site from other countries are solely responsible for compliance with local laws of that country.

7. Use of and browsing in the Site is done at your own risk. NEITHER THE "COMPANY" NOR ANY OTHER PARTY INVOLVED IN CREATING, PRODUCING OR DELIVERING THE SITE SHALL BE LIABLE FOR ANY DIRECT, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES, OR ANY OTHER DAMAGES WHATSOEVER, ARISING OUT OF YOUR ACCESS TO, OR USE OF, OR BROWSING THE SITE, OR DOWNLOADING OF ANY MATERIALS, DATA, TEXT, IMAGES, VIDEO OR AUDIO FROM THE SITE, INCLUDING, WITHOUT LIMITATION, DAMAGE TO, OR VIRUSES THAT MAY INFECT, YOUR COMPUTER EQUIPMENT OR OTHER PROPERTY AS A RESULT THEREOF. The foregoing limitation of liability shall apply to the maximum extent permitted by law. Without limiting the foregoing, everything on the Site is provided to you "AS IS" AND "AS AVAILABLE" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND THE "COMPANY" HEREBY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. The "COMPANY" does not represent or warrant that your use of the Site will be uninterrupted, error free, secure, free of viruses or other harmful components, or that any content is accurate or correct. Please note that some jurisdictions may not allow the exclusion of implied warranties, so some of the above exclusions may not apply to you. Check your local laws for any restrictions or limitations regarding the exclusion of implied warranties.

8. This Site may link to other sites not maintained by or related to the "COMPANY". Such hyperlinks are provided as a service to users and are not sponsored by, endorsed or otherwise affiliated with this Site or with the products and services of the "COMPANY". The "COMPANY" has not reviewed all of the sites linked to the Site and is not responsible for the content of any other site. Viewing all other sites is at your own risk. Unless expressly stated, the "COMPANY" does not endorse any products or services offered by any Company or person linked to its Site. You may not create a link to the Site without first obtaining the "COMPANY"'s written permission.

9. In the event that the "COMPANY" may, from time to time, allow for discussions, chats, postings, transmissions, bulletin board and the like on the Site, the "COMPANY" is under no obligation to monitor or review such transmitted information and assumes no responsibility or liability arising from the content of any such transmissions nor for any error, defamation, libel, slander, omission, falsehood, obscenity, pornography, profanity, danger or inaccuracy of any



such information. You are prohibited from posting or transmitting any unlawful, threatening, libelous, defamatory, obscene, scandalous, inflammatory, pornographic or profane material or any material that could constitute or encourage conduct that would be considered a criminal offense, give rise to civil liability or otherwise violate any law. The "COMPANY" will fully cooperate with any law enforcement authorities or court order requesting or directing the "COMPANY" to disclose the identity of anyone posting any such information or materials.

10. As a condition of your use of the Site, you represent and warrant to the "COMPANY" that you will not use the Site or any Materials for any purpose that is unlawful or prohibited by these Terms of Use. You may not use the Site in any manner which could damage, disable, overburden, or impair the Site or interfere with any other party's use and enjoyment of the Site. You may not obtain or attempt to obtain any Materials or information through any means not intentionally made available or provided for through the Site. It is up to you to take precautions to ensure that whatever Materials you select for your use is free of such items as viruses, worms, trojan horses and other items of a destructive nature.

11. Information we obtain about you is subject to our Privacy Policy. For more information, see our full Privacy Policy at www.teamKZ1.com. You understand that through your use of the Site you consent to the collection and use of this information as set forth in our Privacy Policy.

12. This Site is controlled by the "COMPANY" from its offices in the state of Florida, United States of America. The "COMPANY" makes no representation that all of the contents of the Site are appropriate or available for use in other locations, and access to the Site is prohibited from locations where some or all of the content is illegal. If you choose to access this Site from other locations, you do so at your own initiative and you are responsible for compliance with applicable local laws. You may not use or export any contents of the Site in violation of U.S. export laws and regulations. Any claim relating to the Site content shall be governed by the internal substantive laws of the State of Florida without regard to its conflict of law principles. You agree and hereby submit to the exclusive personal jurisdiction and venue of the Federal and State Courts located in Palm Beach County, Florida USA. Use of the Site is unauthorized in any jurisdiction that does not give effect to all provisions of these Terms of Use, including, without limitation, this paragraph. Any failure by the "COMPANY" to enforce any of its right under these Terms of Use or under applicable law shall not constitute a waiver of such rights.

