

## TERMS AND CONDITIONS

AquaSource (UK) Limited is the promoter of the AQUASOURCE scheme in the UK and promotes and sells algae based, other complementary nutritional and cosmetic products and services. AQUASOURCE Distributors participate in the scheme as distributors.

The only financial obligation of the Distributor during the period of 12 months from the commencement date of the agreement is the purchase of a Distributor Business Kit at a cost of €39.99 / £33.33 including VAT. Distributors will be given at least 60 days advance written notice if there are any changes in their financial obligations during the period of 12 months from the commencement of the Agreement. I understand and agree that where the AQUASOURCE Distributorship is granted for the United Kingdom, the Agreement shall comprise the Distributor Agreement (being the application form overleaf and these terms and conditions), the Euro Business Programme and the Policies and Procedures which for the UK shall be varied as follows:

(1) The following shall replace paragraph 4 of the Policies and Procedures:

#### 4. ELIGIBILITY

In order to become a Distributor, it is necessary for a completed Distributor Agreement to be accepted by AQUASOURCE, and for the Distributor to purchase a Distributor Business Kit. A Distributor may either complete and sign the hard copy Distributor Agreement form provided by his or her sponsor and post this to AQUASOURCE or may submit his or her details via the AQUASOURCE online registration procedure but the Distributor understands that it is the responsibility of the prospective Distributor and the Sponsor in all circumstances to ensure that all the details of the Distributor and the Sponsor are correctly completed. AQUASOURCE will not accept any responsibility for any errors caused by incorrect data on the Distributor Agreement. Where an online registration is made the Distributor must print and sign two hard copies of the Distributor Agreement form retaining one copy for his or her records and sending one by post to AQUASOURCE within 14 days of the date of the online registration. No commissions or bonuses will be paid prior to receipt of the hard copy Distributor Agreement and the grant of the Distributorship is subject to receipt and acceptance by AQUASOURCE of the hard copy Distributor Agreement form. AQUASOURCE reserves the right to refuse to accept any Distributor Agreement.

Applicants must be a minimum of 18 years of age and legally adult and competent to enter into contractual relations according to the laws of their country of residency.

AQUASOURCE will not accept as Distributors the following:

- (i) AQUASOURCE employees;
- (ii) Any family Members which shall mean in this context spouses, siblings, parents and children or other relatives by blood or marriage residing with an AQUASOURCE employee or co-habitees residing with an AQUASOURCE employee;
- (iii) A business in which an AQUASOURCE employee participates or has an ownership interest or exercises management control over the business.

(2) The following shall be added to Paragraph 16 of the Policies and Procedures:

In the event that AQUASOURCE shall issue self-billing invoices for commissions and VAT paid to the Distributor, the Distributor hereby agrees to accept the same and agrees that he/she shall not issue any other invoices in respect of the sums that are the subject of self-billing invoices issued by AQUASOURCE.

(3) The following shall be added as Paragraph 32.A of the Policies and Procedures:

#### 32.A PRODUCT REPURCHASE POLICY

The Distributor Agreement may be terminated by AQUASOURCE or the Distributor with or without cause or reason and without penalty at any time upon not less than 14 days written notice or by AQUASOURCE at its sole discretion by 7 days notice in writing for any breach of its provisions or violation of any of the Policies and Procedures, the procedure for such termination to be in accordance with the provisions set out in this section 33 of these Policies and Procedures.

The Distributor has the right within a period of 14 days, of entering into the Agreement to cancel the Agreement without penalty by written notice of termination and to return the Distributor Business Kit and any Products purchased within that period and which remain unsold provided that such unsold goods are in the condition in which they were in at the time of purchase, (whether or not their external wrappings have been broken) and to require AQUASOURCE to refund an amount equal to 100% of any monies paid in respect of such Distributor Business Kit and Products. Further the Distributor shall be entitled to cancel any Services ordered but not yet supplied within the period of 14 days of entering into the Agreement.

Except where the obligation on the Distributor is specified to apply after termination of the Agreement in respect of non-competition in accordance with the Agreement, the Distributor shall be released from all future contractual liabilities toward AQUASOURCE on termination of the Agreement at any time.

