

# Mannatech U.S. Associate Terms and Conditions

600 S. ROYAL LN, STE 200 • COPPELL, TX 75019 • (972) 471-8111 • mannatech.com

1. Upon acceptance of this application by Mannatech, Incorporated ("Mannatech" or "Company") and the issuance of an account number, I am authorized as an Associate as of the date of this Associate Application & Agreement. The term of this agreement is one year.
2. As an Independent Associate, I must submit a valid tax identification number (or its equivalent) before being issued a Company Account Number. A Preferred Associate is a person who is only a product user and does not participate in the Compensation Plan. A Preferred Associate is not considered an Independent Associate for Mannatech until they sponsor their first Associate.

The Company is not responsible for withholding, and shall not withhold or deduct from my bonuses and commissions, if any, FICA or taxes of any kind, unless such withholding becomes legally required. I agree to be bound by all sales tax collection agreements between the Company and all appropriate taxing jurisdictions, and all related rules and procedures.

3. I understand that as an Independent Associate:
  - a. I have the right to purchase products and services from the Company at Associate cost.
  - b. I have the right to offer for sale Mannatech products and services in accordance with these Terms and Conditions.
  - c. I have the right to register persons in Mannatech.
  - d. I am an Independent Contractor and not an employee, agent, partner, legal representative or franchisee of Mannatech. I am not authorized to and will not incur any debt, expense or obligation or open any checking account on behalf of, for, or in the name of the Company. I agree that I will be solely responsible for paying all expenses that I may incur, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I UNDERSTAND THAT I SHALL BE TREATED AS AN INDEPENDENT CONTRACTOR OF MANNATECH FOR ALL PURPOSES, INCLUDING FOR FEDERAL OR STATE TAX PURPOSES.
  - e. I will use the Retail Sales Invoice (Mannatech Online Document 1805901) provided by the Company, which outlines the date of the sale, the name and address of the merchant, buyer's right to cancel statement (part of these Terms and Conditions), and address where the buyer can send the cancellation notice for the sale of Mannatech products. I understand that I must keep accurate records of retail sales, and that the Company may periodically ask me to provide documentation of such sales to the Company.
  - f. I will use only the sales contracts and order forms that are provided by the Company for the sale of its products, and I will follow all policies and procedures established by the Company for the completion and processing of such contracts and orders.
  - g. I will use only Company-approved promotional materials when representing the Company, offering the business opportunity, compensation plan, training other Associates and/or making representations as to the products. I agree to present the Mannatech Career and Compensation Plan and Mannatech products and services, as set forth in official Company literature. I will make no claims, statements, disclosures, representations or warranties regarding potential income, earnings, products, or services that are not printed in the Company's literature in either selling the products or in meeting with prospective Associates.
  - h. I will develop and service personal customers as stated in the Mannatech Career and Compensation Plan. I understand that I must keep accurate records of retail sales, and the Company may periodically ask me to provide documentation of such sales to the Company.
  - i. In order to be eligible to receive bonuses and commissions, I will order only enough products for a four-week period to reasonably fill my needs and/or I will resell at least 70% of all products or services that I purchase from Mannatech. All products purchased will be for sale to or use by an end-consumer, and I will not purchase any products or service solely for the purpose of qualifying for overrides, commissions or bonuses.
  - j. If I fail to annually renew my Mannatech Associateship, I understand that I will lose my rights as an Independent Associate, including rights to my downline organization, bonuses and commissions pursuant to the Mannatech Career and Compensation Plan until such time that I have renewed my position in accordance with the terms of the then-current Career and Compensation Plan.
4. I may not assign any rights or delegate my duties under this Agreement without the prior written consent of the Company. Any attempt to transfer or assign this Agreement without the express written consent of the Company renders this Agreement voidable at the option of the Company and may result in termination of this Agreement.
5. I will comply with all federal, state, county and municipal laws, ordinances, rules and regulations and will make all reports and remit all withholdings or other deductions as may be required by any federal, state, county or municipal law, ordinance, rule or regulation.
6. This Associate Application and Agreement constitutes the entire contract between Mannatech and me. Any promises, representations, offers or other communications not expressly set forth in this Agreement are of no force or effect. To the extent of any conflict or inconsistency between this Agreement and any other agreement (other than the Policies and Procedures), this Associate Application and Agreement shall supersede and prevail over any term of any other agreement as to the matters addressed herein. To the extent of any conflict or inconsistency between this Agreement and the Policies and Procedures (in their current form or as subsequently modified), the Policies and Procedures shall in all instances supersede and prevail over any term of this Agreement as to the matters addressed herein.
7. I agree to carefully READ and COMPLY with the Mannatech Associate Policies and Procedures and the Mannatech Career and Compensation Plan, both of which are incorporated into and made a part of

