#### **POLICIES AND PROCEDURES**

## Section 1- Membership and Business Ownership

- 1.1 To become a Member you shall meet the following requirements:
  - 1.1a Member must be of legal age in the state, territory or country of their domicile;
  - 1.1b Have a Sponsoring Business Owner from Sante International Corporation;
  - 1.1c Fill out and complete the online Registration Form on the official website of the Company;
- 1.2 To become an authorized Business Owner, the Member must purchase any of the Business Owner Product Packs from which he/she will be given Business Account/s(BA).
  - 1.2a A Business Owner Activation Pack entitles an individual to one Business Account depending on the individual's entry to a particular Sante International Corporation. A business owner may only own one business account.
- 1.3 The individual or natural person must have a valid government ID and Social Security Number (SSN) or Individual Taxpayer Number (ITIN), and proof of such identification shall be submitted within thirty (30) days from the date of registration, if needed.
- 1.4 For registrations other than for a natural person, all legal documents along with stockholder details and board resolution for applying legal entity shall be produced. They shall be submitted via Sante USA website and official email. The Company has sole discretion to hold commission, terminate registration upon failure to submit specified document within 30 calendar days from date of registration, and any commission earned during this period shall be forfeited in favor of the Company.
- 1.5 In the event of any changes in Ownership, Directorships or Shareholder in said entities, the member/business owner shall immediately inform the Company the change(s) and the Company shall have the right at its sole discretion to terminate or confirm their BusinessOwnership.
- 1.6 If an individual submits multiple online Registration Forms, only the first completed registration received by the Company will beaccepted and considered. All the subsequent online registration forms are hereby declared null and void.
- 1.7 An individual or entity may not apply as a Member-Business Owner using a fictitious or assumed name. Using a fictitious or assumed name shall cause the deactivation or deregistration of the business account. It is strictly prohibited for a member/business owner to use dummy in applying for registration of business account with the Company. For this purpose, a dummy is defined as a person using the name/identity of another person, whether real or imaginary. A corporation or a partnership entity, in which the majority of the stocks or partnership shares is owned by a business owner shall be considered a dummy under the terms of this Agreement. Any individual business owner or entity violating the foregoing provision shall forfeit all the commissions earned and is obligated to return to the Company within Ten (10) days the commissions previously received from

## **Section 2- Appointment**

- 2.1 Upon registration, the Company will grant to the individual a Business Owner's status within the Compensation Plan by sending to him a written notice and thereafter the individual becomes a Business Owner. The Business Account Number used upon registration shall be the unique identification of the Business Owner in the system. The Business Owner shall include his/her Business Account Number in all his/her orders and correspondences with the Company.
- 2.2 The Company reserves the right to rescind the said acceptance at its sole discretion within 60 days after receipt of the registration. Upon rescission of the acceptance, the Company shall give notice to the individual to notify him of the rescission. However, the Company is not obliged to give any reason to the individual for the Company's decision to rescind.

## **Section 3 - Independent Contractor**

- 3.1 A Business Owner is an independent business owner having the rights and obligations conferred by these terms of agreement and the P&P (Policies and Procedures) Manual to promote or market the products of Sante International Corporation.
- 3.2. A Business Owner is not a branch, franchisee, partner, employee, agent or Representative of Sante International Corporation. He has no right to and shall not represent himself/herself as such. The relationship between a Business Owner and Sante International Corporation is wholly governed by these terms of agreement and the P&P of Sante International Corporation. Any breach of this clause on the part of the Business Owner is considered a serious breach of these Terms of Agreement and may result in the immediate termination of his/her BusinessOwnership.
- 3.3 A Business Owner is not an employee of the Company. Any costs he/she incurs in the development of his/her business are at his/her own expense. He/She shall not be entitled to seek reimbursement from theCompany.
- 3.4 Similarly, the Company is not responsible for payment or co-payment of any employee benefits for its Business Owners. Business Owners are responsible for their own liability, health disability and workmen's compensation insurance, etc.

