

Wachters' Organic Sea Products Corporation Independent Distributor Agreement & Application



APPLICANT INFORMATION:

Name: _____ Social Security # (Tax ID#): _____
Spouse/Partner Name _____ Social Security # (Tax ID#): _____
Business Name (if applicable): _____ Tax ID#: _____
Mailing Address: _____ City: _____ State/Prov: _____ Zip/Post Code: _____
Shipping Address: _____ City: _____ State/Prov: _____ Zip/Post Code: _____
Home Phone: () _____ Bus. Phone: () _____ Fax#: () _____
Sponsor: _____ Phone: () _____ Sponsor ID#: _____

Upline Executive: _____ **Phone:** _____ **Executive ID#:** _____

Language Preference: English Spanish

DISTRIBUTOR KIT INFO (Check Appropriate Boxes): Charge **US\$54.00** to my Credit Card Check/Money Order Enclosed

SHIPPING INSTRUCTIONS: Ship Kit: To Me To My Sponsor (whom already issued a kit to me) Other _____

CREDIT CARD: VISA MASTERCARD DISCOVER NAME ON CARD: _____

A/C# : _____ Expiry: _____

AGREEMENT OF DISTRIBUTORSHIP

Upon acceptance of this Application by WACHTERS' ORGANIC SEA PRODUCTS CORPORATION ("Wachters"), and prior thereto while the undersigned applicant for a Distributorship (hereinafter, "Distributor") is selling Wachters' products, Distributor agrees that:

1. Distributor is an independent contractor (for Federal tax purposes, and otherwise), is not an employee, legal representative, or agent of Wachters', or of any other Wachters' distributor(s), and is of legal age in the state/province in which he/she resides.
2. Distributor will operate, and be responsible for, his (her) own business; will pay for Wachters' products with cash, credit card, or checks by phone; will promote the sale of Wachters' products; and, will abide by all of Wachters' rules, regulations, policies and procedures, as amended from time to time, including those set forth in the Wachters' Independent Distributor Guidelines, Training Manuals, Compensation Plan, et.al., which are incorporated herein by reference. (contd. over)

I acknowledge that I have carefully read, understand, and agree to abide by all provisions set forth in this agreement (front and back). I understand that there is no requirement beyond the filing of this application and payment of the US\$54.00 fee, as described in item #3, in order to become a distributor. I also understand that the newsletter will be sent to the mailing address listed above, commencing with the next issue. My signature below shall also serve as the "signature on file" when I make purchases from Wachters' using an acceptable credit card.

Applicant's Signature: _____ Date: _____

Sponsor's Signature: _____ Date: _____

Mail completed original application, along with US\$54.00 fee to:

WACHTERS' ORGANIC SEA PRODUCTS CORPORATION

550 Sylvan Street, Daly City, CA 94014

Phone: 650-757-9851 Fax: 650-757-9858 Order Only 1-800-682-7100

Note: Your cancelled check or credit card charge is your receipt and proof that your application has been accepted by Wachters'.

OFFICE USE ONLY: 1. WOSP ID#: _____ 2. Date in Computer: _____ 3. Distributor Kit Ship Date: _____ 4. New Dist Ltr Date: _____

3. The only requirement to become a Wachters' distributor is the filing of an application, together with payment of \$54.00. Wachters' must receive the fully completed original application DIRECTLY from the applicant signed by the participating individual (not the corporation or business name), which must not have any deletions, changes or mark-outs. The \$54.00 fee entitles each distributor to receive a distributor kit (at cost), and a one-year subscription to the Wachters' newsletter (optional in North Dakota). Any purchase of product inventory, sales aids, literature, or other supplies is strictly optional.

4. Each distributor must furnish Wachters' with a social security number. With respect to a partnership or corporation, the person whose signature appears on the application is empowered to act for the partnership or corporation. Wachters' will not grant more than one distributorship per individual social security number.

