

## Terms and Conditions

1. I understand that as a CILI By Design Member:
  - a. I have the right to offer for sale CILI By Design products and services in accordance with these Terms and Conditions.
  - b. I have the right to enroll persons into CILI By Design
  - c. If qualified, I have the right to earn commissions pursuant to the CILI By Design Compensation Plan.

2. I agree to present the CILI By Design Marketing and Compensation Plan and CILI By Design products and services as set forth in official CILI By Design literature.

3. I agree that as a CILI By Design Member I am an independent contractor, and not an employee, partner, legal representative, or franchisee of CILI By Design. I agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses.

I UNDERSTAND THAT I SHALL NOT BE TREATED AS AN EMPLOYEE OF CILI By Design FOR FEDERAL OR STATE TAX PURPOSES. CILI By Design is not responsible for withholding, and shall not withhold or deduct from my bonuses and commissions, if any, FICA, or taxes of any kind.

4. I have carefully read and agree to comply with the CILI By Design Policies and Procedures and the CILI By Design Marketing and Compensation Plan, both of which are incorporated into and made a part of these Terms and Conditions (these three documents shall be collectively referred to as the "Agreement"). In the event of a conflict between these Terms and Conditions and the Policies and Procedures, the Policies and Procedures will control. If I have not yet reviewed the Policies and Procedures and/or Compensation Plan at the time I sign this Agreement, I understand that they are also in my CILI By Design Back Office. I will review the Policies and Procedures and Compensation Plan within five days from the date on which I sign this Agreement, enroll in CILI By Design. If I do not agree to the Policies and Procedures or Compensation Plan, my sole recourse is to notify the company and cancel my CILI By Design Agreement. Failure to cancel constitutes my acceptance of the Policies and Procedures and Compensation Plan. I understand that I must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from CILI By Design. I understand that the Agreement may be modified or amended at any time at the sole and absolute discretion of CILI By Design and I agree to abide by all such changes. Notification of changes shall be emailed OR posted on CILI By Design website OR in my CILI By Design back office. Changes shall become effective 30 days after publication, but any changes shall not apply retroactively to conduct that occurred prior to the effective date of the change. The continuation of my CILI By Design business or my acceptance of bonuses or commissions after the effective date of any changes shall constitute my acceptance of any and all amendments.

5. The term of this agreement is one year (subject to prior cancellation pursuant to the Policies and Procedures). If I fail to annually renew my CILI By Design business, or if it is canceled or terminated for any reason, I understand that I will permanently lose all rights as a Member. I shall not be eligible to sell CILI By Design products and services nor shall I be eligible to receive commissions, bonuses, or other income resulting from the activities of my former downline sales organization. In the event of cancellation, termination or nonrenewal, I waive all rights I have, including but not limited

to property rights, to my former downline organization and to any bonuses, commissions or other remuneration derived through the sales and other activities of my former downline organization. CILI By Design reserves the right to terminate all Member Agreements upon 30 days' notice if the Company elects to: (1) cease business operations; (2) dissolve as a business entity; or (3) terminate distribution of its products and/or services via direct selling channels. Member may cancel this Agreement at any time, and for any reason, upon written notice to CILI By Design at its principal business address. CILI By Design shall have the right in its sole and absolute discretion not to accept this Agreement or any renewal of it.

6. I may not assign any rights under the Agreement without the prior written consent of CILI By Design. Any attempt to transfer or assign the Agreement without the express written consent of CILI By Design renders the Agreement voidable at the option of CILI By Design and may result in termination of my business.

7. I understand that if I fail to comply with the terms of the Agreement, CILI By Design may, at its discretion, impose upon me disciplinary sanctions as set forth in the Policies and Procedures. If I am in breach, default or violation of the Agreement at termination, I shall not be entitled to receive any further bonuses or commissions, whether or not the sales for such bonuses or commissions have been completed. I agree that CILI By Design may deduct, withhold, set-off, or charge to any form of payment I have previously authorized, any amounts I owe or am indebted to CILI By Design.

8. CILI By Design, its parent or affiliated companies, directors, officers, shareholders, employees, assigns, and agents (collectively referred to as "affiliates"), shall not be liable for, and I release and hold harmless CILI By Design and its affiliates from, all claims for consequential and exemplary damages for any claim or cause of action relating to the Agreement. I further agree to release and hold harmless CILI By Design and its affiliates from all liability arising from or relating to the promotion or operation of my CILI By Design business and any activities related to it (e.g., the presentation of CILI By Design products or Compensation and Marketing Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.), and agree to indemnify CILI By Design for any liability, damages, fines, penalties, or other awards arising from any unauthorized conduct that I undertake in operating my business.