13. If any part of these Terms of Use is determined to be invalid or unenforceable pursuant to applicable law including, but not limited to, the warranty disclaimers and liability limitations set forth above, then the invalid or unenforceable provisions will be deemed superseded by a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of these Terms of Use shall continue in effect.

14. The "COMPANY" may, at any time and from time to time, revise these Terms of Use by updating this posting. You are bound by any such revisions and should therefore periodically visit this page to review the then-current Terms of Use. Certain provisions of these Terms of Use may be superseded by expressly designated legal notices or terms located on particular pages of the Site.



15. These Terms of Use set forth the entire understanding and agreement between you and the “COMPANY” with respect to the Site. You acknowledge that any other agreements between you and the “COMPANY” with respect to the Site are superseded and of no force or effect.



SECTION 19 – Understanding the Law

LAWS

Basically, KZ1 Independent Distributors (hereafter "ID") need to be aware of three types of laws:

1. Licensing Codes for Medical Practitioners. These are enacted on a state level.
2. Food, Drug, and Cosmetic Act, passed in 1938. This law has been revised many times over the years and constantly changes. State laws generally cover the same subjects, but most are not aggressively enforced.
3. Advertising laws, State and Federal laws that obligate advertisers to use only claims that are truthful and do not misrepresent the value or benefit of a product.

LICENSING CODES

Generally, these codes forbid a person from practicing medicine without a license.

Therefore, unless you have a license to practice medicine issued by the state, you may not diagnose, prescribe, or hold yourself out as capable of doing so.

To a health-minded person, it seems very natural to offer friendly advice to others concerning their health. However, if you happen to be a sales representative for nutritional products, you cannot offer any advice that could be construed as diagnosing or prescribing for diseases or other physical or mental problems.

FOOD AND DRUG LAWS

The Federal Food, Drug, and Cosmetic Act governs the following:

- Foods: Vitamins, minerals, amino acids, extracts and herbs are dietary supplements, which are classified as foods under the Act. Conventional foods like drinks, shakes and candy bars are also included.
- Drugs: A drug is defined by U.S. law as any substance (other than a food or device) intended for use in the diagnosis, cure, relief, treatment, or prevention of disease or intended to affect the structure or function of the body. (Oral contraceptives are an example of drugs that affect the function of the body rather than a disease.) This comprehensive definition of a drug, although important for legal purposes, is rather complex for everyday use. A simpler but workable definition of a drug is any chemical substance that affects the body and its processes. By law, drugs are divided into two categories: prescription drugs and non-prescription drugs. Prescription drugs—those considered safe for use only under medical supervision—may be dispensed only with a prescription from a licensed professional with governmental privileges to prescribe (for example, a physician, dentist, podiatrist, nurse practitioner, physician's assistant, or veterinarian). Non-prescription drugs—those considered safe for use without medical supervision (such as aspirin)—are sold over the counter. In the United States, the Food and Drug Administration (FDA) is the government agency that decides which drugs require a prescription and which may be sold over the counter.
- Cosmetic: The legal difference between a cosmetic and a drug is determined by a product's intended use. Different laws and regulations apply to each type of product. Firms sometimes violate the law by marketing a cosmetic with a drug claim or by marketing a drug as if it were a cosmetic, without adhering to requirements for



drugs. The Food, Drug, and Cosmetic Act (FD&C Act) defines cosmetics by their intended use, as "articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body...for cleansing, beautifying, promoting attractiveness, or altering the appearance" [FD&C Act, sec. 201(i)]. Among the products included in this definition are skin moisturizers, perfumes, lipsticks, fingernail polishes, eye and facial makeup preparations, shampoos, permanent waves, hair colors, toothpastes, and deodorants, as well as any material intended for use as a component of a cosmetic product.

You should be familiar with the law as it regards to the sale of dietary supplements.

Claiming that a food or a dietary supplement can cure, treat or prevent diseases makes them "drugs" that are subject to special legal requirements and must be pre-approved by the FDA.

ADVERTISING LAWS

Truth-in-advertising laws have been enacted by both the federal and state governments. Even private organizations like the Better Business Bureau are involved in ensuring that advertisers make truthful claims so that consumers get accurate information and can make informed decisions about the products they buy.

All Advertisers are required to use only claims that are truthful and not misleading. Advertisers must have adequate substantiation or "proof" for all claims before they make them.