5. The term of this agreement is one year and shall automatically end on December 31 of each year. In order to remain a Wachters' distributor, Wachters' requires the completion of an annual renewal agreement, along with payment of an annual renewal charge of \$25.00, on January 1st of each year, which if not received by February 1st, will result in cancellation of the distributorship. New Distributors sponsored after September 30 are exempt from the first year renewal charge (due the following January 1).

6. Wachters' independent distributors will not make any claims, oral or written, regarding Wachters' products, other than those contained in Wachters' approved materials. Additionally, distributor understands that he/she is not guaranteed a specific income, agrees that he/she will not make untrue claims re: income potential, and understands that the level of income achieved will depend on his/her efforts.

7. No Wachters' independent distributor may have an ownership interest, operational or management control of, or derive any benefit, directly or indirectly from, more than one Wachters' distributorship.

8. The independent distributor has read, understands, and agrees to the provisions set forth in this agreement, in Wachters' policies and procedures, and in Wachters' compensation plan, which may be amended from time to time.

9. The spouse of an existing distributor may only be sponsored by that existing distributor. This does not change the policy of being sponsored in one position only. Spouse may only be sponsored by their spouse in their existing downline.

10. Distributor will operate his/her business at all times in such manner as to enhance the reputation of Wachters' and its trade name. If a distributor fails to comply with the terms of this agreement, Wachters' may revoke his/her distributorship.

11. Distributor shall not assign, sell or otherwise transfer this Agreement, or the rights and duties expressed herein without prior written consent of the Company, which consent may be granted, or withheld, by Wachters' in its sole discretion.

12. Distributor shall not repackage, re-label, or in any way modify, any of the Wachters' products, nor combine any

ingredients therefrom with the products, or ingredients, of any other company.

13. Distributor has the right to cancel his/her distributorship at any time, regardless of reason. Cancellation must be submitted in writing, and notarized, to Wachters' at its principal business address. Distributor understands that after acceptance by Wachters' of a notarized letter of resignation, the Distributor and/or spouse must wait six months before re-applying for another Wachters' Distributorship. A distributor who elects not to renew, or to cancel this agreement, or who is involuntarily terminated, loses all rights to bonuses, positions and wholesale purchasing rights, and his/her downline sales organization shall be transferred to his/her first active upline distributor.

14. Distributor agrees that, in the event of termination of this agreement (whether initiated by the distributor or by Wachters'), for a period of three years, he/she will hold in confidence any trade secrets, formulas, sales and distribution systems, business information, and literature which the distributor acquired during the term of this agreement, and will not use, directly or indirectly, such items. During such period, the distributor also agrees that he/she will not interfere with the conduct of Wachters' business, or with the business of any of Wachters' independent distributors.

15. Distributor acknowledges that if he/she wishes to change the sponsor who appears on this application at any time, he/she must submit a written request to Wachters', and resign for a period of at least six months, before such request will be considered.

16. Distributor understands that this agreement shall be governed by the laws of the State of California, and agrees that any disputes arising out of this agreement will be brought to the appropriate court in San Mateo County, California.

17. Distributor understands that this agreement is not binding on either participating party until it has been accepted and approved by Wachters' at their offices in South San Francisco, California. Distributor also understands that he/she must apply for, and renew this agreement on January 1st of each year, and must submit the renewal agreement along with the required renewal fee of \$25.

18. Wachters' maintains an official corporate website for distributors. Only approved websites, may be used by distributors. No distributor may independently design a website that uses the names, logos, or product descriptions of Wachters', nor may a distributor use ads on the internet making product or income claims which are ultimately associated with Wachters' products or the Wachters' compensation plan. Any person using Wachters' names, logos, trademarks, etc. on the Internet or any other advertising medium, except as permitted by Wachters', shall be subject to immediate discipline, including termination of distributor status.

19. This agreement is binding upon and inures to the benefit of the parties, their heirs and successors in interest. If any provision of this agreement is found to be unenforceable, or invalid, the validity of the remaining provisions shall not be affected.