



# TERMS AND CONDITIONS

1. I understand that as a STEMTech Philippines ("STEMTech") Independent Distributor I have those rights as set forth in the STEMTech Policies and Procedures.
2. I agree to present the STEMTech Marketing and Compensation Plan and STEMTech products and services as set forth in official STEMTech literature.
3. I agree that as a STEMTech Distributor I am an independent contractor, and not an employee, partner, legal representative, or franchisee of STEMTech. 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 STEMTECH FOR FEDERAL OR STATE TAX PURPOSES.
4. I have carefully read and agree to comply with the STEMTech Policies and Procedures and the STEMTech 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"). I understand that I must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from STEMTech. I understand that these Terms and Conditions, the STEMTech Policies and Procedures, or the STEMTech Marketing and Compensation Plan may be amended at the sole discretion of STEMTech, and I agree to abide by all such amendments. Notification of amendments shall be issued through reasonable commercial means, including but not limited to any of the following: posting on STEMTech's website (www.stemtechbiz.com.ph), e-mail to distributors, included in STEMTech periodicals, and/or included in product orders, bonus check mailings, or other special mailings. Amendments shall become effective 30 days after publication. The continuation of my STEMTech business or my acceptance of bonuses or commissions shall constitute my acceptance of any and all amendments.
5. The term of this agreement is one year. I understand that unless I have indicated otherwise on the front of this Distributor Application and Agreement, the agreement shall automatically renew on the anniversary date and the renewal fee of PHP1250.00 will be charged to my credit card identified on the front or withheld from my commissions in the anniversary month. If I have elected not to automatically renew the agreement, I understand that I must pay the renewal fee no later than 30 days after the anniversary date in order to renew the agreement. If I fail to annually renew my STEMTech business, or if it is canceled or terminated for any reason, I understand that I will permanently lose all rights as a Distributor, I shall not be eligible to sell STEMTech products, and I also waive all rights, 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. STEMTech reserves the right to terminate all Distributor 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. Distributor may cancel this Agreement at any time, and for any reason, upon written notice to STEMTech at its principal business address. STEMTech may cancel this Agreement for any reason upon 30 days advance written notice to Distributor.
6. I may not assign any rights or delegate my duties under the agreement without the prior written consent of STEMTech. Any attempt to transfer or assign the agreement without the express written consent of STEMTech renders the agreement voidable at the option of STEMTech and may result in termination of my business.
7. I understand that if I fail to comply with the terms of the Agreement, or if I engage in any conduct which is deceptive, fraudulent, unethical, or that may, in STEMTech's sole discretion, damage STEMTech's reputation, STEMTech may, at its discretion, impose upon me disciplinary action 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.
8. STEMTech, 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 STEMTech 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 STEMTech and its affiliates from all liability arising from or relating to the promotion or operation of my STEMTech business and any activities related to it (including but not limited to, the presentation of STEMTech products or Compensation and Marketing Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.), and agree to indemnify STEMTech 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 STEMTech at its discretion, constitutes the entire contract between STEMTech 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 STEMTech of any breach of the Agreement must be in writing and

assigned by an authorized officer of STEMTech. Waiver by STEMTech of any breach of the Agreement 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 reformed only to the extent necessary to make it enforceable, and the balance of the Agreement will remain in full force and effect.
12. This Agreement will be governed by and construed in accordance with the laws of the Republic of Philippines, without regard to principles of conflicts of laws. All disputes and claims relating to STEMTech, the Distributor Agreement, the STEMTech Marketing and Compensation Plan or its products and services, the rights and obligations of an Independent Distributor and STEMTech, or any other claims or causes of action relating to the performance of either an independent Distributor or STEMTech under the Agreement or the STEMTech Policies and Procedures shall be settled totally and finally by arbitration in Makati City, or such other location as STEMTech prescribes, in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association, except that all parties shall be entitled to discovery rights allowed under the Federal Rules of Civil Procedure. All issues related to arbitration shall be governed by the Federal Arbitration Act. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. The prevailing party shall be entitled to receive from the losing party costs and expenses of arbitration, including legal and filing fees. This agreement to arbitrate shall survive any termination or expiration of the Agreement. Nothing in the Agreement shall prevent STEMTech from applying to and obtaining from any court having jurisdiction a writ of attachment, garnishment, temporary injunction, preliminary injunction, permanent injunction or other equitable relief available to safeguard and protect STEMTech's interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.
13. A faxed copy of the Agreement shall be treated as an original in all respects.

## NOTICE OF RIGHT TO CANCEL

You may CANCEL this transaction, without any penalty or obligation, within THREE (3) BUSINESS DAYS from the date indicated on the front of the Application. 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 (10) 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 10 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 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 STEMTech Philippines, Inc., Unit 108 Lapanday Center, 2263 Pasong Tamo Extension, Makati City, Philippines. NOT LATER THAN MIDNIGHT of the third business day following the date set forth above.

## I HEREBY CANCEL THIS TRANSACTION.

Buyer's Signature \_\_\_\_\_ Date \_\_\_\_\_