

## RULES FOR OPERATION OF AN NSA DISTRIBUTORSHIP

1. Only authorized Distributors (“Distributors”) of NSA, LLC (“NSA”) may purchase NSA products for resale or participate in the NSA Sales Program. Distributors are prohibited from making product sales to persons or entities which are not authorized Distributors when the selling Distributor has reason to believe that the purchaser intends to resell the products. NSA products may not be sold through retail stores, catalogues, auction websites or other non-personal mass retail sales means.
2. Distributors will at all times conduct themselves and their businesses in an ethical, moral, legal and financially sound manner, and will not engage in any activities which would bring disrepute on the good name or image of NSA, its products, trademarks, brand names or other Distributors.
  - a. Distributors will also agree to refrain from disruptive activities that can cause harm to other Distributors or NSA. Participating in such activities deemed disruptive by NSA is grounds for termination.
3. All Distributors are independent contractors and not employees of NSA. Distributors will not be treated as an employee for federal and state tax purposes. As independent contractors, Distributors may not create or incur any liability of any kind in the name of NSA or its affiliates and therefore Distributors are prohibited from making statements, claims, or other representations of any kind suggesting or implying that they have an employment relationship with NSA.
4. Distributors who elect or who are required to operate their businesses under their own state and/or local sales tax licenses are responsible for the collection and remittance of all such sales tax and will indemnify and hold NSA harmless regarding any liability incurred by NSA due to the failure of the Distributor to collect and remit such taxes. Distributors will provide NSA with copies of any such sales tax licenses upon request.
5. The only prerequisite to becoming a Distributor is execution of an Independent Distributor Application (contract) and payment of a \$50.00 Distributorship fee. NSA must receive the fully completed original contract which is signed by the sponsoring individual (not the corporation or business name), and which must be free of any deletions, changes or mark-outs. The \$50.00 Distributorship fee entitles each Distributor to receive the NSA Success Express magazine and newsletter. Any further purchase of product inventory, sales aids, literature, demonstration equipment, or supplies is strictly optional and not required by NSA.
6. Unless otherwise provided by applicable law, NSA will repurchase unsold, currently marketable and commercially resalable NSA products from cancelling Distributors who release NSA of all claims, in accordance with the following policies:
  - a. For the first 90 days from the date of the original Dealer contract, NSA will repurchase Distributor’s inventory for 100% of the wholesale price, less all earnings that NSA has paid to the cancelling Distributor as a result of the purchase of the products being returned, and less any accounts receivable balances or other legal claims owed to NSA by the cancelling Distributor. All costs of shipping will be borne by the cancelling Distributor (products must be paid in full).
  - b. After 90 days from the date of the original Dealer contract, for products returned within one (1) year from their date of purchase, the repurchase price will be 90% of the wholesale price, less all earnings that NSA has paid to the cancelling Distributor as a result of the purchase of the products being returned, and less any accounts receivable balances or other legal claims owed to NSA by the cancelling Distributor. All costs of shipping will be borne by the cancelling Distributor (products must be paid in full).
  - c. For products which are not returned within one (1) year from their date of purchase, the repurchase will be 60% of the wholesale price of the repurchased products, less all earnings that NSA has paid to the cancelling Distributor as a result of the purchase of the products being returned, and less any accounts receivable balances or other legal claims owed to NSA by the cancelling Distributor. All cost of shipping will be borne by the cancelling Distributor (products must be paid in full).
  - d. NSA will not repurchase literature or sales aids more than one year from the date of your dealer contract.
  - e. Montana Distributors who cancel within 15 days are entitled to a 100% refund of any consideration given to participate.