Selling Dietary Supplements

First of all, it is perfectly legal to sell dietary supplements. They must be presented as dietary supplements, which is the classification determined by the Federal Food and Cosmetic Act. Labeling claims that dietary supplements affect certain bodily structures and functions are permitted as long as they are supported by scientific research. They should not be represented as 'drugs' to treat or prevent disease, because this could influence their legal status. According to the law, foods are "articles used for food or drink." Drugs are "articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of diseases in man or other animals."

Even though you may be convinced that certain dietary supplements have curative powers, the law does not permit such claims to be made without prior FDA approval. And proving the efficacy of dietary supplements to the government would take millions of dollars and years of testing. It is simply not feasible to do that.

So, you can sell dietary supplements as dietary supplements, but not as drugs.

FOODS VS DRUGS

The law uses words with great precision, and subtle distinctions are crucial. People in the dietary supplement business, therefore, need to understand how to talk about their products without putting them in the category of drugs. The law does not recognize the healing powers of dietary supplements nor does it give much credence to individual testimonials, especially testimonials about how dietary supplements may have helped someone overcome a disease or sickness.



COSMETICS

Laws regarding cosmetics are much more straight forward and easy to understand. Cosmetics are defined as articles intended to be rubbed, poured, sprinkled, or sprayed on, or introduced into, or applied on the human body for cleansing, beautifying, promoting attractiveness, or altering appearance. They must be safe, sanitary, and truthfully labeled.

THE POTENTIAL FOR LEGAL PROBLEMS

To summarize, you must be careful in these three areas. You can be found of breaking the law when you:

1. Present the products as drugs; rather than dietary supplements.
2. Make outrageous or untruthful claims for any product.
3. Take the role of licensed medical doctor by diagnosing or prescribing.

ENFORCEMENT OF LAWS

Licensing laws are enforced by state government officials. They may be notified by a dissatisfied dietary supplement Customer, family member, insurance carrier, or by a medical doctor.

Food and drug laws are enforced on a national level by the Food and Drug Administration (the FDA). State agencies enforce state laws. Because KZ1 products are classified as dietary supplements, manufactures and suppliers are subject to FDA inspections in the same way that the state and local health officials inspect bakeries or restaurants.

Penalties for violating the law can be severe, especially for practicing without a medical license.

LEGAL PROBLEMS

Should you be nervous about legal problems? Yes and no. Yes, if you are unaware of the law and are careless and unwise in your sales approach. No, if you keep abreast of the law and stay within the law. Very few "ID's" experience legal problems, but we are concerned about our people and don't want any unpleasantness.

Remember: You are running a legitimate business and you have rights as such.

HOW TO STAY WITHIN THE LAW

It's critical that you understand legal limits. The summaries below clearly define what you can and cannot do. Read it carefully.

WHAT YOU CAN'T DO AND THE EXPLANATION

Diagnose (without a license) this means telling a particular person what is physically or mentally wrong with him/her. "To examine in any manner another person. To determine source, nature, kind, or extent of a disease or other physical or mental condition."

Prescribe (without a license) this means telling a person what he/she should take for a specific malfunction or problem.



Advertise “Doctor” services (without a license) this means do not use signs, ads, business cards that include the word “doctor” “physician” “Dr.” or “M.D.” when representing your business or services.

Misrepresent a product this means telling a person that he/she should take for a specific disease, illness or problem. This also means telling an individual something that is false or misleading about a product, its use, content, action, or expected performance.

Represent dietary supplements as drugs this means presenting a dietary supplement as a cure or treatment for a specific disease rather than a purely nutritional or dietary aid.

Sell or display dietary supplements at purely educational meetings if the meeting is for educational purpose only and may include some discussion of the medicinal value of one or more dietary supplements, anything said can be construed by the law as representing dietary supplements dietary supplements you sell as drugs.

WHAT YOU CAN DO AND THE EXPLANATION

Talk about herbs and ingredients as dietary supplements discuss how they contribute to health and nutrition, and how they affect bodily structure and function.

Talk not about diseases or symptoms and more about health emphasize good nutrition and sound dietary practices, including supplementation.

Learn the facts refer to responsible sources for your information. Don’t be influenced by quackery.

Inform people that you don’t prescribe or diagnose do this at all meetings.

LEGAL GUIDELINES FOR ADVERTISING

You may find it beneficial to your business to run an advertisement in a newspaper or make up a flyer.

When you plan your copy, observe the same precautions you observed in presenting the information.

Don’t say anything that would represent the product or an ingredient in the product as a drug.

Don’t make misleading statements:

WRONG: Seven+ will add 20 years to your life.

RIGHT: Seven+ will help support the body’s nutritional well-being.



