

# Multipure Independent Builder Terms & Conditions

Subject to the terms and conditions set forth herein applicant hereby applies for a Builder Business with Multipure International and agrees to read as soon as possible the guidelines and policies set forth in the Builder Handbook and agrees to follow same.

1. The individual named in this agreement (hereinafter called Builder) agrees to use his/her best efforts to promote the sale of Multipure International (hereinafter called MPI) products in a manner favorable to Builder and MPI.
2. Builder serves as an independent contractor and as such is responsible for their own business; therefore, Builder will pay all costs of marketing and distributing MPI products and agrees to hold MPI harmless from all costs.
3. Builder's rights and responsibilities will be determined by the Builder Handbook, website and other MPI publications. It is understood and agreed that MPI has the right to alter, modify or change the terms and conditions of this Agreement, including such items as discount level and commission provisions, at any time. Written notice of such alteration, modification or change may be given by MPI to the Builder by regular mail, email, or by posting a notice on MPI's web site. Builder is bound by such altered, modified or changed terms and conditions as reflected in the most current Builder Agreement, or as altered, modified or changed, from time to time as permitted herein. No oral modifications, additions, deletions or exceptions to the Builder Agreement are permitted.
4. Builder neither has to make a financial investment nor maintain an inventory. To become a Builder of Multipure International a person must pay the Independent Builder Registration Fee and agree to abide by both the Builder Handbook provisions and the provisions of this agreement. Multipure recommends that each Builder purchase their own drinking water system and consider having some systems on hand for immediate sales.
  - a. Builder is entitled to a 100% refund of the purchase price of Starter Kit tools and Multipure products within 30 days of enrollment as a Multipure Independent Builder.
    - i. Refund will be credited upon the return of the products and sales materials included in the Starter Kit.
    - ii. Returned products and sales materials must be unopened or unused and currently marketable.
  - b. Upon request, Multipure will repurchase qualified goods sold to the Builder when they elect to terminate their Multipure Builder Business within 1 year of initial registration.
    - i. The repurchase period is limited to 12 months from the date of Builder termination.
    - ii. Qualified goods must be in good condition and currently marketable by Multipure. Damaged or discontinued goods are not eligible for Multipure repurchase.
    - iii. Qualified goods will be repurchased at a value equal to the initial purchase price less the following costs:
      1. Shipping and handling
      2. 25% restocking fee
      3. Paid commission on the product sale
5. First Purchase Requirement
  - a. The commission on the first Drinking Water System (DWS) sale or purchase by a new Builder (First Purchase) is allocated to the Sponsor. After the First Purchase, the new Builder is now qualified to receive commission on all future personal sales. If the First Purchase is an order containing more than one DWS, the order will commission as follows: The DWS with the lesser value will count as the new Builder's the FPR (Sponsor will receive commission) . The other DWS will commission as sales for the new Builder, meaning that new Builder will receive full commission on these sales.

- b. Options for the First Purchase:
      - i. The Builder purchases a personal-use DWS from their Sponsor.
      - ii. The Builder sells a DWS to a customer.
    - c. If the new Builder had previously purchased a Multipure DWS (from a Builder or directly from Multipure) before registering as a Builder, then the Sponsor can, at their discretion, waive the First Purchase Requirement.
6. All applicants for a Builder Business must be 18 years of age or older. Only one Builder Business is allowed per household.
7. Multipure® is a trademarked name and may not be used by Independent Builders for any purpose without prior written consent of MPI. All sales aids, brochures, literature, etc. are the property of MPI and cannot be reproduced without prior written consent of MPI. Builders are encouraged to advertise and promote Multipure products and Builder Business opportunities. All proposed promotions or advertisements must include only official Multipure claims, logos, trademarks, etc. as shown in the official MPI literature and sales aids. Builders must submit proposed advertising and promotional materials to the Multipure Marketing Department for prior approval.
8. A Builder may be terminated by MPI immediately if Builder's actions discredit MPI or violate these terms and conditions, or if Builder makes claims contrary to MPI's literature, labels, violates the provisions of the Builder handbook, or for other good cause.
9. Builders accepted by MPI agree to comply with all governmental laws and regulations including Federal, State, County, and Municipal codes and regulations.
10. Builders may sell Multipure Drinking Water Systems and sponsor new Builders anywhere within the United States and its territories and Canada. Builders are not limited to or given exclusive territories or markets within the United States and its territories and Canada.
11. Builders may not sell or sponsor in other countries.
12. Sales Tax
  - a. Multipure is required to collect sales tax on sales made in all states that have sales tax.
  - b. The Customer's local sales tax must be collected even if the selling Builder resides in a different state from the Customer.
  - c. Failure to include sales tax will delay the processing and shipment of orders.
  - d. Multipure does not accept Resale Certificates.
13. Third-Party Fulfillment
  - a. Multipure Builders may not use any third-party fulfillment service, freight/shipping forwarder, or warehouse/distribution service, including, but not limited to, Fulfillment by Amazon (FBA), ProLog Fulfillment, or any other similar service.
  - b. Multipure products can only be shipped directly to end-users/customers for personal use, and/or directly to Builders for a) personal use or b) inventory purposes.
  - c. Multipure Builders found in violation of this policy will be subject to punitive measures, including, but not limited to, immediate termination of their Builder Business and forfeiture of all Builder rights and commissions from the date of termination.
  - d. By continuing as a Multipure Builder, you agree to this policy update and waive any rights to a) dismiss, circumvent, or contest the terms and limitations of this policy, and b) contest any punitive measures that may result as a violation of this policy.
14. Policy Regarding Online Pricing
  - a. Multipure Builders may not list Multipure product prices on websites accessible outside of the United States, U.S. Territories, and Canada.
  - b. Any websites, webstores, or other online retailer portals whose online presence is accessible outside of the allowable listed areas must either:
    - i. Adjust the accessibility or visibility of any web pages featuring Multipure products so that pricing