## **Section 4 - Business Owner's Rights and Obligations**

#### 4.1 Non-exclusivity

A Business Owner has a non-exclusive right to market and promote products of Sante International Corporation. There are no geographical limitations existing in sponsoring or selling the products; provided, however, that the Company reserves the right not to sell products or services in any states, territories or countries.

Further, the sale, marketing, promotion and distribution of the products of Sante International Corporation shall be made in accordance with this Agreement, as well as the other rules, regulations and policies as may be issued by the Company

## 4.2 Right to sponsor

Only a Business Owner has a right to sponsor another new Business Owner to Sante International Corporation and enjoys the benefits under the Sante International Corporation's Compensation Plan for doing so. When sponsoring a new Business Owner to Sante International Corporation, the sponsoring Business Owner shall give the persons whom he/she intends to sponsor a copy of the Terms and Agreement, and the details of the Compensation Plan.

In this case, the Sponser shall be bound by the terms and conditions of this Agreement and other terms, conditions and policies as may be issued by the Company. The Business Owner agrees and understands that it may be held liable for any and all acts of the Sponsor in violation of any of the terms and conditions of this agreement.

## 4.3 Rights to Company Literatures & Communication etc. & to participate inCompany Functions

Business Owners may receive periodic literature and other communication from Sante International Corporation. They will also be invited to, and upon payment of appropriate charges if applicable, participate in Company-sponsored support, service, training, motivational and recognition functions. They may also be invited to participate in promotional and incentive contests and programs sponsored by the Company for its Business Owners.

## 4.4 No right to represent the Company

Business Owners have no right to negotiate or conclude any contract on behalf of the Company. Nor shall he/she hold himself/herself out as having such a right. He shall not represent himself/herself as Agent, Representative or employee of the Company.

#### 4.5 Obligation for personal promotion

Business Owners have an ongoing obligation to continue to personally promote sales through the introduction of new Business Owners to Sante International Corporation and through servicing their existing Business Owners.

#### 4.6 Obligations to Sponsored BusinessOwners

Any Business Owner who introduces another Business Owner to Sante International Corporation is highly recommended to perform his/her duties as a sponsor to provide all necessary information about the company and provide training about the company, products and compensation plan and shall discuss Terms and Conditions to ensure that

his sponsored Business Owner is properly informed and can independently operate and conduct his/her Sante business. It is both to the advantage of the Sponsor and their sponsored Business Owners to have regular contact and communication.

Business Owners must truthfully and fairly describe the Compensation Plan. No past, potential or actual income claims may be made to prospective Business Owners. Nor may Business Owners use their own incomes, or other Business Owner's income as indications of the success assured to others. Commission checks shall not be used as marketing materials. Business Owners shall not guarantee commissions or estimate expenses to prospects.

## 4.7 Cross-Lining

No Business Owner may sponsor or attempt to sponsor another registered Business Owner from a different line of sponsorship to "switch" to another line of sponsorship.

## **Examples of cross-lining are:**

Placement of a new Business Owner using anyone's name known to the sponsor Business Owner and placing it in lines of sponsorship outside the Sponsor Business Owner's primary Business Account while intending to profit from the proceeds of the said new Business Owner;

A Business Owner owning an interest in an entity which is a Business Owner in lines of sponsorship not below his primary Business Account; Entering in other lines of sponsorship under the same name. Any situation (whether the above examples or others) found to be in violation of this clause shall result in termination of the newly placed Business Owner, as well as the Member having instigated the said situation.

## 4.8 Obligation of not referring to OtherPrograms

A Business Owner shall not sponsor or attempt to sponsor or knowingly assist another person to sponsor another Business Owner or any person into any other multi-level networking marketing company or into another Business Owner's sales organization. In addition, no Business Owner shall participate in any action knowing that participating in the action may cause another Business Owner or any person to be sponsored through someone else into another multi-level networking marketing company.

