

## TERMS AND CONDITIONS - EXPANSIOR (PTY) LTD

- Expansior (Pty) Ltd, is a direct selling company marketing and promoting social solutions and possibility services to members of society through independent marketers. The policies and procedures herein are applicable to all independent marketers of the Expansior.
- A marketer is one who has registered as a iGen donor, contributes monthly via debit order and agreed to become a marketer and whose agreement and has been accepted by Expansior as a marketer by way of a welcoming email. Expansior reserves the right to accept or reject anyone as a marketer.
- All marketers must be 18 years and older in South Africa or the legal age recognised by laws of the country in which they market and promote Expansior's products.
- Unless waived in writing by Expansior upon application, Expansior will consider each couple, whether married or a statutory recognized domestic partnership, as separate and independent marketers. This is about donating funds to iGen for a social cause and the more individuals we get to support the cause financially the better. As such husbands and wives, or statutory domestic partners, may sponsor each other directly or indirectly, or have different sponsors. If one spouse or a statutory domestic partner is already a marketer, the non-participating spouse or statutory domestic partner may elect to become a marketer as well and there are no restrictions in terms of his or her marketer position relative to his or her spouse or statutory domestic partner. Expansior reserves the right to reject any registrations for new marketer positions or applications for renewal. Should a husband/wife marketer divorce or should a statutory domestic partnership dissolve, each partner is to continue as an independent marketer regardless of whether their positions are in the same tree or not. No divorce or separation will change the position of any marketer in the network. In cases where the courts rule otherwise concerning a particular matter, Expansior will recognize the final judicial or adjudicatory disposition of the marketer position.
- Marketers are independent marketing representatives of Expansior and are not to be considered purchasers of a franchise or a distributorship. The agreement between Expansior and its marketers does not create an employer\employee relationship, agency, partnership, or joint venture between Expansior and the marketers. Each marketer shall hold harmless Expansior from any claims, damages or liabilities arising out of marketer's business practices. Company marketers have no authority to bind Expansior to any obligation. Each marketer is encouraged to set up his\her own hours and to determine

his\her own methods of sale, so long as he\she complies with the policies and procedures of Expansior.

- **Transaction Submission Integrity.** It is essential to the success of Expansior, its marketers and clients that submissions of transactions to Expansior maintain integrity of communication. It is to be expected that all transactions submissions to Expansior, including, but not limited to, marketer registrations, marketer communication and marketer financial transactions be submitted by the individual or entity involved in the transaction. Third party submission of any and all transactions submissions is prohibited. A marketer may not communicate any transactions submissions on behalf of another marketer, unless the marketer registering is a legal person and the individual doing so has been duly authorised to do so. A marketer may not use his or her credit card or bank account on behalf of another individual or marketer. This rule is applicable to any and all forms of transactions submissions, including, but not limited to, online, telephone, fax, email, etc.
- It is important to note that all referral fees to marketers will only be paid into a South African bank account. If you do not have a South African bank account, the system will assist you to open one with any of the banks in South Africa. We do so because we have confidence in the financial integrity of our banks and we are certain that once we make payments into a South African bank account, you will receive your funds. Once an account is opened, a debit card will be mailed to you by the relevant bank and you will also have access to internet banking so you could do as you please with the funds in your account.
- In the conduct of its business, the marketer shall safeguard and promote the reputation of the products of Expansior and shall refrain from all conduct which might be harmful to such reputation of Expansior or to the marketing of such products or inconsistent with the public interest, and shall avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices. A marketer shall not interfere with, harass or undermine other marketers and, at all times, shall respect the privacy of other marketers. A marketer must not disparage Expansior, its affiliate entities, other company marketers, company products, the marketing and compensation plans, or company employees.
- Expansior's program is built upon monthly donations to iGen Education Trust. Expansior also recognizes that marketers may also wish to donate more funds towards iGen. All marketers are permitted to donate multiple times to iGen and stand to benefit from the Expansior network for their multiple donations by marketing even more. There is no limit as to how many times each marketer may donate. Donations can also be increased by increasing the amount donated. Marketers will receive credit for their referrals, but since Expansior uses a 3X10 forced matrix, marketers stand to benefit from the efforts of others above and below them. The main purpose of Expansior is to encourage donations to iGen Education Trust.
- Any marketer, who sponsors other marketers, must fulfil the obligation of performing a bona fide supervisory, distributing and marketing function in the sale of a product to the

ultimate consumer/donor and in the training of those sponsored. Marketers must have ongoing contact, communication and management supervision with their sales organization. Examples of such supervision may include, but are not limited to: written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, accompanying individuals to company training, sharing genealogy information with those sponsored etc. Where necessary, marketers should be able to provide evidence to Expansior annually of ongoing fulfilment of sponsor or upline responsibilities. It is important for each marketer to have a full understanding of what Expansior is all about and also how Expansior promotes its products and treats its independent marketers.