Where the Distributor terminates the Agreement more than 14 days after entering into it the Distributor shall have the right to return to AQUASOURCE any Products the Distributor has purchased within a period of 90 days prior to such termination and which remain unsold and to receive from AQUASOURCE the following:

- (a) where the Distributor has terminated the Agreement the price (inclusive of VAT) which the Distributor paid for the Products, less
  - (i) in the case of any Products, the condition of which has deteriorated due to an act or default on the part of the Distributor an amount equal to the diminution in their value resulting from such deterioration; and
  - (ii) a reasonable handling charge;
- (b) where AQUASOURCE has terminated the Agreement, the price (inclusive of VAT) which the Distributor paid for the Products together with any costs incurred by the Distributor for returning the Products to the Company;
- (c) any such refund shall be on terms whereby the purchase price is payable upon delivery of the Products or if the Products are already held by AQUASOURCE forthwith; and
- (d) any such refund shall be on terms whereby the Products not already held by AQUASOURCE will be delivered within 21 days of such termination at AQUASOURCE's expense to the address set out in the Agreement.

AQUASOURCE shall be entitled to request proof of ownership, e.g. sale receipts for the Products that the Distributor requires AQUASOURCE to buy back in accordance with the Agreement.

The Distributor understands and agrees that bonuses or commissions paid within the preceding 120 days on Products or Services returned by Distributors, in his/her downline, may be deducted from his/her account with the Company at any time where a Distributor in his/her downline terminates his/her Agreement or is terminated by AQUASOURCE.

Payment of refunds will be made in the same form as the original payment i.e. if the purchase was made on the Distributor's credit card then the payment will be in the form of a credit to the credit card account.

After termination, in addition to the rights set out above, you will have the right (in accordance with, and subject to, the terms set out in the Code of Business Practice of the Direct Selling Association (DSA)) to return and claim a partial refund for products which you purchased more than 90 days and up to one year prior to termination and which remain unsold by you.

(4) The following shall be added to Paragraph 11 of the Policies and Procedures:

During the period of 7 days following the date on which the Distributor enters into the Distributor Agreement the Distributor may only order Products or Services (including the distributor pack) to the value of £200.

(5) AQUASOURCE is a member of the Direct Selling Association (UK) and the distributor agrees to abide by the terms of the DSA's Consumer Code of Practice and Code of Business Conduct.

(6) This policy describes AQUASOURCE's duty of care in relation to the collection and use of Distributor and customer data held by AQUASOURCE. AQUASOURCE is committed to:

- Obtaining and processing personal data or the information constituting personal data fairly;
- Ensuring personal data is accurate and, where necessary, kept up-to-date;
- Keeping personal data for only one or more specified lawful purposes;
- Not using or disclosing personal data in any manner incompatible with such lawful purpose;
- Ensuring that personal data is adequate, relevant and not excessive in relation to such purposes;
- Not keeping personal data for longer than is necessary for such purposes;
- Taking appropriate security measures against unauthorised access or alteration, disclosure or destruction of personal data and against accidental loss or destruction.

I acknowledge that I have been informed by AQUASOURCE that the information that I give to AQUASOURCE (including my address and other details) will be retained by AQUASOURCE on a computer database and will be used by AQUASOURCE for the purposes of calculating commissions payable and for the performance of AQUASOURCE's business. I also acknowledge that AQUASOURCE may disclose this information in connection with such purposes to other companies in the AQUASOURCE group of companies, including parent, subsidiary and associated companies which may be situated inside or outside the EU and to other persons and in particular may disclose it to other Distributors as part of its genealogies. I consent to AQUASOURCE retaining, processing and disclosing the information referred to as set out above.

(7) In the event of any inconsistency or conflict between the terms of this Distributor Agreement and the Policies and Procedures the terms of this Distributor Agreement shall prevail.

(8) This Agreement shall take effect from the date of acceptance of the Agreement by AQUASOURCE by issuing to the Distributor a Distributor ID Number.

(9) The Contract (Rights of Third Parties) Act 1999 shall not apply to this Agreement and all of the rights under the Act are hereby excluded. Save for any obligations to pay the other party under this Agreement, neither party will be liable to the other party under the Agreement in Contract Tort (including Savings, Goodwill, Business Opportunity) and/or indirect, special, incidental or consequential loss or damages howsoever arising.

(10) This Agreement (including the Euro Business Programme and the Policies & Procedures) constitutes the entire agreement between the parties. It shall be governed by English law and the parties hereby submit to the jurisdiction of the English courts.