Business Owners are strictly prohibited to promote any direct or indirect competitive services, products and/or business programs. At Sante International Corporation's function or on Sante International Corporation's property, no Business Owner shall solicit any person to join any other multi-level networking marketing company or involve the sale of products of any other network marketing company. Breach of any part of this clause is a serious offense of the P&P and may lead to the immediate suspension or termination of the Business Ownership of the Business Owner who is in breach.

#### 4.9 Breach of Security

All Business Owners have a responsibility to maintain the network integrity of the

Company. Any Member who is found attempted "hacking" into or interfering or tampering with the Company's database or any part of the Company's computer system (hardware and/or software) or attempting to do any of the aforesaid acts shall be liable to immediate termination of his Membership. They shall also be liable for all consequential damages and losses of the Company.

## 4.10 Legal Compliance

Business Owners must comply with all laws, statutes, regulations and ordinances concerning the operation of their business.

#### 4.11 Tax, Expenditures, etc.

4.11.1. Business Owners are personally responsible for paying local, state, provincial, and federal taxes on any income they generate as Independent Business Owners. Unless required by laws, regulations, or rules in any relevant countries, the Company shall have no obligation to provide tax information about the commissions and/or bonuses its Business Owners earned on behalf of Business Owners to any government authorities. However, as a withholding tax agent, any commissions paid by the Company are net of applicable withholding taxes.

4.11.2. Business owners whose monthly commissions exceeded P 25,000 shall issue a valid Official Receipt to the company. Company shall issue Creditable withholding tax (2307) for any taxes withheld from the commission.

#### 4.12 Obligation to the Company

A Business Owner shall, at all times remain loyal to the Company and shall not publish any written and/or verbal disparaging or adverse information/statement against the Company. He shall hold the Company's management and corporate team in high esteem at all times, failing which, he may be terminated notwithstanding that he may also be liable for libel or slander, or any allied crime as may be warranted.

#### **Section 5 - Commissions and Bonuses**

## 5.1. Qualification forbonuses

A Business Owner must be active and in compliance with the Agreement, P&P and the Compensation Plan to qualify for commissions and bonuses. So long as a Business Owner is entitled under the Compensation Plan to receive commissions and bonuses, the Company shall compute and pay commissions and bonuses to the Business Owner in accordance with the Compensation Plan. Business Owners must consult the Compensation Plan for a detailed explanation of the benefits, commissions and bonuses structure and the corresponding requirements. Commissions and bonuses are paid only on the sale of the company products. No commission nor bonus is paid on the purchase of the Company's sales materials and literature or for referring other Business Owners. Commissions and bonuses are calculated for each individual business account. A Business Owner is entitled to the maximum number of Business Unit/s (BU) dependent on the type of Business Owner Product pack used to register and governed by the particular Sante International

Corporation's compensation plan.

## 5.2 Adjustments to commissions and/orbonuses

Business Owners receive commissions and bonuses under the Compensation Plan based on the actual sales of products to Customers or Business Owners.

When a product is returned to the Company for a refund or is repurchased by the Company or the transaction is in anyway not successfully completed, the bonuses and/or other benefits attributable to the returned, repurchased product or the unsuccessful transaction will be deducted, in the commission period in which the refund or repurchase occurs, and continuing every commission period thereafter until the bonuses and/or other benefits is fully recovered from the Business Owner who received commissions and/or bonuses on the sales of the refunded or repurchased product. In addition, if the Company has already paid bonuses to a Member for returned product, the Company shall have the right to request the Member for the return of the said bonus and the Business Owner shall have the obligation to return such commissions and/or bonuses to the Company within ten (10) days from notice.

#### **5.3 Payment of Commission**

All commissions and/or bonuses a Business Owner earns will be credited to his Sante Account. The Business Owner can give instructions to the Company for the payment out of his Sante Account by way of commission check, Greenium account, Bank Account subject to corresponding processing and bank charges.