- **Expansior marketing Policy.** Expansior sales and marketing program is based upon encouraging and inspiring ordinary members of the public to donate funds to iGen Education Trust. Every aspect of the program is designed to assist our marketers in the marketing of fine but intangible products to the general consuming public. As a dual consumer safeguard, of the utmost importance to Expansior is the policy that marketers should purchase donate what is realistically and commercially reasonable to them, and under no circumstances may marketers cause others to donate amounts that are not reasonably expected to be affordable to them just so they could benefit more from the network.
- **Expansior automatic upgrades rule.** Although the primary function of Expansior is to sell intangible products to the general consuming public, Expansior realizes that its marketers may wish to purchase more expensive products, i.e. choose to donate more money to iGen, with the hope of maximising benefits in Expansior. This is highly discouraged unless the marketer can easily afford such a donation. For this reason, Expansior encourages marketers to start by donating at the lowest level, especially if they intend donating multiple times. The lowest R100 donation could then be upgraded on your Expansior back office when the need arises. Notwithstanding this, Expansior, in order to specifically further contributions to iGen, has adopted a rule that a marketer will automatically be upgraded to the next level once he or she starts generating, from the network, ten times more than they are donating to iGen. This is to ensure that as marketers generate revenue from their networks, more funds are directed towards iGen Education Trust. This rule will be applied to all marketers regardless of level and will continue until the highest level of donation is reached.
- **Expansior level six 20% deduction rule.** In its effort to support and enforce the contribution of more funds towards iGen Education Trust as well as educational infrastructure, Expansior has incorporated a 20% deduction rule on the total earned by marketers on level six. By the time marketers reach level six, they will be financially benefiting immensely from the network and from company roll-overs. Due to the forced matrix used, this will lead to individual marketers generating far too much revenue per month. As a result, 20% of the total generated on level six for each marketer will automatically be

deducted and directed towards a special account under the management of Expansior. By the time marketers receive their referral fees, the said amounts would have been deducted already. The funds accumulated in this account will be used jointly by both iGen Education Trust and Expansior for the development and upgrading of educational infrastructure, the procurement of educational equipment, the construction of new education facilities etc. These projects will be audited and the use of such funds will be made available to members of the public for transparency purposes. Such project will not only be conducted on South African soil and the funds may be used to support other education initiatives in other countries as well. By continuing with this marketing programme you acknowledge that you are aware of this matter and you support the deduction of 20% of funds in your network on level six for use in social projects in the education space, and that this forms part of the irrevocable rules contributing to the terms and conditions of your participation.

- **Expansior level seven 25% deduction rule.** In its effort to further support and enforce the contribution of more funds towards iGen Education Trust as well as educational infrastructure, Expansior has incorporated a further 25% deduction rule on the total earned by marketers on level seven. By the time marketers reach level seven, our calculations clearly indicate that they will be financially benefiting immensely from the network and from company roll-overs as well as roll-overs from their uplines. Due to the forced matrix used, this will lead to individual marketers generating far too much revenue per month. As a result, 25% of the total generated on level seven for each marketer will automatically be deducted and directed towards a special account under the management of Expansior. By the time marketers receive their referral fees into their personal accounts, the said amounts would have been deducted already. The funds accumulated in this account will be used jointly by both iGen Education Trust and Expansior for the development and upgrading of educational infrastructure, the procurement of educational equipment, the construction of new education facilities etc. These projects will be audited and the use of such funds will be made available to members of the public for transparency purposes. Such project will not only be conducted on South African soil as the funds will also be used to support other education initiatives in other countries as well. By continuing with this marketing programme you acknowledge that you are aware of this matter and you support the deduction of 25% of funds in your network on level seven for use in social projects in the education space, and that this forms part of the irrevocable rules contributing to the terms and conditions of your participation.
- **Expansior level eight 30% deduction rule.** In its effort to further support and enforce the contribution of more funds towards iGen Education Trust as well as educational infrastructure, Expansior has incorporated a further 30% deduction rule on the total earned by marketers on level eight. By the time marketers reach level eight, our calculations clearly indicate that they will be financially benefiting immensely from the network and from company roll-overs as well as roll-overs from their uplines. Due to the