  - f. Louisiana Distributors who cancel are entitled to a 90% refund of any consideration given to participate.
7. NSA pays no commission or bonuses whatsoever for sponsoring new Distributors.
8. NSA expects all product purchases, by PB or POB qualifying Distributors (see Profit and Incentive Guide), to be resold under the NSA marketing plan to their retail customers or personally used. Hence NSA reserves the right to take disciplinary action (e.g. disqualifying for bonuses or desponsorship) in situations where it believes the purchasing Distributor has violated the spirit of this policy, and to foster bona fide active support and training of sponsored Distributors.
9. Each Distributor must furnish NSA with a social security number. If the Distributorship is operated as a partnership or a corporation, the person whose signature appears on the application form must be empowered to act for the partnership or corporation and will be treated by NSA as the entity’s sole authorized representative for all purposes including insurance benefits, if any. If NSA earnings are to be paid to a corporation or other business entity, NSA must be provided with the entity’s Federal Tax I.D. number and the social security number of the person whose signature appears on the application form. NSA will not allow more than one Distributorship per individual social security number.
10. Spouses of existing Distributors may only be sponsored by that existing Distributor. In the event of resignation or termination of either spouse, the other spouse’s Distributorship may be subject to termination or other discipline in the discretion of NSA to reduce the likelihood of disruptive influences on other Distributors in the sales organization.
11. Distributors must be at least 18 years of age.
12. In promoting NSA products or the NSA Sales Program, Distributors will adhere strictly to the following:
  - a. Only current official NSA literature or materials may be used when promoting or describing NSA products or when making claims regarding the performance of NSA products. Use of any privately produced e-mail, Voice-Com, leaflets, brochures, flyers, mailers, door hangers or other such material which promotes the performance or characteristics of NSA products or illustrates the NSA Sales program is strictly prohibited. Privately produced Audios and Videos of NSA meetings and events are prohibited.
  - b. Distributors must not make any verbal claims, express or implied, regarding NSA products or the performance of NSA products that are not entirely within the claims set forth in current official NSA literature.
  - c. NSA will not approve or permit use of its name, logo, or trademarks or service marks in any broadcast, newspaper, magazine, or similar media advertising, including without limitation, any Internet Website or other computer generated process advertising.
  - d. If you own an existing site that does not, in any form, reference NSA products or opportunity, you can apply for a link to your official juiceplus.com URL by approval from NSA. All approved links must remain in compliance with the terms of the “NSA URL Link Agreement”. Any other references, directly or indirectly, to NSA products or opportunity is a violation of NSA rules.
  - e. The content and purpose of existing sites that apply for a link to an official juiceplus.com site must not be contrary to NSA’s Corporate strategies and philosophies. This decision is at the sole discretion of NSA.
  - f. NSA products may not be sold through “pay per click” or “bid on search term” search engines.
  - g. Paid placement on Internet search engines is not permitted.
  - h. When registering your official personal juiceplus.com web site with a search engine, the listing can only contain the standard wording that comes from the official juiceplus.com web site.
  - i. No mass email, spam, online bulletin boards, web blogs, etc., to unsolicited Customers/Distributors will be permitted.
  - j. Income and sales representations such as sales closing ratios or testimonials must be factual, current (within the last six months), and based upon the personal experience of the Distributor making the representation. Income representations must not state or imply that any level or amount of income is guaranteed, assured, or easy to achieve. The NSA Distributor business performance disclosure sheet, Form No. 955784, is available upon request.
  - k. Any display, distribution, or other use of copies, facsimiles or video representations of checks, forms 1099, or similar documents evidencing NSA income is strictly prohibited.