#### 5.4 Offset

The Company shall have the right to offset any debt(s) a Business Owner owes to the Company against his bonuses and/or commissions.

## **Section 6- Resignation, Suspension and Termination**

#### 6.1 Resignation

A Business Owner may voluntarily terminate his Membership by sending thirty (30) days written notice of such resignation or termination to the Company. Voluntary resignation is effective upon receipt of such notice by the Company hence will result in the loss of commission rights from the Business Owner's Business Unit/s.

If a Business Owner terminates his Business Ownership, he shall be deemed to have voluntarily inactivated his Business Ownership with the Company and thereby inactivates his Business Owner status, all sponsorship rights, his/her Business Account in the Genealogy and all rights to commission payout and incentives since the date of his/her last Active Date. Business Owners who terminates their Business Ownerships may not reapply under a new sponsor for a minimum of six (6) calendar months afternon-renewal.

**6.2**Inactive Business Ownership would also mean forfeiture of succeeding accumulated earnings. The only commission due shall be for the last commission cycle that the Business Owner isactive.

# **6.3 Grounds for Corrective Actions for Business Ownership suspension and/or termination**

- o violation of the Business Owner Terms and Agreement
- o falsification of reports and submitted documents; forged documents andreports
- o Failure to maintain standards of thecompanies
- Breach of trade secret covenances
- Fraudulent BusinessUnits
- o Misrepresentation of the compensation plan
- Cross-group sponsoring andselling
- Unethicalpractices

#### 6.3.1. Suspension

A Business Owner may be suspended for violating any terms of the Agreement, P&P, the Compensation Plan and/or any other relevant documents produced by Company. When a decision is made to suspend a Business Owner, the Company will inform the Business Owner in writing of the decision, the effective date of the suspension, the reason(s) for the suspension and the steps necessary to remove such suspension (if any). The suspension notice will be sent to the Business Owner's "e-mail address on file" pursuant to the notice provisions contained in the P&P. Such suspension may or may not lead to termination of the Business Owner as so determined by Company at its sole discretion. If the Business Owner wishes to ask the Company to review the decision, he shall make such a request in writing to the Company within thirty (30) days from the date of issuance of the suspension notice. The Company will review and consider the suspension and notify the Business Owner via e-mail of its decision within thirty (30) days from the date of the receipt of the Business Owner's written request. The Company will thereafter not further review its own decision. The Company may take certain action(s) during the suspension period, including, but not limited to, the following:

- 6.3.1a Prohibiting the Business Owner from holding himself as Business Owner or using any of Company's proprietary marks and/or materials;
- 6.3.1b Withholding Commissions and Bonuses due to the Business Owner during the suspension period;
- 6.3.1.c Prohibiting the Business Owner from purchasing services and products from the Company; and/or;
- 6.3.1.d Prohibiting the Business Owner from sponsoring new Business Owners, contacting current Business Owners or attending meetings of Business Owners. If the Company, at its sole discretion, determines that the violation which caused the suspension is continuing, and has not satisfactorily been resolved or a new violation involving the suspended Business Owner has occurred, the suspended Business Owner may beterminated.

## 6.3.2. Termination

Dependent upon the seriousness of the violation, a Business Owner may be immediately terminated for violating the terms of the Agreement, P&P, Compensation Plan and/or any other relevant documents produced by the Company. The Company may, at its sole discretion, terminate a violating Business Owner without placing the Member on suspension. When the decision is made to terminate a Business Owner, the Company will inform the Business Owner in writing to the email address in the Business Owner/s file that the termination has occurred.

If a Business Owner wishes to ask the Company to review the decision to terminate, he shall make such a request to the Company in writing within thirty (30) days from the date of notice of termination. If no such request is received by the Company within the thirty (30) day period, the termination will automatically be deemed final. If a Business Owner files a timely written request, the Company will review the decision and notify the Member of the result of the review within thirty (30) days after receipt of the Business Owner's request. Thereafter, the Company will not further review its decision. In the event the termination decision is not reversed, the termination will remain effective as of the date stated in the original termination notice.