of said products is not accessible or visible outside of the United States, U.S. Territories, and Canada, or

ii. Remove any specific pricing information regarding Multipure products.

c. Pricing information can be replaced according to the Multipure Builder's discretion, e.g., "Contact us at contact@company.com for pricing and ordering information", "To order this Multipure product, call us at 123-456-7890", etc., so long as no specific price values are listed directly or through implication.

15. Builders will represent Multipure products and the Builder Opportunity program completely and honestly without exaggeration to all potential customers and new Builders. Builders will not engage in deceptive or unlawful consumer practices nor make fraudulent claims about Multipure International, its products or its programs.

16. Personalized Multipure web pages are available for Builders to use subject to certain terms and conditions. A Builder may use Multipure's trade names, trademark, logos, and copyrighted material in connection with the Builder's personalized Multipure web page in compliance with all of Multipure's rules. A Builder may have a web site not affiliated with Multipure's corporate site; however, use of the Multipure® name, logo, photos, product codes, etc. requires written approval from Multipure's Marketing Department. Multipure® in any form, with or without a hyphen, may not be used by an Independent Builder as a key word or meta tag in connection with any internet service.

17. It is acknowledged that Builders are not required to install the Multipure Drinking Water Systems they sell. However, should Builders choose to install systems, they are solely responsible for their own installations and agree to hold MPI harmless from all costs. MPI recommends that any Builder that chooses to install Multipure Drinking Water Systems also carry "Plumbing Insurance" or "Installation Insurance" as a precaution against general or professional liability. The MPI Warranty describes the extent of its liability. MPI shall not incur any obligation or liability for damages, including consequential damages, arising out of or in connection with installations of Multipure Drinking Water Systems by Builders.

18. Builders may not transfer from their Builder network to a different Builder network.

19. Personal Activity Requirement

a. DEFINITION: Personal Activity Requirement (PAR) enables Builders to receive commission and bonuses on their active downline network's sales and filter replacements.

i. The sales volume of PAR-eligible products sold in a single month counts toward PAR for the current month plus an additional three months; after this period, the sales volume for the initial month no longer counts toward PAR.

ii. When the cumulative sales volume reaches \$180 or more in a month, the Builder qualifies for PAR for that month.

iii. Builders cannot PAR-qualify for longer than the current month plus the next three months.

b. PAR-eligible Products: Products that count toward PAR include Drinking Water Systems, Drinking Water System Starter Kits, the Ultimate Business Builder Kit, and Multipure Bath & Garden products (i.e., the Aquasource Whole House System, Aquagrow, Aquashower, or Aquasplash)

NOTE: Replacement filters, accessories, replacement parts, and sales materials do NOT count toward PAR.

c. Builders who are not PAR-qualified earn commissions only from their personal sales and from the filter replacements of their personal customers.

d. 36-MONTH ACTIVITY REQUIREMENT: Builders who are not PAR-qualified for 36 consecutive months (3 years) are automatically changed in status with Multipure from a Builder to a customer, and reclassified as Dormant Builders.

i. Dormant Builders are no longer entitled to their downline network and customer base and are no longer eligible for commissions.

ii. To regain Active Builder status (and their old Achievement Level), Dormant Builders need to reregister and either purchase or sell \$180 or more in PAR-eligible products.

