

Terms and Conditions of Independent Brand Ambassador Agreement

A. As a Independent Brand Ambassador, I understand and agree:

1. I will promote and sell Company products to customers by regularly holding Trunk Shows. I will not sell Company products on unauthorized Web sites on the Internet or in public, retail or service establishments. I will not sell Company products for resale. I will present Company products in a truthful, sincere and honest manner, and I will conduct myself in a manner that reflects the highest standards of integrity and responsibility in keeping with the reputation of the Company.
2. I will protect the Company's trademark and trade name by not reproducing the Company's name and/or trademarks or copy any of the Company's materials for use in any advertising without the prior written approval of the Company.
3. I am an independent contractor. I am not an employee, agent, partner or franchisee of, or joint venture of the Company. I cannot act on behalf of, represent or execute any contracts on behalf of the Company. I do not have any authority to incur any debt, obligation or liability on behalf of the Company.
4. I have carefully read and agree to comply with the WORN Policies and Procedures and the Leader Plan, all of which are incorporated into and made a part of these Terms and Conditions (collectively referred to as the "Agreement"). I understand that I must be in good standing, and not in violation of any of the terms of the Agreement, to be eligible to receive remuneration from WORN. WORN may amend the Agreement at its sole discretion. Amendments shall be effective as of the date of issuance. If I do not agree to any amendment, I shall cancel my WORN Independent Brand Ambassador Agreement in writing no later than 30 days from the date of issuance.
5. As an independent contractor, I am responsible for all self-employment taxes, income taxes and other filings required by law, and I am not covered by any State Unemployment or Workers' Compensation Act. I will not be treated as an employee with respect to this Agreement for federal, state or local law tax purposes, or otherwise. I agree to abide by all federal, state and local laws relating to my WORN business.
6. I will present the Company's business opportunity in a truthful manner. I will accept recruiting responsibilities by ensuring that any prospective recruit is the age of 18 years or older.
7. I will submit product orders to the Company accompanied by full payment by my personal check or other payment method deemed acceptable by the Company. I understand that all orders are subject to acceptance by the Company.
8. I understand that information and materials provided to me contain confidential and proprietary information of the Company. I will not use, disclose or reproduce these materials for other than my WORN business without the express written consent of the Company.
9. Upon the Company's acceptance of this Agreement, I authorize the Company to deduct \$79 from my commissions twice annually to cover seasonal enhancement kits necessary to conduct my business.
10. I authorize the Company to deduct from commissions, overrides or other amounts due to me, amounts owed by me to Company which are due at the time of the deduction.
11. I will demonstrate or sell only Company products at Trunk Shows. I will not demonstrate or sell any other products, including any products made personally by me, as part of my WORN business, at any Trunk Show or at a Company-sponsored event or meeting.
12. I will permit the Company to release my name and telephone number in response to a customer request for a Independent Brand Ambassador in my area unless I notify WORN (WORN, attn: Brand Ambassador, 249 West Thornhill Drive, Fort Worth, TX 76115) that I do not want such information released. I also agree that the Company reserves the right to assure continued service to customers if I cease to be an active Independent Brand Ambassador.

B. WORN ("Company") understands and agrees:

1. Company will pay Independent Brand Ambassador commissions based on sales of Company products submitted by Independent Brand Ambassador.
2. In addition to commissions, Company may provide additional awards and privileges to "active" Independent Brand Ambassadors. An "active" Independent Brand Ambassador is one who submits commissionable product sales of at least \$500 in every rolling three-month period. Company may, in its sole discretion, grant waivers of the personal sales requirement.
3. Company will pay an active Independent Brand Ambassador commission according to the level achieved under the Leader Plan.
4. Company will calculate and pay commissions and overrides in accordance with the then current Company-published commission and override schedules. Company may change commissions, overrides, incentive program rules and active sales requirements at any time with thirty (30) days' prior written notice to Independent Brand Ambassador.
5. Company will not impose on Independent Brand Ambassador any geographical territories or limits relating to sales and recruiting of Independent Brand Ambassadors in the United States.

C. General:

1. This Agreement is subject to acceptance by the WORN Home Office in Fort Worth, Texas, and conditioned upon the receipt of an Independent Brand Ambassador Starter Kit.
2. This agreement is effective for 12 months from the date of acceptance. It is automatically renewed for additional terms of one year.
3. Either party may terminate this Agreement immediately for cause, or without any reason upon 30 days' written notice to the other.
4. This Agreement cannot be altered, modified or changed through any suggestions, advice, guides or sales aids provided by the Company. It can only be altered, modified or changed in writing issued by an authorized Company representative.
5. This Agreement shall be governed by the laws of the State of Texas as to all matters.
6. WORN may discontinue the Independent Brand Ambassador program at any time.
7. ***The Independent Brand Ambassador will not be treated as an employee for any reason.***