these Terms and Conditions. I understand that these Terms and Conditions, the Mannatech Policies and Procedures, or the Mannatech Career and Compensation Plan (all of which are collectively referred to as the "Agreement") may be amended from time to time, and I agree that any revisions or amendments shall become binding for me upon the publication of such revisions on Mannatech Online Documents or as officially announced in any Company communication. The continuation of my Mannatech Associateship or my acceptance of bonuses or commissions shall constitute my acceptance of this Agreement, and any and all amendments. I understand that I must be in good standing, and not in violation of any of the terms of this Agreement, in order to be eligible to receive any bonuses or commissions from Mannatech. I understand that I shall control the manner and means by which I operate my Mannatech business, subject to my compliance with the Agreement. In the event that a provision of this Agreement is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable, and the balance of the Agreement will remain in full force and effect.

8. To the extent permitted by law, the Company, its directors, officers, shareholders, employees, assigns and agents (collectively referred to as "affiliates") shall not be liable for, and I release the Company and its affiliates from, and waive all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by me as a result of: (a) my breach of this Agreement or the Mannatech Policies and Procedures; (b) the promotion or operation of my Associateship and any activities related to it (e.g., the presentation of Mannatech products or Career and Compensation Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.); (c) any incorrect or wrong data or information provided by me; or (d) the failure to provide any information or data necessary for Mannatech to operate its business, including without limitation, my registration and acceptance into the Career and Compensation Plan or the payment of commissions or bonuses. I agree that the entire liability of the Company and its affiliates for any reason whatsoever related to the relationship between me and the Company, including, but not limited to, any cause of action in contract, tort or equity, shall not exceed and shall be limited to the value of the products I have purchased from the Company under this Agreement or any other agreement that are in resalable condition.
9. This Agreement will be governed by and construed in accordance with the laws of the State of Texas. Except as set forth in the Mannatech Policies and Procedures, all disputes and claims relating to the Company, the Application, the Mannatech Career and Compensation Plan or its products and services, the rights and obligations of an Independent Associate or the Company under the Agreement or the Mannatech Policies and Procedures shall be settled totally and finally by arbitration in Dallas, Texas, or such other location as the Company prescribes, in accordance with the Federal Arbitration Act and the Commercial Arbitration rules of the American Arbitration Association. If an Associate files a claim or counterclaim against the Company, an Associate shall do so on an individual basis and not with any other Associate or as part of a class action. The decision of the arbitrator shall be final and binding on the parties and may, if need be, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitrate shall survive any termination or expiration of the Agreement.

## Notice of Cancellation

**You, the buyer, may CANCEL this transaction, without any Penalty or Obligation, at any time prior to midnight of the THIRD BUSINESS DAY after the date of this transaction.**

**If you cancel, any property traded in, any payments made by you under this contract or sale, and any negotiable instrument executed by you will be returned within TEN BUSINESS DAYS following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance for all obligations under the contract.**

**To cancel this transaction, mail or deliver a signed and dated copy of the Cancellation Notice or any other written notice, to the address in this contract NOT LATER THAN MIDNIGHT of the Third Business Day after the date of this transaction. You must give notice of cancellation by a method that will allow you to prove that you gave notice, including registered mail, fax or by personal delivery.**

By signing below, you agree that you have read and understand the statements above and the requirements of Mannatech regarding accuracy of representations regarding its products and Career and Compensation Plan.

X \_\_\_\_\_  
SIGNATURE OF APPLICANT

X \_\_\_\_\_  
SIGNATURE OF CO-APPLICANT

ACCOUNT NO. \_\_\_\_\_ DATE \_\_\_\_\_