## RULES FOR OPERATION OF AN NSA DISTRIBUTORSHIP

- l. All representations, whether written or verbal, made in connection with advertising, promoting, or presenting NSA products or the NSA Sales Program must comply fully with the applicable laws and regulations of the jurisdiction in which such representations are made or received.
  - m. When offering, describing, or conducting the NSA Sales Program, Distributors will present and/or conduct the opportunity in its entirety, without material omissions, distortions, or misrepresentations. The making of any additional offers or representations by Distributors in connection with the presentation or conduct of the NSA Sales Program is strictly prohibited.
  - n. NSA will not approve or permit use of alternate URLs or Domain Names that contain brand names, logos, trademarks, service marks, or NSA's name.
13. In the event of a breach of any of the Rules, NSA shall have the right to terminate the breaching Distributor's Distributorship and shall be entitled to damages and injunctive relief prohibiting any further violation of these Rules. Each Distributor must indemnify, defend and hold NSA and its affiliates harmless against any claims, costs, losses, damages, liabilities and expenses (including attorneys fees) arising from or connected with, directly or indirectly, Distributor's breach or violation of these Rules.
  14. In order to remain a Distributor, NSA requires the execution of an annual application and agreement and a \$40.00 renewal fee on January 1st of every year. If the annual renewal and fee are not received by March 31st, the Distributorship is subject to cancellation. A Distributor who fails to renew and whose Distributorship is cancelled must wait twelve (12) months before obtaining another Distributorship. Distributors sponsored after October 1st are exempt from one-half of the following year's renewal fee. Distributors are strictly prohibited from making any offer or representation or agreement with a prospect relating to the NSA Sales Program that does not comply with these Rules.
  15. NSA strongly discourages sponsor changes. Distributors who wish to change sponsors and have a legitimate reason must wait a period of at least twelve (12) months after resigning before obtaining another Distributorship.
  16. Distributors will always provide their retail customers with a copy of a proper, fully completed sales receipt, and will honor any request by the customer to cancel the transaction within the 3-day period following the date of the transaction.
  17. No Distributor may export or sell directly or indirectly to others who export NSA's products, literature, sales aids or promotional material relating to NSA, its products or the NSA Sales Program from the United States or its possessions or territories to any other country. Distributors who choose to sponsor internationally may do so only in countries in which NSA operates and must comply fully with the Rules of Operation of an NSA Distributorship in that country. Any violation of this Rule constitutes a material breach of this contract and is grounds for immediate termination of the Distributorship.
  18. Absent express written consent by NSA, no individual Distributor may have an ownership interest in, operational or management control of, or derive any benefit directly or indirectly from, any second or subsequent NSA Distributorship not in the same line of sponsorship as the individual's initial NSA business. (See form No. 955710 for definition of "line"). Applications for a waiver of this Rule will be considered by NSA only in highly exceptional circumstances in which NSA has concluded that such waiver will not adversely impact the existing business interests of the Distributors in both lines affected. NSA retains sole and exclusive right to grant or deny applications on terms it deems appropriate in the exercise of good faith and sound business judgment.
  19. Distributors will not use the name or trademark NSA, any other trademark or service mark of NSA (or any reproduction, counterfeit, copy or colorable imitation of any trademark of NSA, collectively, "similar marks") as part of any firm, corporate or business name, and shall not use the name or trademark NSA, any other trademark of NSA or any similar marks in any way except as authorized by NSA to designate the products purchased from NSA.
  20. Distributors acknowledge NSA's exclusive right, title and interest in and to the NSA name, trademarks, service marks and copyrights in NSA materials and literature and shall not at any time do or cause to be done any act or thing contesting or in any way impairing or tending to impair any part of such right, title or interest. Distributors shall not in any manner represent that they have any ownership interest in the NSA name, trademarks or copyrights in NSA materials or literature, and shall appropriately show NSA's ownership interest thereof and therein. Distributors further acknowledge that their use of the NSA name, trademarks, materials or literature shall not create in favor of the Distributor any right, title, or interest therein or thereto, but that all such uses shall inure to the benefit of NSA.
  21. Following any termination of a Distributorship, the former Distributor: (a) shall remove and cease all use of all signs containing the name or trademark NSA, any other trademark of NSA or any similar marks, unless NSA exercises its right to repurchase such material granted to it under these rules; (b) shall not use or permit use of the name or trademark NSA, or any other trademark of NSA or any similar marks, in any manner in connection with any business conducted by it or in which it may have an interest, or otherwise as descriptive of or referring to anything other than genuine NSA products or merchandise; (c) shall immediately take all appropriate actions requested by NSA relating to the Distributor's use of NSA trademarks; and (d) shall not sell any NSA product inventory except to another authorized NSA Distributor, to NSA, or otherwise upon the prior written approval of NSA. In no case shall any former Distributor be permitted to offer any NSA product for sale in commerce after his or her Distributorship has been terminated.
  22. A Distributor may sell or transfer his or her Distributorship to a Distributor in Seller's upline or to a non-Distributor as long as such non-Distributor signs a new Distributor application and has not been a Distributor for at least twelve (12) months prior to his purchase of the Distributorship. All Distributorship sales and transfers are subject to Rights of First Refusal accorded to the Seller's upline payline and must be approved in writing by NSA before becoming effective. Once a Distributor sells his Distributorship, he must wait at least twelve (12) months before he may obtain another Distributorship.
  23. In the event of the death of a Distributor whose Distributorship is in good standing, such Distributorship may be transferred to the Distributor's heir who is, or, depending on the level of Distributorship, following the death of the Distributor, becomes actively involved in the operation of the Distributorship and who meets the qualifications to be an NSA Distributor and signs a new Distributor application. All such transfers are subject to the approval in writing by NSA in its sole discretion before becoming effective. NSA shall not recognize any transfer of a Distributorship pursuant to this Rule until the authorized representative of the deceased Distributor's estate or the designated heir submits certified copies of the death certificate, will and/or such other instruments reasonably requested by NSA.
  24. NSA shall retain the right to refuse any NSA Independent Distributor Application. This decision is at the sole discretion of NSA.

