

DREAM TREE FAMILY, INC.

TERMS AND CONDITIONS

I hereby apply to become a Dream Tree Family, Inc., (hereafter referred to as Dream Tree Family, Inc.) Member and to participate in its compensation program. The term "Associate" found in any existing Dream Tree documentation is hereby referring to the term "Member."

AS A MEMBER, I UNDERSTAND AND AGREE THAT:

1. I am legally competent to enter into a contract in the jurisdiction in which I reside.
2. I will become a Dream Tree Family, Inc. Member upon acceptance of this Application by Dream Tree Family, Inc., and I will, at that time, have the right to sell Dream Tree Family, Inc.'s products in accordance with the Dream Tree Family, Inc. Compensation Plan (the "Compensation Plan"). This Agreement will be deemed accepted by Dream Tree Family, Inc. when, the (I accept) box is checked on the Dream Tree Family, Inc. website enrollment application or when I sign a hard copy application.
3. I have read the Compensation Plan as well as the Policies and Procedures Manual for Dream Tree Family, Inc. Members (the "Policies and Procedures"), and the Water Tree Store Sponsorship Requirement. I agree to abide by each of these documents, and I agree that the Terms and Conditions of the Compensation Plan and the Policies and Procedures, the Water Tree Store Sponsorship Requirement, the Product Warranty, and the Member Refund and Exchange Policy, and if applicable the Water Tree Store Distribution Agreement, including revisions, supplements, and amendments thereto be and are incorporated herein by this reference. I acknowledge that any violation of the Terms and Conditions of this Agreement, the Compensation Plan, the Policies and Procedures, or any other agreements that I signed as a member or obligations I may have with Dream Tree Family, Inc. or any of its affiliated entities may result in the termination of my position or other disciplinary action as deemed appropriate by Dream Tree Family, Inc.. All changes/amendments to any signed agreement are binding at the time of the change.
4. I understand that no purchases are necessary to become a Dream Tree Family, Inc. Member other than the purchase of a Dream Tree Family, Inc. Member Enrollment Pack, which does not contain any commissionable product, sold to me at cost. The purchase of an Enrollment Pack is optional in some jurisdictions.
5. This Agreement shall be valid for one (1) year and is subject to an annual renewal. Fees for renewal are subject to change without notice. Current fees are set forth in Dream Tree's Policies and Procedures. Member agrees that the renewal fee may automatically be debited from the Member's compensation checks. I agree that this Agreement and the position created hereunder may be terminated by Dream Tree Family, Inc. if the Agreement is not renewed for any reason. *The position created here under is a revocable right in the Dream Tree Family, Inc. Member's Organization and is the property of Dream Tree Family, Inc.*
6. *If I wish to terminate this Agreement, I will deliver to Dream Tree Family, Inc. written notification of my intent to terminate. My voluntary termination will be effective as of the date such notice is received by Dream Tree Family, Inc. Upon notification or termination Dream Tree Family, Inc. will repurchase unused and currently marketable inventory purchased from Dream Tree Family, Inc. within 30 days (or longer where regulated by state law) from the date of receipt of product ordered, at 75% of the Member's net cost, less appropriate set-offs and legal claims. See Member Refund and Exchange Policy for specific details.*

7. As a Dream Tree Family, Inc. Member, I am an independent contractor, responsible for my own business, and not an employee, partner, agent, franchisee, joint venture, or legal representative of Dream Tree Family, Inc. I agree that I am solely responsible for my compliance with any and all laws or regulations related to my business in any jurisdiction exercising authority over me, including but not limited to, the duty to license my business, collect and pay sales tax on retail sales, and comply with all other regulations. I will obey any and all federal or local laws, statutes, and regulations applicable to my business and me.

8. Although Dream Tree Family, Inc. or any of its affiliated entities may assist me in becoming aware of applicable laws, rules, and requirements, the sole responsibility to conduct my Independent Dream Tree Family, Inc. business lawfully in any jurisdiction rests with me. Therefore, I release Dream Tree Family, Inc. and any of its affiliated entities and its officers, directors, agents, and employees from all liability for any of my actions or omissions. I also waive any claims or causes of action which I (or others acting in my interest) may have occasion to assert respecting my status or conduct as a Member of Dream Tree Family, Inc. arising out of any of my acts or omissions. I agree to indemnify and hold harmless Dream Tree Family, Inc. and any of its affiliated organizations for any claim, action, or liability asserted, arising out of my actions, omissions, or representations in sponsoring or conducting my Independent Dream Tree Family, Inc. business.

9. This Agreement allows me to recruit and enroll prospective Members of Dream Tree Family, Inc. in the United States and in countries and territories authorized by Dream Tree. Members enrolled in countries and territories outside the United States are not entitled to receive monetary compensation, pursuant to Section 4 (C) in the Policies and Procedures.

10. I will not use the Dream Tree Family, Inc. trade names and/or trademarks except in sales materials or in other advertising provided to me by Dream Tree Family, Inc. Furthermore, literature produced or otherwise authorized by Dream Tree Family, Inc. may be used. Any use of unauthorized literature is strictly prohibited and is grounds for termination. Only Dream Tree approved materials may be marketed at Dream Tree Business Meetings.