#### 6.4 Effects of Resignation, Suspension and Termination

After resignation, the former Business Owner shall not further represent himself as Business Owner of the Company and shall cease to use any materials bearing the trademarks, service marks, trade names and any signs, labels, stationary or advertising referring to or relating to any products, plan or program of the Company. He shall have no rights to enjoy any benefits under the P&P and the Compensation Plan.

If a Business Owner is suspended, he shall not before the removal of his suspension, further represent himself or hold himself out as Business Owner of the Company. Nor shall he use any materials bearing the trademarks, service marks, trade names and any signs, labels, stationary or advertising referring to or relating to any products, plan or program of the Company. He shall have no rights to enjoy any benefits under the Agreement, P&P and/or the Compensation Plan. But he shall be allowed to retain his BUs pending the final resolution of his case. Any commissions and/or bonuses payable to him should he not be suspended shall be retained by the Company. If the suspension of the Business Owner is

subsequently removed, all outstanding commissions and/or bonuses shall be paid to the Business Owner. However, if the Business Owner is subsequently terminated, the termination shall be treated as effective from the effective date of the suspension and all rebates and/or bonuses retained as aforesaid by the Company shall be forfeited forthwith to the Company. Immediately upon termination, the terminated Member:

6.4a Must remove and permanently discontinue the use of the trademarks, service marks, trade names and any signs, labels, stationary or advertising referring to or relating to any product, plan or program of the Company.

6.4b Must cease representing himself as a Business Owner of the Company;

6.4c Loses all rights to his Business Owner position in the Compensation Plan and to all future commissions and earnings resulting there from;

6.4d Must take all actions reasonably required by Company relating to protection of Company's confidential information. Company has the right to set off any amounts owed by the Business Owner to the Company including, without limitation, any indemnity obligation incurred pursuant to Section 9.15 (Indemnity) herein, from commissions or other compensation due to the Member.

## 6.5. **Re-registration**

A Business Owner who resigns or determinates his Membership may reapply as a new Member but such re-registration will only be considered six (6) months after resignation. The acceptance of any re-registration of a terminated Business Owner shall be at the sole discretion of Company. If re-registration has been approved, the Business Owner will have a new Business Unit from then on can he/she start building his/her own network organization.

## **Section 7-Transfer of Business Ownership**

## 7.1. Acquisition of BusinessOwnership

No transfer of Business Ownership shall be allowed except those authorized by the company.

## 7.2. Acquisition of BusinessOwnership

Except as expressly set forth herein, a Business Owner may not sell, assign or otherwise transfer his Business Ownership (or any rights thereof) to another Business Owner or to any person. Notwithstanding the foregoing and paragraph (c) below.

7.2.aNo transfer of Business Ownership shall be allowed within twelve (12) calendar month period from the date of the registration of the Business Owner. In the event of a

transfer, a Business Owner has to transfer all his BAs except for sponsored Business Owners down his organization. This is to protect the integrity of the genealogy

7.2b Any Business Owner desiring to acquire the Business Ownership of another Business Owner or any interest therein must first terminate his Business Ownership and wait twelve(12) months before becoming eligible for such a purchase. All such transactions must be fully disclosed and must be approved by the Company in advance.

7.2c Business Owners may not sell, assign, or transfer his Business Ownership (or any right thereto) without the prior written approval of the Company: The selling Business Owner and/or the prospective purchaser must provide the Company with a copy of all documents which detail the transfer, including, without limitation, the name of the purchaser, the purchase price and terms of purchase and payment; An office administration transfer fee must accompany the transfer documents; The Business Ownership transfer agreement must contain a condition made by the selling Business Owner for the benefit of the proposed purchaser not to compete with the proposed purchaser or attempt to divert or sponsor any existing Business Owner for a period of one (1) year from the date of the sale or transfer; and; Upon a sale, transfer or assignment being approved in writing by the Company, the purchaser must assume the position and terms of the Agreement of the selling Business Owner and must execute a current Registration Form and all such other documents as required by the Company. The Company reserves the right, at its sole discretion, to stipulate additional terms and conditions prior to approval of any proposed sale or transfer. The Company reserves the right to disapprove any sale or transfer.