# You build your own Virtual Franchise®, one customer at a time.

Under our unique Preferred Customer program, you earn a retail profit each time you add a new Juice Plus+® Preferred Customer or sell any other NSA product. We ship the product, bill your customer, collect the money and send it to you automatically each month.

	PURCHASE VOLUME CREDIT (PVC)	WHOLESALE PRICE	RETAIL PRICE	RETAIL PROFIT	PREFERRED CUSTOMER PRICE	4-MONTH INSTALLMENT PRICE	PREFERRED CUSTOMER PROFIT
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**Juice Plus+® Whole Food Based Nutritional Products**

Juice Plus+® Capsules (8 Bottle Carton)	101.25	135.00	179.00	44.00	<b>156.00</b>	<b>41.50</b>	<b>21.00</b>
Juice Plus+® Vineyard Blend	60.00	80.00	119.00	39.00	<b>96.00</b>	<b>26.50</b>	<b>16.00</b>
Juice Plus+® Chewables (8 Bottle Carton)	52.50	70.00	89.00	19.00	<b>80.00</b>	<b>22.50</b>	<b>10.00</b>
JP+ Gummies®	52.50	70.00	89.00	19.00	<b>80.00</b>	<b>22.50</b>	<b>10.00</b>
Juice Plus+ Complete® (4 Can Case)	63.00	84.00	120.00	36.00	<b>100.00</b>	<b>27.50</b>	<b>16.00</b>
Juice Plus+ Thins® (8 Bottle Carton)	60.00	80.00	120.00	40.00	<b>100.00</b>	<b>27.50</b>	<b>20.00</b>
Juice Plus+® For Cats/ Dogs (8 Bottle Carton)	60.00	80.00	120.00	40.00	<b>100.00</b>	<b>N/A</b>	<b>20.00</b>

As you add new customers and accumulate volume, you qualify to earn commissions, too. Your goal should be to become an NSA “Virtual Franchisee” as quickly as possible, preferably within your first 60 days in the business under our “Fast Track” program.

<b><i>To become a:</i></b>	<b><i>you Accumulate:</i></b>	<b><i>or “Fast Track” by accumulating</i></b>
<b>DIRECT DISTRIBUTOR (6% commission)</b>	<b>\$2000 in PVC over time</b>	<b>\$500 in PVC your first 30 days</b>
<b>VIRTUAL FRANCHISEE (14% commission)</b>	<b>\$6000 in PVC over time</b>	<b>\$2000 in PVC your first 60 days</b>

Remember that the business you accumulate does not have to be generated only by your own customers; you also get credit for business generated by other new Distributors you bring into the business. Your only other requirement to earn these positions is to have \$500 in “Personal PVC” (Purchase Volume Credit in your number) in your qualifying month.