## 20. Rank Advancement

- a. Builders will be promoted to a higher Achievement Level (Rank) when they have successfully met the Rank Advancement criteria for a higher Rank according to the current Compensation Plan.
  - i. A Dormant Builder who has been reinstated at their previous Rank DOES NOT count toward the Rank Advancement criteria of their upline Builder.
  - ii. A Builder who has transferred from one network into a different network DOES NOT count toward the Rank Advancement criteria of their new upline Builder upon their initial transfer.
  - iii. A transferred Builder who advances in rank after their transfer will still count toward upline Rank Advancement criteria.
- b. A Builder's new Rank will take effect in the month after the criteria for Rank advancement have been met.

## 21. Builder Classification

- a. Active Builders are Builders who qualify for their Personal Activity Requirement (PAR). Commissions and bonuses are paid on the full ten levels (if eligible) of Active Builders in the downline network.
- b. Inactive Builders are NOT PAR-qualified, and therefore cannot receive commissions from their downline network sales; however, commissions are still paid on personal sales, including personal replacement filter sales (Senior Builder or above). To regain Active Builder status, Inactive Builders must become PAR-qualified.
- c. Dormant Builders are those who have not been PAR-qualified for 36 consecutive months; as a result, they are removed from the Builder database, but remain on file as a customer. To regain Active Builder status (and their old Achievement Level), Dormant Builders need to reregister at a fee of \$10 and either purchase or sell \$180 or more in PAR-eligible products. NOTE: Dormant Builders may only reregister three (3) times before they are permanently removed from the Multipure database.

## 22. Assigned Customer Transactions and the Original Builder

- a. When a customer purchases a Drinking Water System (DWS) or other Multipure product, either a) directly from a Multipure Independent Builder, b) through Multipure with a referring Builder, or c) through Multipure without a referring Builder but assigned to a Builder through CASH, that customer is assigned to that specific Builder for commission purposes. The customer is now an Assigned Customer to that Original Builder.
- b. As of August 2015, When an Assigned Customer purchases a Multipure product from an Alternate Source, such as through a New Builder or directly through Multipure without a referring Builder (and assigned to a New Builder through CASH), the commission for that sale is assigned according to the product(s) sold and the status of the Original Builder.
  - i. When an Assigned Customer purchases a DWS from an Alternate Source, the commission is allocated to the Original Builder if their status is Active (i.e., PAR-qualified).
    - 1. If the Original Builder's status is Inactive, the commission from the sale is allocated to the New Builder and the customer remains assigned to the Original Builder.
    - 2. If the Original Builder's status is Dormant, the commission from the sale is allocated to the New Builders and the customer is reassigned to the New Builder.
  - ii. When an Assigned Customer purchases a Multipure Replacement Filter from an Alternate Source, the commission is allocated to the Original Builder if their status is Active or Inactive.
    - 1. If the Original Builder's status is Dormant, the commission from the sale is allocated to the New Builder and the customer is reassigned to the New Builder.
  - iii. When an Assigned Customer purchases a Multipure Bath & Garden product or Multipure product other than a Drinking Water System, Aquasource, or replacement filter from an Alternate Source, the sale and commission is assigned to the Original Builder, regardless of their status (e.g., Active, Inactive, or Dormant).

- iv. When an Assigned Customer purchases any product from an Alternate Source and Multipure, after a good faith effort to identify the Original Builder, remains unable to identify the Original Builder, the Assigned Customer is considered orphaned. Commission from the sale is allocated to the New Builder and the orphaned customer is reassigned to the New Builder.
- v. This policy is not retroactive prior to August 2015. Any commissions or customer assignments prior to the implementation of this policy in August 2015 remain as is.

23. Unpaid Commissions:

- a. Unpaid commissions occur when earned commissions remain below the \$25.00 minimum value for Multipure to issue a commission check.
- b. Dormant Builders with earned but unpaid commissions remaining on their account will receive a commission check from Multipure upon request, less a \$5.00 check processing fee; if the check processing fee reduces the value of the commission check to zero or below, then the commission check will not be paid out.

24. Opt-In: As a Multipure Builder, you acknowledge that your contact information may be provided to your upline Builders for business support purposes only. Your contact information will not be provided to any other parties for any other uses except as previously stated. Becoming an Independent Builder and accepting the Terms and Conditions thereof serves as acknowledgement and agreement of the Opt-In clause.

25. (Arbitration) - Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Las Vegas, NV., before one arbitrator. At the option of the first to commence an arbitration, the arbitration shall be administered and governed either by JAMS, pursuant to its Comprehensive Arbitration Rules and Procedures, or by ADR SERVICES pursuant to its Rules of Procedure, NRS 38.206 et.seq., (Nevada Arbitration Law) as existing at the time of signing this Agreement, or as later modified or replaced. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitration shall be held before a single arbitrator and shall be binding with no right of appeal, other than as permitted by then existing State Law.



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