LEGAL HELP

Sometimes it is difficult to understand all the implications of the law, particularly since it changes so often, and since laws vary from state to state. For this reason, the “COMPANY” has provided some help:

LEGAL SERVICES:

The Compliance Department can provide information on topics such as:

Marketing of products

Proposed publications or advertisements

Interviews with the media

Relations with government authorities

For assistance email your questions to compliance@teamkz1.com



SECTION 20 - Definitions

The following defined terms apply throughout the "AGREEMENT", where they are signified by title capital letters or in full written format.

Applicant	A Person who has submitted an KZ1 Independent Distributor Agreement.
Authorized Country	A country that KZ1 has officially sanctioned to be available to all "IDs" for conducting an Independent Distributor Business.
Auto-Ship Program ("ASP")	A Person who has authorized the automatic recurring purchase of product of their choosing. See 9.5 — <i>AUTO-SHIP PROGRAM</i> for details.
Beneficial Interest	An individual or business entity is deemed to have a Beneficial Interest in an KZ1 Independent Distributorship if he/she/it has: (1) any direct or indirect ownership in an "ID" as an individual, partner, shareholder, member, manager, beneficiary, trustee, officer, director or principal of an "ID"; (2) has any actual or de facto control over an "ID"; (3) receives any income directly or indirectly from a "ID" (other than the receipt of income pursuant to the Compensation Plan by an Upline Distributor); (4) receives familial support from an "ID"; (5) receives spousal support derived from an "ID"; (6) is a member of the "ID's" immediate household; (7) is a spouse or Co-habitant; or (8) has any other similar interest in an "ID".
Bona Fide Offer	An arm's length written offer to purchase an KZ1 Independent Distributorship by an individual or business entity that is not an "ID", which the "COMPANY", in its sole discretion, determines to be a legitimate offer.
Business Entity	Any type of business association authorized under the laws of the jurisdiction in which it was organized. This includes, but is not limited to, legally formed: corporations, partnerships, trusts, and limited-liability companies.
Co-habitant	An individual who is 18 years of age or older who shares with another person a common residency and marriage-like relationship.
Commissions	Compensation paid to an "ID" based on the Volume of Products sold by the "ID" and purchased and/or sold by its Marketing Organization. Eligibility to receive Commissions is determined by both the weekly and the monthly sales requirements currently in effect, as outlined in the Compensation Plan.
Company	KZ1, a Delaware United States limited liability company, or any lawful assigned, successor, subsidiary, or affiliate regardless of geographic location.
Company Approved Website	An Internet website approved by the "COMPANY" in accordance with the provisions of 3.2.4 — <i>"ID" WEB SITES</i> of the Policies and Procedures.



APPENDIX A “ID AGREEMENT” – Terms and Conditions

This KZ1 Independent Distributor (“ID”) Terms and Conditions, in its present form and as amended at the sole discretion of KZ1 (the “COMPANY”) is in effect as of the date first displayed. This document is incorporated by reference into the “ID” “AGREEMENT”.

1. I understand that as an KZ1 Independent Distributor Promoter (“ID”).
 - a. I have the right to offer for sale KZ1 products in accordance with these Terms and Conditions.
 - b. I have the right to enroll individuals and business entities into KZ1 as an “ID”.
 - c. I will train and motivate the “IDs” in my downline sales team marketing organizations.
 - d. I will comply with all federal, state and local laws, rules and regulations and shall make all reports and remit all withholdings or other deductions as may be required by federal, state and local laws.
 - e. I will perform my obligations as an “ID” with the utmost honesty and integrity.
2. I agree to present the KZ1 business opportunity and KZ1 product and services as set forth on the “COMPANY” website located at www.teamKZ1.com.
3. I understand that I am not an employee of KZ1 and shall not be entitled to receive from KZ1 any benefits whatsoever as an KZ1 employee. I shall be fully responsible for paying all applicable federal, state, county and city taxes, source deductions, and other levies, premiums, license requirements and fees related to my earnings and activities as an “ID”. I agree that all bonuses and commissions are income and will be reported as such.
4. I agree that as an “ID” I am an independent contractor, and not an employee, agent, partner, legal representative, or franchisee of KZ1. I agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I am not authorized to and will not incur any debt, expense, obligation, or open any checking account on behalf of, for, or in the name of KZ1. I shall be responsible for obtaining all necessary licenses and permits and for applying for all applicable federal, state and municipal laws, codes and regulations in connection with my activities as an “ID”. I agree that I will be solely responsible for paying any and all sales tax, if applicable, in accordance with federal, state and municipal tax laws.
5. I acknowledge that I have carefully read and agree to comply with the KZ1 Policies and Procedures and the KZ1 Compensation Program, located on the KZ1 corporate website at www.teamKZ1.com (These two documents shall be collectively referred to as the “ID AGREEMENT”). I understand that I must be in good standing, and not in violation of the “ID AGREEMENT” to be eligible for bonuses or commissions from KZ1 as outlined in the compensation program. I understand that these Terms and Conditions, the KZ1 Policies and Procedures, and the KZ1 Compensation Program may be amended at the sole discretion of KZ1, and I agree that any such amendment will apply to me. Notification of amendments shall be published in official KZ1 materials including the “COMPANY” website at www.teamKZ1.com. Amendments shall become effective at time of publication. The continuation of my “ID” business or my acceptance of bonuses or commissions shall constitute my acceptance of any and all amendments.
6. I understand that KZ1 discloses typical earnings of “IDs” in its materials. At KZ1, every effort is made to ensure accurate representation of products and services and their potential for income. The primary source of income for a qualified “ID” is derived primarily from the direct profits on personal retail sales. To view what a typical