Please refer to definitions

## Qualify to earn even more by duplicating your efforts with others.

In addition to your retail profit, NSA continues to increase your sales commissions and/or offer special "Performance" and "Promote-Out" Bonuses as you add new Distributors to your NSA organization and continue to build your NSA business.

### Here's what you can earn:

As a:	Sales Commission	Performance Bonus	Promote-Out Bonus	Business Incentive Bonus*
<b>Virtual Franchisee (VF)</b>	14%	5% for 4 generations		
<b>Sales Coordinator (SC)</b>	22%	5% for 4 generations	4%	
<b>Senior Sales Coordinator (SSC)</b>	22%	5% for 4 generations	4%	10%
<b>Qualifying National Marketing Director (QNMD)</b>	22%	5% for 5 generations	4%	20%
<b>National Marketing Director (NMD)</b>	22%	5% for 5 generations	4%	20% + Benefits

\* Percentage of earnings

### Here's how you qualify to earn it:

<b>Virtual Franchisee (VF)</b>	\$6000 in total accumulated PVC <b>OR</b> \$2000 in PVC your first 60 days \$500 in "Personal PVC" (Purchase Volume Credit in your number) in qualifying month
<b>Sales Coordinator (SC)</b>	\$12,000 in total accumulated PVC \$500 in "Personal PVC" (Purchase Volume Credit in your number) in qualifying month 3 "lines" with a Direct Distributor (or higher) in each
<b>Senior Sales Coordinator (SSC)</b>	\$28,000 in total accumulated "payline" PVC over a period of 3 consecutive months 3 "lines" with a Virtual Franchisee (or higher) in each 2 "lines" in Performance Bonus for at least 2 of your 3 qualifying months no more than 2/3 of your qualifying PVC from 1 "line"
<b>Qualifying National Marketing Director (QNMD)</b>	\$80,000 in total accumulated "payline" PVC over a period of 4 consecutive months 3 "lines" with a Sales Coordinator (or higher) in each 3 "lines" in Performance Bonus for at least 3 of your 4 qualifying months 2 "lines" in Promote-Out Bonus for at least 2 of your 4 qualifying months no more than 2/3 of your qualifying PVC from 1 "line"
<b>National Marketing Director (NMD)</b>	at least 9 months as a Qualifying National Marketing Director \$300,000 in total accumulated "payline" PVC over a period of 9 consecutive months* 5 "lines" with a Sales Coordinator (or higher) in each 5 "lines" in Performance Bonus for at least 8 of your 9 qualifying months 3 "lines" in Promote-Out Bonus for at least 5 of your 9 qualifying months no more than 2/3 of your qualifying PVC from 1 "line"

\* The 9 consecutive months may begin no sooner than the month after your qualifying month as a QNMD. This means that PVC used to qualify for QNMD may not be used to qualify for NMD.

\*\* SSC, QNMD, & NMD promotions are subject to approval by NSA.

**If you have questions or require additional information, contact your sponsoring Distributor or NSA Distributor Support (phone: (901) 850-3000 or e-mail: distsupp@nsai.com).**