9. The Agreement, in its current form and as amended by CILI By Design at its discretion, constitutes the entire contract between CILI By Design and myself. Any promises, representations, offers, or other communications not expressly set forth in the Agreement are of no force or effect.

10. Any waiver by CILI By Design of any breach of the Agreement must be in writing and signed by an authorized officer of CILI By Design. Waiver by CILI By Design of any breach of the Agreement by me shall not operate or be construed as a waiver of any subsequent breach.

11. If any provision of the Agreement is held to be invalid or unenforceable, such provision shall be severed, and the severed provision shall be reformed only to the extent necessary to make it enforceable. The balance of the Agreement shall remain in full force and effect.

12. This Agreement will be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of

laws. In the event of a dispute between a Member and CILI By Design arising from or relating to the Agreement, or the rights and obligations of either party, the parties shall attempt in good faith to resolve the dispute through nonbinding mediation as more fully described in the Policies and Procedures. CILI By Design shall not be obligated to engage in mediation as a prerequisite to disciplinary action against a Member. If the parties are unsuccessful in resolving their dispute through mediation, the dispute shall be settled totally and finally by arbitration as more fully described in the Policies and Procedure.

13. Notwithstanding the foregoing, either party may bring an action before the courts seeking a restraining order, temporary or permanent injunction, or other equitable relief to protect its intellectual property rights, including but not limited to customer and/or distributor lists as well as other trade secrets, trademarks, trade names, patents, and copyrights. The parties may also seek judicial enforcement of an arbitration award. In all actions before the courts, the parties consent to exclusive jurisdiction and venue before the U.S. District Court for the District of Nevada, or state court residing in Clark County, State of Nevada.

14. LA Residents: Notwithstanding the foregoing, Louisiana residents may bring an action against the Company with jurisdiction and venue as provided by Louisiana law. Should a Louisiana resident cancel the Member Agreement, CILI By Design will refund 90% of the purchase price.

15. MT Residents: Should a Montana resident cancel the Member Agreement within 15 days from the date of enrollment, CILI By Design will refund 100% of the purchase price for the StarterKit.

16. MA and WY Residents: Should a Massachusetts or Wyoming resident cancel the Member Agreement, CILI By Design will refund 90% of the purchase price.

17. Except as provided in paragraphs 14-16, refunds will be issued as provided in the Policies and Procedures and in the Notice of Right to Cancel below.

18. A participant in this multilevel marketing plan has a right to cancel at any time, regardless of reason. Cancellation must be submitted in writing to the company at its principal business address.

19. If a Member wishes to bring an action against CILI By Design for any act or omission relating to or arising from the Agreement, such action must be

## NOTICE OF RIGHT TO CANCEL

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS (FIVE [5] BUSINESS DAYS IN ALASKA AND FIFTEEN [15] BUSINESS DAYS IN NORTH DAKOTA FOR INDIVIDUALS AGE 65 AND OLDER) from the above date. If you cancel, any property traded in, any payments made by you under the 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 canceled. 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

20. brought within one year from the date of the alleged conduct giving rise to the cause of action, or the shortest time permissible under state law. Failure to bring such action within such time shall bar all claims against CILI By Design for such act or omission. Member waives all claims that any other statute of limitations applies.

21. Liquidated Damages. In any case which arises from or relates to the termination of Member's Agreement and independent business, the parties agree that damages will be very difficult to ascertain. Therefore, the parties stipulate that if a Member's termination is proven and held to be wrongful under any theory of law, Member's sole remedy shall be liquidated damages calculated as follows:

- a. For Members at the rank C1 through C9 liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to CILI By Design's Compensation Plan in the twelve (12) months immediately preceding the termination.
- b. For Members at the rank C10 through C12, liquidated damages shall be in the amount of his/her gross compensation that he/she earned pursuant to CILI By Design's Compensation Plan in the eighteen (18) months immediately preceding the termination.

Gross compensation shall include commissions and bonuses earned by the Member pursuant to CILI By Design's Compensation Plan as well as retail profits earned by Member for the sale of CILI By Design merchandise. However, retail profits must be substantiated by providing the Company with true and accurate copies of fully and properly completed retail receipts provided by Member to Customers at the time of the sale.

22. I authorize CILI By Design to use my name, photograph, personal story, testimony, CILI achievements, and/or likeness in advertising, promotional materials or company communications, written or otherwise and waive all claims for remuneration for such use.

23. A faxed copy of the Agreement shall be treated as an original in all respects.

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 of all obligations under the contract. To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, to

CILI By Design,  
8465 W. Sahara Ave. Suite 106  
Las Vegas, Nevada 89117

NOT LATER THAN MIDNIGHT of the third business day following the date set forth above.