

Independent Affiliates are required by federal law to obtain a Social Security number or Federal ID number. Independent Affiliates will be identified by this number, or a company assigned number, for purposes of Company's business. The Independent Affiliate Identification Number must be placed on all orders and correspondence with the Company.

1.11 LEGAL COMPLIANCE

Independent Affiliates must comply with all federal, state and local statutes, regulations and ordinances concerning the operation of their business. Independent Affiliates are responsible for their own managerial decisions and expenditures including all estimated income and self-employment taxes.

1.12 NO EXCLUSIVE TERRITORIES

No franchise is granted and there are no exclusive territories for sales or sponsoring purposes. No geographical limitations exist on sponsoring or selling within the United States; provided, however, that Company reserves the right not to sell product or services or contract with Independent Affiliates in specified states / provinces within United States.

SECTION TWO: TERM & RENEWAL

2.01 TERM

Subject to the terms of Section 4.01, the Agreement shall have a term which shall begin on the date of acceptance by Company and end one year from the date thereof (the "Anniversary Date").

2.02 RENEWAL

Independent Affiliates must renew annually, on the Anniversary Date and Independent Affiliate has the right to decline to accept any renewal at its sole discretion. Company may require that Independent Affiliates execute a new Agreement upon renewal. Independent Affiliates not renewing by the renewal date shall be deemed to have voluntarily terminated their Independent Affiliate relationship with Company, and thereby lose their Independent Affiliate entity, all sponsorship rights, their position in the Compensation Plan and all rights to commissions and bonuses. Independent Affiliates who fail to renew their Independent Affiliate status may not reapply under a new sponsor for three (3) months after non-renewal.

SECTION THREE: SPONSORSHIP

3.01 SPONSORING

Independent Affiliates may sponsor other Independent Affiliates into Company's business. Independent Affiliates must ensure that each potential new Independent Affiliate has reviewed and has had access to the current Policies and Procedures, Terms and Conditions and Compensation Plan prior to or when giving the individual an Agreement.

3.02 MULTIPLE AGREEMENTS

If an applicant submits multiple Independent Affiliates which list different sponsors, only the first completed Agreement received by Company will be accepted.

3.03 TRAINING REQUIREMENT

A Sponsor must maintain an ongoing professional leadership association with Independent Affiliates in his or her organization and must fulfill the obligation of performing a bona fide supervisory or sales function in the sale or delivery of products and services.

3.04 INCOME CLAIMS

Independent Affiliates must truthfully and fairly describe the Compensation Plan. **No past, potential or actual income claims may be made to prospective Independent Affiliates**, nor may Independent Affiliates use their own

incomes as indications of the success assured to others. Commission checks may not be used as marketing materials. Independent Affiliates may not guarantee commissions or estimate expenses to prospects.

3.05 TRANSFER OF SPONSORSHIP

The company does not permit the transfer of sponsors. Network Marketing is a business of creating relationships. Once an Independent Affiliate is sponsored, the company believes in maximum protection of that relationship. The only exception is upon prior written approval of Company to correct ethical violations as determined at the sole discretion of Company.

3.06 CROSS SPONSORING

Independent Affiliate may not sponsor, or attempt to sponsor, any non personally sponsored Independent Affiliates in any other Network Marketing Company or Trading education Company. In addition, no Independent Affiliate may participate in any action that causes another Independent Affiliate to be sponsored through someone else into another network marketing company.

3.07 CROSS RECRUITING WITHIN INTERNATIONAL MARKETS LIVE INC.

An Independent Affiliate may not recruit, or attempt to sponsor, any non-personally sponsored Independent Affiliate/Customer, that are active or inactive, in International Markets Live Inc. (IML), for less than six (6) months. Cross Recruiting another Independent Affiliate/Customer, will have a mandatory suspension of thirty (30) days, and commissions and/or bonuses will be forfeited. The suspension will precede an investigation, which may result in termination of the Independent Affiliate. IML has a Zero Tolerance Policy, both for Cross Recruiting and Cross Sponsoring.

SECTION FOUR: RESIGNATION/TERMINATION

4.01 VOLUNTARY RESIGNATION

- a) Independent Affiliate may voluntarily terminate his or her Independent Affiliate status by failing to renew or by sending thirty (30) days written notice of such resignation or termination to Company. Voluntary resignation is effective upon receipt of such notice by Company.
- b) Independent Affiliate who resigns or terminates their Independent Affiliate status may reapply as Independent Affiliate, three (3) months after resignation.

4.02 SUSPENSION

Independent Sales Representative may be suspended for violating the terms of his or her Agreement, which includes these Policies and Procedures, the Terms and Conditions and the Compensation Plan and other documents produced by Company. When a decision is made to suspend Independent Sales Representative, Company will inform the Independent Sales Representative in writing that the suspension has occurred effective as of the date of the written notification, the reason for the suspension and the steps necessary to remove such suspension (if any). The suspension notice will be sent to the Independent Sales Representatives "address on file" pursuant to the notice provisions contained in the Policies and Procedures and Terms and Conditions. Such suspension may or may not lead to termination of the Independent Sales Representative as so determined by Company at its sole discretion. If the Independent Sales Representative wishes to appeal, Company must receive such appeal in writing within fifteen (15) days from the date of the suspension notice. Company will review and consider the suspension and notify the Independent Sales Representative in writing of its decision within thirty (30) days from the date of the suspension notice. The decision of Company will be final and subject to no further review. Company may take certain action during the suspension period, including, but not limited to, the following:

- a) Prohibiting the Independent Sales Representative from holding himself or herself as Independent Sales Representative or using any of Company's proprietary marks and/or materials;
- b) Withholding commissions and bonuses that are due the Independent Sales Representative during the suspension period;