Please refer to definitions

# Definitions & Explanations

1. **Wholesale Price** is the price at which NSA sells products to its Distributors.
2. **Purchase Volume Credit (PVC)** is the portion of the wholesale price that applies for qualifications and commissions.
3. Your **Personal PVC** is the amount of PVC purchased under your Distributor number each month.
4. Your **downline** is all of the Distributors below you in your NSA sales organization.
5. A **line** is each independent segment of your downline. Each "line" begins with a Distributor you personally sponsor and includes every Distributor in that person's downline. Each Distributor you personally sponsor represents a new and separate "line" in your organization.
6. Your **Distributorship PVC** is the total of your Personal PVC combined with the Personal PVC of other Distributors in each line of your sales organization who have not yet reached the position of Virtual Franchisee and who are not under a Virtual Franchisee (or higher) in your organization.
7. To qualify to earn a **Sales Commission** in a given month you must have at least \$90 in Personal PVC that month.
8. A **qualifying month** is the month in which you meet the qualifications for a particular position in the NSA Profit & Incentive Plan.
9. An **effective month** is the month immediately following a qualifying month in which you become eligible to earn the various commissions, bonuses, and other benefits associated with the position you have qualified for.
10. **Performance Bonus (PB)** is a 5% bonus you can begin to earn once you reach the position of Virtual Franchisee. (See "Performance Bonus" below.)
11. A **generation** is a group of Distributors between PB qualifiers down to and including the next PB qualifier upon which Performance Bonus is paid. (See the *Virtual Franchise® Owner's Manual* for further explanation.)
12. **Payline** is the total PVC upon which Performance Bonus is paid in any particular month.
13. **Promote-Out Bonus (POB)** is an *additional* 4% bonus you can begin to earn once you reach the position of Sales Coordinator. (See "Promote-Out Bonus" below.)
14. **Business Incentive Bonus (BIB)** is another bonus you can begin to earn once you reach the position of Senior Sales Coordinator. It is equal to 10% - 20% of your monthly earnings, subject to both a minimum earnings requirement and a maximum bonus amount. (See the *Virtual Franchise® Owner's Manual* for details.)
15. **Excess PVC** is the amount of PVC generated in any given month in excess of the PVC you need to qualify for a particular bonus in that month. (Excess PVC may be carried over to the next month only and used to qualify for that bonus.)
16. Your **Sales Coordinator "open downline"** is all of the Distributors between you and the next Sales Coordinator (or higher) below you in each line of your organization.

## Performance Bonus (PB)

Once you become a Virtual Franchisee, you are eligible to earn a Performance Bonus (PB) each month on up to 5 generations of Distributors in each of your lines depending on your position in the NSA organization. There are 3 ways to qualify for Performance Bonus:

- 1) by generating at least **\$1000 in Distributorship PVC** that month (including Excess PVC from the immediate prior month). This qualifies you to earn PB on up to 3 PB-qualified generations in each line.
- 2) by generating at least **\$1000 in Distributorship PVC** that month (including Excess PVC from the immediate prior month) **AND having at least 3 different lines with a PB qualifier in each line**. This qualifies you to earn PB on up to 4 PB-qualified generations as a Virtual Franchisee, Sales Coordinator, or Senior Sales Coordinator; and on up to 5 PB-qualified generations as a QNMD or NMD.
- 3) by **having at least 5 different lines with a PB qualifier in each line** with NO Distributorship PVC requirement. This qualifies you to earn PB on up to 4 PB-qualified generations as a Virtual Franchisee, Sales Coordinator, or Senior Sales Coordinator and on up to 5 PB-qualified generations as a QNMD or NMD.

## Promote-Out Bonus (POB)

Once you become a Sales Coordinator, you become eligible to earn a Promote-Out Bonus (POB). POB is equal to 4% of the PVC purchased not by your own Sales Coordinator "open downline," but by the "open" downline of the first Sales Coordinator (or higher) in each of your lines down to and including the "open downline" of the first POB-qualified Sales Coordinator (or higher) in each line. (If the first Sales Coordinator in a line is POB-qualified then your POB bonus PVC begins and ends with the "open downline" of that first Sales Coordinator.) There are 3 ways to qualify for Promote-Out Bonus:

- 1) by generating at least **\$3000 PVC in YOUR OWN "open" downline** that month (including Excess "open downline" PVC from the immediate prior month).
- 2) by generating at least **\$1500 PVC in YOUR OWN "open downline"** that month (including Excess "open downline" PVC from the immediate prior month) **AND having at least 2 different lines with a POB-qualified Sales Coordinator (or higher) in each line**.
- 3) by **having at least 3 different lines with a POB-qualified Sales Coordinator (or higher) in each line** with NO "open downline" PVC requirement.



