

# Terms and Conditions of Distributor Application and Agreement

I hereby make application to become an Independent distributor of ForMor International (ForMor). I agree as follows:

1. I am of legal age in the state of my residency. Upon acceptance of this Application by ForMor, I am eligible to participate in the marketing, selling and distribution of ForMor's goods and services. I may receive commissions and overrides on sales according to the Terms and Conditions and the Compensation Plan of ForMor. This Agreement shall be deemed accepted by ForMor upon the shipment of the first order placed by the Distributor.
2. Upon approval and acceptance of this Application by the Company, I will become an Independent Contractor, solely responsible for my own business and not an employee, franchisee, nor agent of ForMor. As an Independent Contractor, I agree I will not be regarded as an employee for the purposes of the Federal Insurance Contributions Act, Federal Unemployment Tax, Social Security Act, income tax withholding, federal or state income taxes, or any other laws covering employees. I agree it is my responsibility to pay any self-employment tax and all local, state and federal taxes or license fees, including sales taxes, as required by law. ForMor will provide distributors with a 1099 form for tax purposes as required by the IRS.
3. I acknowledge that I have read the Terms and Conditions, Policies and Procedures and the Compensation Plan of ForMor and understand that they may be amended and updated by ForMor from time to time at its sole discretion. I agree to abide by the Terms and Conditions and Policies and Procedures and to use my best efforts in the retail sales of ForMor products. Any oral representation made by anyone to induce any person to become a Distributor, which is contrary to policy is expressly disavowed by ForMor and not to be relied upon by any Distributor. Any violation of the Terms and Conditions of this Agreement as amended or revised from time to time, shall be deemed to be a default under this Agreement and cause for termination.
4. There are no exclusive territories within the United States of America and its protectorates, Guam, Puerto Rico, etc. Federal, state and municipal regulatory agencies do not approve nor endorse direct selling programs. Distributors may not represent that any part of ForMor's program has been approved or endorsed by any governmental agency.
5. ForMor's program is based upon retail sales to the ultimate consumer. ForMor recognizes that Distributors may purchase products for personal consumption and recognizes such sales as retail sales for end-user consumption. Distributors are prohibited from purchasing products in unreasonable amounts solely for the purpose of qualifying for bonuses. The Compensation Plan is based upon retail sales. It is not the intention of ForMor that products be stockpiled. With each order placed, a Distributor certifies that he/she has sold or used for personal consumption at least seventy percent of previous orders. Distributors are not required to carry a specific inventory. It is up to their discretion to stock enough product to service their business needs based upon actual and projected retail sales. All forms of front-end loading or stockpiling products are discouraged. I understand that ForMor may verify retail sales through any method it deems appropriate. Distributors must keep and retain complete receipts of retail sales and provide them to ForMor upon request.
6. ForMor has a 100% money-back guarantee policy for all retail customers. The Distributor agrees to refund the product purchase price to a dissatisfied customer. ForMor will promptly replace any product to the Distributor upon receipt of returned product including said customer's name, address and telephone number. (Cosmetic products exempt from this policy.)
7. I understand that ForMor products are not represented as having any medicinal value and I am not authorized to make any diagnosis of any medical condition, make drug-type claims for or prescribe ForMor products to treat or cure any disease or condition of a person.
8. I agree to indemnify and hold harmless ForMor (and its officers, executive distributors, employees and agents) against any claims, liability, obligations, expenses (including attorney's fees) or damages arising out of any representation made by me in connection with any ForMor products.
9. ForMor may terminate a Distributor at any time if he or she breaches this Agreement or engages in any unethical behavior that may bring disrepute upon ForMor or which is in violation of any law or government regulation or ordinance. Unethical behavior includes but is not limited to: any attempt to solicit or recruit, for any network marketing program, regardless of product or service, to any ForMor distributor other than personally-sponsored ForMor distributors or any activity that would bring disrepute on the company, its officers, products or distributors.
10. This Agreement can be canceled by me at any time by notification in writing to ForMor. When in resalable condition, products and/or marketing materials may be returned to ForMor for a refund, within 30 days of purchase. Items must be returned at the expense of the Distributor. There will be a 10% restocking charge and shipping charges are not refunded. The 30-day period is extended in those states where a longer period is required.
11. I will not make any false or misleading statements or income projections to prospective or existing Distributors about ForMor or its compensation plan. Network marketing distributors occasionally represent hypothetical future income as actual income projections based upon the inherent power of network marketing. This is prohibited.
12. ForMor agrees to make available to Distributors such quality products and ship all qualified orders as directed by the Distributor. Appropriate shipping costs will be applied as per ForMor policies and procedures. As a qualified Distributor, I may purchase products at the current wholesale prices.
13. ForMor agrees to make available to Distributors, sales and marketing materials at reasonable prices. I agree not to repackage or relabel ForMor products nor to sell said products under any other name or label. I will not make any unauthorized use of trade names or trademarks owned by ForMor. I will not make any guarantees, claims or representations in promoting ForMor's products other than those contained in approved ForMor literature. I understand and agree that I will not create, produce or distribute my own marketing literature or materials without ForMor's written approval.
14. I understand that there is no minimum purchase requirement to maintain my distributorship. However, I must have personal sales of a minimum of 50 Bonus Value (BV) per month in order to receive downline checks for the month for which the commissions are being paid.  
  