- 7.3 Any sale, assignment, or transfer of Business Ownership or any interest therein not complying with the above requirements will not be accepted or recognized by the Company.
- 7.4 No transfer, assignment, or sale of Business Ownership will be allowed if the transferor, assignor, or selling Business Owner has not fully paid for products he has ordered from the Company.
- 7.5 Transfer of a Business Ownership to one's sponsored Business Ownership is not allowed.
- 7.6 If it is determined, at the Company's sole discretion, that a Business Ownership was transferred in an effort to circumvent compliance with the Agreement, the P&P and/orthe Compensation Plan, the transfer will be declared null and void. The Company may at its sole discretion, take appropriate action(s), including but without limitation, terminating the transferring Business Owner's BusinessOwnership.

## Section 8 - Product Return & Exchange Policy:

- 8.1 The business owner, upon acceptance of the products, shall forthwith carefully and thoroughly inspect the products and determine the condition of the products, including, but not limited to, the following standards: (a) Quantity and General Quality of the Products; (b) Fitness for Trade and Merchantability of the Products; (c) Existence of any defect or damage to the Products, whether apparent or hidden; (d) Packaging and Appearance of the Products.
- 8.2. However, if despite the prior inspection and acceptance of the business owner, defect/s to the PRODUCTS accepted are discovered by the end user / consumer, the business owner shall promptly report the same to SANTE within a non-extendible period of thirty (30) days. The returned product/s should be accompanied by:
  - 8.2.a. Issuedreceipt
  - 8.2.b. Filled out Product ReturnForm
- 8.3. SANTE shall be responsible to deliver the replacement or substitute PRODUCTS to business owner only if the business owner has substantiated that the defect/s to the products are in the nature or manufacturing defects and/or hidden defects which could not have been reasonably identified during the inspection and acceptance of the Products.
- 8.4.SANTE, however, shall not be under any obligation to replace and/or substitute products which the business owner claim to be defective and/or damaged: (a) other than for those proven to be as a result of manufacturing defects and/or hidden defects and/or (b) if the business owner fails to promptly report to SANTE any damage or defect to the accepted products within a non-extendible period of thirty (30) days from the acceptance of the Products

#### **Section 9 - Code of Conduct and Ethical Standards:**

Each Business Owner shall create and foster harmonious relationship, respect, professional culture within the Company, pursuant to the CODE OF CONDUCT AND ETHICAL STANDARDS.

## 9.1 Loyalty to the Company

All Business Owners shall at all times, remain loyal to the company and its policies and procedures (P&P) being issued from time to time. They must not commit acts, which include but are not limited to:

a) Joining, representing, associating, sponsoring, recruiting, conspiring in any mode or form for the benefit or advantage of companies, business groups, partnership or individual, directlyor indirectly competing with SANTE either locally orabroad:

- b) Introducing, presenting, selling, promoting, nor offering in any manner their products, services, businesses, marketing programs and plans or a combination thereof, whether tangible orintangible.
- \*1st Offense One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2ndOffense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

## 9. 2 Protection of company reputation

In consideration of the benefits and privileges given by the Company, all Business Owners must not make nor encourage written or oral remarks or statements, which tend to discredit and disrepute the company, board of directors, management and its officers, employees or representatives.

- \*1st Offense- One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2<sup>nd</sup>Offense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

## 9.3 Honesty in all dealings

All Business Owners are strictly enjoined to be professionals in all acts and bearings, dealings or transactions. They must not make any false statements, such as, but not limited to misrepresentation, exaggeration, disinformation, vain promises, introducing fake or spurious products or services, or circumventing the compensation plan or programs of the company.