participant in KZ1 earned, please visit www.teamKZ1.com and download the KZ1 Independent Distributor Statement which is published yearly. Earning and Income Statements made by KZ1 are estimates of what you may possibly earn. There is no guarantee that you will make these levels of income and you accept the risk that the earnings differ from one individual to another. Any income potential figures should not be considered a guarantee or projection of your actual earnings. Any representation or guarantee of earnings would be misleading. Success is achievable only from consistent sales results, which require hard work, diligence, and leadership. Your success will depend upon how effectively you exercise these qualities.

7. I understand the term of the "ID Agreement" is one calendar year from date of enrollment as an "ID". If I fail to annually renew my "ID" business with KZ1, or in the event the "ID Agreement" is cancelled or terminated for any reason, I understand that I will permanently lose all rights as an "ID". I shall not be eligible to sell KZ1 products or services nor shall I be eligible to receive commissions, bonuses or other income resulting from the activities of my former downline sales team organizations. In the event of cancellation, termination or non-renewal, I waive all rights, including, but not limited to, property rights to my former downline sales team organizations and to any bonuses, commissions or other remuneration derived through the sales and other activities of my former downline sales team organization. KZ1 reserves the right to terminate an "ID AGREEMENT" upon 30 days' written notice for any reason in accordance with the "ID AGREEMENT", including if the "COMPANY":
 - a. ceases business operations;
 - b. dissolves as a business entity; or
 - c. terminates distribution of its product and/or its income opportunity via direct selling channels.
8. I understand that I have the right to terminate the "ID AGREEMENT" at any time, with or without reason. I understand that such termination must be in writing.
9. I understand that the term of my "ID" business is one calendar year. The yearly renewal fee of \$40.00 USD will be due on or after my anniversary enrollment date. The annual renewal fee is subject to change based on promotions KZ1 may choose, at its discretion to offer.
10. I understand that I may not assign any rights or delegate my duties under the "ID AGREEMENT" without the prior written consent of KZ1. Any attempt to transfer or assign the "ID AGREEMENT" without the express written consent of KZ1 renders the "ID AGREEMENT" voidable at the option of KZ1 and may result in termination of my "ID AGREEMENT". I understand that KZ1 may assign in whole or in part, any right under this "ID AGREEMENT", without notice or consent.
11. I understand that if I fail to comply with the terms of the "ID AGREEMENT", KZ1 may, at its discretion, impose upon me disciplinary action as set forth in the Policies and Procedures. If I am in breach, default or violation of the "ID AGREEMENT" at termination, I shall not be entitled to receive any further bonuses or commissions, whether or not the sales for such bonuses or commissions have been completed.
12. I acknowledge that KZ1, its directors, officers, shareholders, charter members, employees, assigns and agents (collectively referred to as "AFFILIATES") shall not be liable for, and I release KZ1 and its "AFFILIATES" from, all claims for consequential and exemplary damages. I further agree to release KZ1 and its "AFFILIATES" from all liability arising from or relating to the promotion or operation of my "ID" business and any activities related to it. (e.g. the presentation of KZ1 products or KZ1 Compensation Program, the operation of a motor vehicle, the lease of meeting or training facilities etc.). I agree to indemnify KZ1 for any liability, fines, penalties or other awards arising from any unauthorized conduct that I undertake in operating my KZ1 business.



