

Distributor Agreement

PLEASE READ THIS AGREEMENT BEFORE REGISTERING TO BECOME AN INDEPENDENT SUNRIDER DISTRIBUTOR. This Agreement is made between The Sunrider Corporation, a Utah corporation d.b.a. Sunrider International ("Sunrider") and you. This Agreement sets forth the terms and conditions for becoming an Independent Sunrider Distributor.

1. You must be at least 18 years old. You will be an independent contractor and not an employee of Sunrider. As an independent contractor, you are responsible for all applicable taxes, including self-employment tax, and for obtaining all necessary licenses and permits. You will not be treated as an employee for state or federal tax purposes.
2. You understand and agree that any violation of this Agreement or the Sunrider® Business Guide ("Business Guide"), which is fully incorporated herein by reference, may result in the suspension or termination of your Sunrider Distributor account. You will comply with all of the terms and conditions of the Business Guide in its most current form and as may be amended by Sunrider. You further understand and agree not to make any claims or representations that any Sunrider® product can be used to diagnose, treat, cure, mitigate or prevent any disease.
3. You understand and agree that Sunrider may amend, modify, supplement or revise all or any part of the Business Guide at its sole discretion. Any changes become effective immediately upon notice, which may be provided to you via e-mail, mailer or displayed on Sunrider's web site at **www.sunrider.com**. Your continued participation as a Sunrider Independent Distributor will be deemed acceptance of such changes.
4. This Agreement shall be deemed accepted by Sunrider when Sunrider issues you an acceptance letter or e-mail notification. The term of this Agreement shall be 12 months from the date Sunrider issues its acceptance letter or e-mail and will automatically renew every 12 months thereafter unless your Distributor account remains inactive as defined in the Business Guide. You must maintain an active account in order to preserve your rights as an Independent Sunrider Distributor. By maintaining an active account you agree to abide by all of the terms and conditions of the Business Guide, including Sunrider's right to modify any portion of the Business Guide in its sole discretion.
5. **The laws of the State of California apply to this Agreement. Any dispute arising out of this Agreement, or that in any way relates to your relationship with Sunrider, its officers, directors, agents, employees, Distributors or Preferred Customers, or your use, consumption, or sale of Sunrider® products, shall be resolved by arbitration in Los Angeles, California, pursuant to the Sunrider Arbitration Rules contained in the Business Guide. The arbitration shall be final and binding. You understand and agree that arbitration shall be in lieu of any court proceedings or trial by jury.**
6. Sunrider makes no representations or warranties regarding Independent Distributor or Preferred Customer web sites, including warranties of merchantability, fitness of purpose or testimonials. You should not rely on any representations or warranties, if any, contained on Independent Distributor or Preferred Customer web sites.
7. Sunrider makes no guarantee of any earnings or profits to any of its Independent Distributors or Preferred Customers. Any representation or guarantee of earnings would be misleading. Success results only from successful sales efforts, which require hard work, diligence and leadership. Your success will depend on how effectively you exercise these qualities.
8. You understand that the only expense incurred in becoming an Independent Sunrider Distributor is the purchase of a Starter Pack, which includes marketing materials such as the Business Guide, Product Catalog, Sunrider Sales Price List and some of Sunrider's most popular and proven business builder products to help you get your business off to a successful start.
9. This Agreement, together with the Business Guide, contains the entire understanding of the parties regarding your relationship with Sunrider and supersedes any prior agreements or understandings that may have existed. If any portion of this Agreement is held to be unenforceable, the rest of the Agreement will continue to apply. Any failure by Sunrider to enforce any provision of this Agreement does not waive its right to enforce the same provision in the future.
10. You may cancel this Agreement within 15 days of execution by notifying Sunrider in writing. Upon cancellation, you will be entitled to a refund of all payments required by this Agreement, including the purchase price of the Starter Pack, provided all items are returned to Sunrider in marketable condition.

Initials

Date