Orders for any calendar month must be received by ForMor at its order department by the last business day of the month to qualify. All applications and order forms must be filled out properly. ForMor is not responsible for loss of commission payments or delays in Distributor enrollment, or processing of orders due to errors by a Distributor in preparing or sending orders or applications.
15. If for any reason I elect not to purchase a minimum order of product for resale or personal use in any calendar month, I forfeit my downline bonus for that month. If I elect not to purchase an order for three (3) consecutive months, I will be placed on inactive status. I also understand I can become active again by placing an order. However, if I had Distributors in my downline when I became inactive, they would not come back into my downline, but have permanently rolled-up to the next upline active Distributor. After six (6) consecutive months of inactivity, my distributorship will be cancelled.
16. I understand that a fee of five dollars (\$5.00) plus two cents (\$.02) for each Distributor in my downline (with a maximum of \$25.00 U.S. & Canada Only), will be deducted from my monthly bonus check, and (\$.75) will be deducted from any Qwik Pay check to cover the cost of providing me with a group downline report.
17. Spouses may not have a distributorship separate from the original distributorship of the sponsored spouse. There may be only one distributorship per household.
18. An individual, corporation or partnership may not have or be part of any other ForMor Distributorship.
19. Changing sponsors is not allowed except in the rare event of Distributors using unethical means and methods, or when the six immediate upline Distributors' notarized signatures (when there are six and all of them when less than six) are obtained approving the move. A Distributor is entitled to cancel this Agreement at any time upon written notification of the election to cancel to the Company's office address. Any Distributor who terminates the Distributorship Agreement shall not be eligible to become a Distributor again for a period of three months.
20. Any Distributor who sponsors other Distributors in to the Compensation Plan must fulfill the obligation of performing bona fide supervisory, training and selling functions in the marketing of ForMor's products and program benefits. Any Distributor who sponsors other Distributors is expected to supervise, train and maintain ongoing contact and communication with his/her sales organization. Examples of supervision may include, but are not limited to: telephone contact, written correspondence, personal meetings, voice mail, electronic mail, newsletters, training meetings and sharing genealogy information with those sponsored. Distributors are not restricted from involvement in other direct selling/network marketing opportunities, except that they may not offer non-ForMor products, services or income opportunities to ForMor Distributors, other than personally sponsored. If they choose to remain/become involved in another direct selling/network marketing company, their sponsored front lines, with group, may choose a different sponsor who is not involved in a competing business, going first directly upline, in order, then cross line, but with written company approval.
21. I understand that my Distributorship can be inherited or bequeathed, but cannot be transferred or assigned during my lifetime without ForMor's consent, which consent will not be unreasonably withheld.
22. This Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas applicable there to. Any litigation or arbitration arising under the Agreement shall have Faulkner County, Arkansas as its place of venue. Each party shall be responsible for its own attorney's fees and court costs. Louisiana residents may choose Louisiana law, and may litigate or arbitrate in New Orleans.