13. I understand that the "ID AGREEMENT" in its current form, and as amended by KZ1 at its discretion, constitutes the entire contract between KZ1 and the "ID". Any implied promises, representations, offers or other communications not expressly set forth in the "ID AGREEMENT" are of no force or effect.
14. I understand that any waiver by KZ1 of any breach of the "ID AGREEMENT" must be in writing and signed by an authorized officer of KZ1. Waiver by KZ1 of any breach of the "ID AGREEMENT" by an "ID" shall not be construed as a waiver of any subsequent breach that may occur while operating their "ID" business.
15. I understand that if any provision of the "ID AGREEMENT" is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable and the balance of the "ID AGREEMENT" will remain in full force and effect.
16. I understand that the "ID AGREEMENT" will be governed by and construed in accordance with the laws of the State of Florida, without regard to principles of conflicts of laws. All disputes and claims relating to KZ1, the "ID AGREEMENT", Policies, Procedures, Terms and Conditions, Compensation Program or its products and business opportunity, the rights and obligations of an "ID" and KZ1, or any other claims or causes of action relating to the performance of either an "ID" under the "ID AGREEMENT" of the KZ1 Policies and Procedures shall be settled totally and finally by arbitration in Palm Beach Gardens, Florida, or such other location as KZ1 prescribes, in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association, except that all parties shall be entitled to discovery rights under the Federal Rules of Civil Procedure. All issues related to arbitration shall be governed by the Federal Arbitration Act. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of jurisdiction. The prevailing party shall be entitled to receive from the losing party, according to the decision of the arbitrator, costs and expenses, including legal and filing fees. The provision to arbitrate shall survive any termination or expiration of the "ID AGREEMENT". Nothing in the "ID AGREEMENT" shall prevent KZ1 from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect KZ1's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other pending proceeding.
17. I understand that I consent to jurisdiction and venue before any federal or state court in Palm Beach County, State of Florida, for purposes of enforcing an award by an arbitrator or any other matter not subject to arbitration.
18. I understand that Louisiana Residents Only: Notwithstanding the foregoing Louisiana residents may bring an action against the "COMPANY" with jurisdiction and venue as provided by Louisiana law.
19. I understand that if an "ID" wishes to bring an action against KZ1 for any act or omission relating to or arising from the "ID AGREEMENT", such action must be brought within one year from the date of the alleged conduct giving rise to the cause of action. Failure to bring such action within such time shall bar all claims against KZ1 for such act or omission. As an "ID" I waive all claims that any other statutes of limitations apply.
20. I authorize KZ1 to use my name, photograph, personal story and/or likeness in advertising or promotional materials and waive all claims for compensation for such use.
21. I authorize a faxed copy of the "ID AGREEMENT" Terms and Conditions shall be treated as an original in all respects. A signed "ID AGREEMENT" Terms and Conditions must be on file at KZ1 for each "ID" before commissions earned will be issued.



NOTE: ANY INFORMATION REGARDING COMPENSATION PLANS SHOULD BE DIRECTED TO THE KZ1 COUNTRY SPECIFIC MANAGEMENT TEAM OR COUNTRY SPECIFIC MARKETING MATERIALS.



Independent Distributor Agreement

KZ1 ID Number (If Known)

Grid for KZ1 ID Number

Company Name (If Any) COMMISSION PAYMENTS WILL BE ISSUED IN COMPANY NAME IF SUPPLIED

Grid for Company Name

Corporate TaxID (required)

Grid for Corporate TaxID

Applicant Name (First, MI, Last)

Grid for Applicant Name

Personal Tax ID Number (required if corporate TaxID is not supplied)

Grid for Applicant Personal Tax ID Number

Co- Applicant Name (First, MI, Last)

Grid for Co-Applicant Name

Personal Tax ID Number (required if corporate TaxID is not supplied)

Grid for Co-Applicant Personal Tax ID Number

With my signature below, I acknowledge I have read the KZ1 Independent Distributor Agreement document and I agree to the Terms and Conditions, Policies and Procedures, and Compensation Plan of an Independent Business Distributor of KZ1 as indicated in this document and on the "COMPANY" website at www.teamKZ1.com.

Applicant's Signature of Authorization

Date MM / DD / YYYY

Co-Applicant's Signature of Authorization

Date MM / DD / YYYY

*NOTE: ALL SIGNATURES MUST BE SUPPLIED OR APPLICATION WILL BE REJECTED.

FAX COMPLETED DOCUMENT TO 888-748-9676