NSA INDEPENDENT DISTRIBUTOR APPLICATION

NSA, LLC • 140 CRESCENT DRIVE, COLLIERVILLE, TN 38017



PLEASE TYPE OR PRINT

APPLICANT CONTRACT

NAME (Last Name) (First Name) (M.I.)

SOCIAL SECURITY NO. DATE OF BIRTH GENDER

SPOUSE'S NAME (Last Name) (First Name) (M. I.)

SPOUSE'S SOCIAL SECURITY NO.

DISTRIBUTORSHIP BUSINESS NAME (Required if you give Federal Tax I.D. #)

Federal Tax I.D. # (Required for reporting purposes if income will be paid to a corporation or business entity.)

ADDRESS

CITY COUNTY STATE ZIP

E-MAIL ADDRESS:

TELEPHONE: RESIDENCE (Area) BUSINESS (Area)

CELL: (Area) FAX: (Area)

IF YOU ARE A HEALTH PROFESSIONAL, STATE YOUR SPECIALTY:

NAME OF SPONSOR FIN or SS #

REDIRECT PROGRAM

YES, PLEASE REDIRECT THE STARTER KIT TO FIN

APPLICANT ACKNOWLEDGMENT

I hereby acknowledge that I have read this Independent Distributor Application (front and back) and the Rules for Operation of an NSA Distributorship attached hereto and contained in form no. 955312. I agree to abide by the Rules for Operation of an NSA Distributorship as currently published and as amended and updated from time to time in official NSA literature. I agree to indemnify and hold NSA harmless against any claims, costs, damages, losses, liabilities or expenses (including attorneys fees) arising from or connected with, directly or indirectly, any breach of this Agreement or other conduct by me, my agent or employee. I acknowledge that if I breach this contract, NSA shall have the right to terminate my Distributorship and shall be entitled to damages and injunctive relief prohibiting any further violation of this contract.

I further agree to be sponsored by the individual whose signature appears below my signature.

Distributor Applicant Date

I certify that I have presented the NSA sales program to the applicant in its entirety without material omission or distortion and that all representations made in the course of recruiting this applicant have complied with the applicable Rules for Operation of an NSA Distributorship. I agree to personally indemnify, defend and hold NSA harmless against any claims, costs, or liabilities, losses, damages and expenses (including attorney's fees) arising from or connected with my breach of this provision.

My Independent Distributor status may be cancelled at any time by giving NSA written notice.

Sponsor Date (Sponsor must personally sign here.)

The payment of \$50.00 for my application as an NSA Distributor will be paid as indicated below: (Make check or money order payable to NSA, LLC)

Check q Money Order q Visa q MasterCard q Novus q AmEx q

Visa/MasterCard/Novus/AmEx Exp. Date

Cardholder's Signature X Printed

Congratulations and welcome to NSA, LLC! We are proud to have you as a member of our team, and wish you the best for your future with our company. Our Home Office Staff stands ready to assist you in a variety of areas should you need it. Our phone number is (901) 850-3000, and our fax number is (901) 850-3063. You may also e-mail us at distsupp@nsai.com, or visit us online at www.nsavirtualoffice.com.

Please note that an Original Copy must be sent to NSA for our files. Before sending this application to us, please be sure you: - personally sign this contract. - include your FIN or social security number.



955309

# NEW DISTRIBUTOR APPLICANT DISCLOSURES AND ACKNOWLEDGMENTS

The new Distributor Applicant acknowledges having read and understood the following terms:

1. I understand that in order to become an NSA Distributor, I must sign an application and pay a \$50.00 application fee and that apart from these conditions, there are no other payments or purchases I must make to become an NSA Distributor. I also understand, however, that if I wish to build a successful retailing business, I should expect to spend personal time and effort and to incur additional expenses for such items as product samples, sales aids, business forms, shipping costs, travel and telephone expenses.