- \*1st Offense- One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2<sup>nd</sup>Offense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either

monetary or any kind, which accrued at the time of the commission of theviolation.

\*3rdOffense - Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

## 9.4 Honesty among fellow BusinessOwners

All Business Owners are strictly enjoined to be honest and credible in all their deeds by not committing acts against the company or fellow Business Owners, which are but not limited to:

- a) Imitating or counterfeiting any handwriting, or signature;
- b) Causing it to appear that a Business Owner has participated in any act or activity when he/she did not in fact soparticipate;
- c) Alluding or pointing to Business Owners who have participated in any act, activity or statements other than those made bythem;
- d) Inserting false statements in a narration of facts such as those in the affidavit, deed and other documents similarthereto;
- e) Changing truedates;
- f) Modifying a genuine document, which alters or changes itsmeaning;
- g) Issuing in an authenticated form a document purporting to be a copy of an original document when no such original actually exists;
- h) Introducing unauthorized scheme to his/her business partners or new Business Owner resulting to his/her financial and/or personalgain;
- i) Withholding or non issuance of password of the new Business Owner, managing or merely opening the web page or module of a Business Owner without authorization from the owner of the web page or module; and
- j) Other analogousacts.

#### 9. 5 Humility and respect towards Business Owners of the company

All Business Owners are strictly enjoined to observe humility and respect towards fellow Business Owners, officers and employees of the company, by not committing directly or indirectly any acts, which are but not limited to rudeness, disrespect and discourtesy.

- \*1st Offense- One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2<sup>nd</sup>Offense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

#### 9. 6 Fairness towards fellow Business Owners

All Business Owners are strictly enjoined to have a sense of equality and sincerity toward fellow Business Owners by not interfering with the sponsoring activities of their fellow Business Owners to the latter's prejudice. While it is generally the discretion of the business partner under whose sponsorship he/she will register, Business Owners are strictly prohibited from influencing other Business Owners' business partners to register under sponsors apart from the ones who invited them.

- \*1stOffense One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2<sup>nd</sup>Offense Three (3) months suspension of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or in kind in favor of the company, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

## 9. 7 Decency, good morals and behaviors

All Business Ownersare strictly enjoined to observe decency and good behavior by not committing any immoral act or conduct, which tends to debase company policies and good morals within the company premises and branches.

- \*1stOffense One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2ndOffense Three (3) months suspension of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or in kind in favor of the company, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

#### 9.8 Non-tolerance of fraudulentactivities

All Business Owners are strictly enjoined not to commit any fraudulent act or false pretenses directly or indirectly, to the prejudice of the company or fellow Business Owner by committing acts, which are but not limited to:

## a. For internal control of the company:

- i. Using fictitious name, or dummy, or by other deceitful means purportedly to obtain financial and/or personal gain andinterest;
- ii. Issuing a check to the company when he/she/it has no funds or are insufficient to cover the amount of thecheck;
- iii. Incurring obligation to the company and evading the performancethereof;
- iv. Non-issuance of PAID COMPLETE SET OF RETAILER KIT and/or ACTIVATION PACKAGE or Issuance of INCOMPLETE SETSTHEREOF;
- v. Soliciting large sums of money from persons who purport to beinvestors;
- vi. Cross-Lining or Transferring/Sponsoring from other groups, exceptas authorized by the Company;
- vii. Openly or discreetly giving gifts to management and staff to gain personalfavors.

## b. For Selling of Products:

- i. By altering the quality, fineness or weight of any product pertaining to the business of thecompany;
- ii. **ONE PRICE POLICY:** Selling of products below the suggested retail price and Business Owner price set by thecompany.
- iii. Selling of products with additional discounts not approved by the company to entice Business Owners, franchisee, branch to purchase from theirbranch.
- \*1st Offense- One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2ndOffense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of theviolation.