11. I understand that only Members in good standing (as such status is determined by Dream Tree Family, Inc.) may act as enrollers. Dream Tree Family, Inc., in its sole discretion, may reject this Agreement without disclosing any reason therefore. If this Agreement is not accepted or approved, I release Dream Tree Family, Inc. and its officers, directors, agents, advisors, and employees from all liability incurred by me or by any other person. I waive any associated claim(s) that might be asserted in my interest.

12. I understand that I am responsible for training and supporting any Members I enroll and/or recruit under the Compensation Plan. I will perform a bona fide supervisory, soliciting, distributive, and/or selling function in connection with the sale of Dream Tree Family, Inc. products to the ultimate consumer. I also agree to train any Member who I may enroll or recruit in the performance of these functions. I will maintain continuing communication with and supervision over my Dream Tree Family, Inc. organization. Examples of such supervision may include but are not limited to: personal meetings, telephone contacts, voice mail, electronic mail, training sessions, accompanying individuals to company training and sharing genealogy information with those enrolled. Members may be asked to provide evidence to Dream Tree Family, Inc. at its request of ongoing fulfillment of supervisory responsibilities.

13. The Dream Tree Family, Inc. program is built on sales to the ultimate consumer. Members will make every reasonable attempt to sell to customers, understanding that product sales are a requirement to receive bonus compensation.

14. Dream Tree Family, Inc. also recognizes that Members may wish to purchase product in reasonable amounts for the Member's own personal or family use. For this reason, a retail sale for bonus purposes shall include sales to Members on-participants as well as sales to Members for personal or family use which are not made for purposes of qualification

or advancement. It is Dream Tree Family, Inc. policy, however, to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for bonuses or advancement in the marketing program. Members may not inventory load or encourage others to do so.

15. I agree that I may not alter, repackage, re-label, or otherwise change any Dream Tree Family, Inc. product, nor will I sell any such product under any name or label other than that authorized by Dream Tree Family, Inc. I further agree that I will refrain from producing, selling, and using (for the purpose of advertising, promoting, or describing the Company's products) any compensation plan, program, writing, recording, or any other materials that have not been previously approved or provided by Dream Tree Family, Inc.

16. I understand and agree that I may not convey, assign, or otherwise transfer any rights arising hereunder without the prior written consent of Dream Tree Family, Inc.

17. If Member has purchased Dream Tree Family, Inc. products and/or sales materials and is in default on payments, Dream Tree Family, Inc. shall be entitled to deduct amounts due from commissions due. In addition, default on payments due for elective purchases from Dream Tree Family, Inc. shall be grounds for termination of Member and/or such legal action as the company deems appropriate.

18. I will make no claims of therapeutic or curative properties regarding Dream Tree Family, Inc. products or claims involving the Compensation Plan that are not contained in official Dream Tree Family, Inc. literature that is produced and distributed by Dream Tree Family, Inc..

19. Dream Tree Family, Inc. and its affiliated entities have proprietary rights to its Members' net-work of Member names. I will not use any Dream Tree Family, Inc. networks, Member Lists, or other Dream Tree Family, Inc. contacts to promote the sale or use of any products, programs, or services, other than those offered through Dream Tree Family, Inc. to any Dream Tree Family, Inc. Member whom I do not personally enroll.

20. In the event I choose to purchase Dream Tree Family, Inc. products on my credit card or banking debit card, online check, money order or cashier's check, my purchase hereby constitutes my authorization to process any order I place to those accounts and to use this as my "signature on file."

21. This is an integrated Contract (the "Contract") that also includes these Terms and Conditions, Policies and Procedures, the Member Refund and Exchange Policy and the Compensation Plan. Other than the referenced documents, no other promises, representations, guarantees, or agreements of any kind shall be valid unless in writing and agreed by both Dream Tree Family, Inc. and Member. If any provision of this Contract is found to be unenforceable or invalid, the validity of the remaining provisions shall not be affected.

22. Member agrees to submit any complaint, grievance or claim against a Member of Dream Tree Family, Inc. to the Dispute Resolution Board for resolution and settlement in accordance with the Policies and Procedures prior to contacting any regulatory agencies or taking any legal action. Member agrees to allow the Dispute Resolution Board sixty days to handle the claim. Member agrees that a breach of this contract on his/her part will make Member liable for damages and legal cost to Dream Tree Family, Inc.

23. This Contract shall be governed under the laws of the State of TEXAS. The parties hereto agree that any claim, dispute, or other difference between them shall be exclusively resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association with arbitration to occur in Harris County, Texas in the United States of America. Any Arbitration hereunder shall be binding on the parties, and the arbitration decision may be enforced in a court of competent jurisdiction in accord with the laws of the State of Texas. Both parties agree that proper jurisdiction and venue shall be in the State and Federal courts in Harris County, Texas.

24. I agree that regardless of the form of claim, whether in tort, contract or other, either party and the officers, employees, and agents of either party, shall not be liable for any consequential, incidental, special, or punitive damages, including lost profits or any claims against Dream Tree Family, Inc. or against the Member or any other Member by a third party. No legal action may be brought by either party to the Agreement more than one year after the event giving rise to the cause of action has occurred.

25. Member shall not represent or imply, directly or indirectly, that the Dream Tree Family, Inc. program has been approved or endorsed by any governmental agency. Federal and State regulatory agencies never approve or endorse any marketing product or programs.

26. I certify the accuracy of all information provided by me in this Member Agreement and agree that the providing of false or misleading information authorizes Dream Tree Family, Inc., at its election, to declare this Agreement void from its inception.