2. I understand that any purchases of products or sales aids inventory by me are strictly voluntary, and that, except where otherwise provided by applicable law, my right to return any inventory to NSA, LLC ("NSA") is limited by the terms of Rule 6 of the Rules for Operation of an NSA Distributorship and related provisions of my contract.

DEMONSTRATOR PURCHASES: While no purchase of inventory is required to become or remain an NSA Distributor, in order to more effectively pursue the retail opportunity of the NSA program, Distributors may choose to purchase one or more products to be used by them as "demonstrators." However, new Distributors are cautioned that once a product has been demonstrated (water filter flushed), it should not be returned to inventory or later sold as new. Also, flushed or demonstrator units are not refundable, even in states which require refunds by law.

3. I understand that my relationship to NSA is as an independent contractor, and that I am not authorized to bind NSA or to incur any obligation on behalf of NSA. I also understand that my sponsor, direct Distributor (if other than my sponsor), and upline Distributors, including, but not limited to, National Marketing Directors, are independent Distributors not authorized to bind NSA or to make representations except to the extent expressly permitted by the terms of the Rules for Operation of an NSA Distributorship. The only representations on which I have relied and can rely are those contained in this contract and in current, official literature of NSA.

4. I understand that any local association or cooperative of NSA Distributors I may choose to join in separate and independent from NSA and can entail separate terms, fees and conditions for membership which have been disclosed to me.

5. I understand that a direct selling program, such as the NSA sales program, is a highly competitive business subject to all risks associated with any business venture and that NSA makes no guarantees or assurances whatsoever regarding any sales success, income or loss which may result from my activities as an NSA Distributor. NSA therefore cautions new participants not to leave their existing employment to pursue an NSA Distributorship full-time until they have had several months experience as a Distributor and established a reasonably reliable business.

6. I understand that the NSA sales program, as set forth in current official literature of NSA, describes payments of bonuses and commissions based upon my purchase volume and that of my downline. **I realize that no one can assure or guarantee me that I will achieve any specific level of earnings as a result of purchasing any products I might choose to order or of otherwise participating in the NSA Sales Program.**

7. I have thoroughly examined an NSA Independent Distributor Application and I am aware that any questions I may have concerning the NSA business may be directed to the Distributor Support Department of NSA, (901) 850-3000.

8. I understand that this agreement is to be governed by the laws of the State of Tennessee without regard to the place of execution or the place of performance thereof and that the parties hereto agree that any and all claims involving this agreement shall be brought solely in the courts of Shelby County Tennessee. The parties hereto consent to venue and jurisdiction as proper in the courts of Shelby County Tennessee. Louisiana residents may choose Louisiana law, venue and jurisdiction.

9. I understand that NSA may in a particular instance waive or decline to enforce rules governing the NSA sales program if NSA determines in the exercise of good faith and sound business judgment that it is in the overall best interest of the program to do so.

10. I understand that NSA reserves the right to amend the NSA sales program and provisions for Distributor compensation as contained in the Profit and Incentive Guide and Rules for Operation of an NSA Distributorship from time to time as it deems appropriate. I acknowledge that changes in the Profit and Incentive brochure may affect my percentage of compensation. I agree that at such time such changes occur I may elect either to continue as a Distributor subject to the new changes or terminate my Distributorship.

11. This agreement cannot be amended or modified and no term may be waived except in writing signed by an NSA officer. Any attempted amendment, modification, or waiver that does not comply with the preceding sentence shall be void.

12. In the event any provision of this agreement is deemed void or unenforceable for any reason, that provision shall be severed and the balance of the agreement shall remain in full force and effect.

13. This application form, when processed by NSA together with the Rules of Operation of an NSA Distributorship contained in form no. 955312 attached, the provisions for Distributor compensation contained in the Profit and Incentive Guide, form no. 955710 attached, and when applicable, the provisions of NMD, QNMD and SSC Leadership Covenants, all of which are incorporated herein by reference, constitutes the entire agreement between the applicant and NSA, and no other promises, offers, representations, agreements or understandings of any kind have been relied upon or shall be binding upon NSA.



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