## 9.9. On re-inventing or circumventing the CompensationPlan

The business of SANTE INTERNATIONAL CORPORATION is NOT an INVESTMENT SCHEME wherein, it will be presented to people who will be called as INVESTORS and in return get a huge

percentage as interest while doing nothing upon placing a huge sum of money as their INVESTMENT.

A Business Owner shall not influence, encourage, present, promote, support, join directly or indirectly a <u>scheme of laying down a calculated network structure</u> <u>forpersonal and monetary gain</u>, using fictitious, assumed, simulated, false names, or employing any fraudulent or similar means, resulting to the selling of products below the Business Owner price set by the company and damaging the integrity of the company, brand, product and network organization.

- 1) Any individual or entity who presents, joins, promotes or has a connection with the said scheme in any way, directly or indirectly, shall be liable to pay the Company liquidated damages in the amount of P 500,000.00 (USD 10,000.00) and an amount equivalent to Ten PERCENT (10%) of the amount claimed in the complaint, if any, as Attorney's Fees, but in no case less than Php100,000.00 (USD 2,000.00), plus costs of suit and other expenses which the law entitles the Company. The Company is also entitled to obtain an injunction from the court to prevent such individual or entity from directly or indirectly engaging in any act prohibited under the preceding paragraphs.
- 2) Further, any person or entity who markets, promotes, sells or distributes any product of Sante International Corporation, with or without the knowledge and/or consent of the Company or of the Business Owner, in violation of the terms herein shall be liable to pay the Company liquidated damages in the amount of Php 500,000.00 (USD 10,000.00) and an amount equivalent to Ten PERCENT (10%) of the amount claimed in the complaint, if any, as Attorney's Fees, but in no case less than Php100,000.00 (USD 2,000.00), plus costs of suit and other expenses which the law entitles the Company. The Company is also entitled to obtain an injunction from the court to prevent such individual or entity from directly or indirectly engaging in any act prohibited under this paragraph.

Any Business Owner who, or whose employee, agent or representative, engages in any act covered in paragraphs (1) or (2) of this Section, shall be subject to the following penalties, in addition to those covered in paragraph (3) of this Section:

- \*1st Offense One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2ndOffense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.

## 9.10. Unethical Activity

Unethical Activity – Business Owners are to protect and promote awareness/reputation of the company, products and business with the highest form of ethics:

- a. Company and products the promotion of products shall be consistent with the public interest, avoid discourteous, misleading, unethical, deceptive and immoral practices/conduct.
- b. Business Business Owners must no make false or fraudulet representation about the company, the products, compensation plan or other income opportunities/potentials.
- c. Failure to comply may result to immediate termination and possible legalaction.
- \*1st Offense One (1) month suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*2ndOffense Three (3) months suspension of all the accounts with the forfeiture in favor of the company of all benefits, privileges, commissions and other remunerations either monetary or any kind, which accrued at the time of the commission of the violation.
- \*3rdOffense Termination of all the accounts, which carries with it the forfeiture of all benefits, privileges, commissions and other remunerations either monetary or any kind in favor of the company, which accrued at the time of the commission of the violation.
- 9.11 All penalties referred to in this Code shall be without prejudice to the right of the Company to pursue any action as may be warranted under the law.

## **Section 10 - Binding Agreement**

The terms and conditions of this Agreement, as well as the rules, regulations and policies as may be issued by the Company shall be binding not only on the Business Owner, its officers, employees, representatives or assigns, as well as other persons or entities marketing, promoting, distributing or selling the products of Sante International Corporation with or without the prior knowledge and/or consent of the Company and/or the Business Owner.

## Section 11. Non-Waiver

Failure of the Company to complain of any act or omission in violation of the terms of this Agreement, shall not be deemed to be a waiver by the Company of any of its rights under this Agreement or under any law, rule or regulation. No waiver by the Company of any breach of this Agreement, or of any law, rule or regulation shall be deemed a waiver of or a consent to a breach of any other provision of this Agreement, or of any law, rule or regulation.