forced matrix used, this will lead to individual marketers generating far too much revenue per month. As a result, 30% of the total generated on level eight for each marketer will automatically be deducted and directed towards a special account under the management of Expansior. By the time marketers receive their referral fees into their personal accounts, the said amounts would have been deducted already. The funds accumulated in this account will be used jointly by both iGen Education Trust and Expansior for the development and upgrading of educational infrastructure, the procurement of educational equipment, the construction of new education facilities etc. These projects will be audited and the use of such funds will be made available to members of the public for transparency purposes. Such project will not only be conducted on South African soil as the funds will also be used to support other education initiatives in other countries as well. By continuing with this marketing programme you acknowledge that you are aware of this matter and you support the deduction of 30% of funds in your network on level eight for use in social projects in the education space, and that this forms part of the irrevocable rules contributing to the terms and conditions of your participation.

- **Expansior level nine 35% deduction rule.** In its effort to further support and enforce the contribution of more funds towards iGen Education Trust as well as educational infrastructure, Expansior has incorporated a further 35% deduction rule on the total earned by marketers on level nine. By the time marketers reach level nine, our calculations clearly indicate that they will be financially benefiting immensely from the network and from company roll-overs as well as roll-overs from their uplines. Due to the forced matrix used, this will lead to individual marketers generating far too much revenue per month. As a result, 35% of the total generated on level nine for each marketer will automatically be deducted and directed towards a special account under the management of Expansior. By the time marketers receive their referral fees into their personal accounts, the said amounts would have been deducted already. The funds accumulated in this account will be used jointly by both iGen Education Trust and Expansior for the development and upgrading of educational infrastructure, the procurement of educational equipment, the construction of new education facilities etc. These projects will be audited and the use of such funds will be made available to members of the public for transparency purposes. Such projects will not only be conducted on South African soil as the funds will also be used to support other education initiatives in other countries as well. By continuing with this marketing programme you acknowledge that you are aware of this matter and you support the deduction of 35% of funds in your network on level nine for use in social projects in the education space, and that this forms part of the irrevocable rules contributing to the terms and conditions of your participation.
- **Expansior level ten 40% deduction rule.** In its effort to further support and enforce the contribution of more funds towards iGen Education Trust as well as educational infrastructure, Expansior has incorporated a further 40% deduction rule on the total

earned by marketers on level ten. By the time marketers reach level ten, our calculations clearly indicate that they will be financially benefiting immensely from the network and from company roll-overs as well as roll-overs from their uplines. Due to the forced matrix used, this will lead to individual marketers generating far too much revenue per month. As a result, 30% of the total generated on level ten for each marketer will automatically be deducted and directed towards a special account under the management of Expansior. By the time marketers receive their referral fees into their personal accounts, the said amounts would have been deducted already. The funds accumulated in this account will be used jointly by both iGen Education Trust and Expansior for the development and upgrading of educational infrastructure, the procurement of educational equipment, the construction of new education facilities etc. These projects will be audited and the use of such funds will be made available to members of the public for transparency purposes. Such project will not only be conducted on South African soil as the funds will also be used to support other education initiatives in other countries as well. By continuing with this marketing programme you acknowledge that you are aware of this matter and you support the deduction of 40% of funds in your network on level ten for use in social projects in the education space, and that this forms part of the irrevocable rules contributing to the terms and conditions of your participation..

- All marketers are responsible for paying relevant taxes due on earnings from referral commissions or any other earnings generated as a marketer of Expansior products. Expansior will not collect tax on behalf of the marketer. Expansior will pay the total gross amount due to each marketer and it will be the responsibility and duty of each marketer to report and distribute applicable taxes to the taxing authority of the country in which the marketer is a registered tax payer. Marketers may not apply to Expansior for a waiver of tax practices. If marketers need any information regarding tax and tax related issues, they will have to do so through their their local taxing authorities.
- Expansior marketers shall not advertise Expansior products and/or marketing plans except as specifically approved by Expansior. Independent marketers agree to make no false or fraudulent representations about Expansior, the products, Expansior compensation plan, or income potentials. It is critical that the information used to present to potential donors be the information acquired through the formal company channels. Expansior reserves the right to cancel the membership of any marketer who uses fraudulent means to grow his or her business.
- No marketer shall be in a position to market Expansior and benefit from its network marketing programme unless he or she is a monthly donor who has given permission for debit orders to run from his or her account. All marketers are required to indicate their level of donation to iGen at the time of submission of their marketer registration with Expansior. The total amount donated will go to iGen Education Trust. The amount donated is not a service or franchise fee, but rather is strictly a clean donation to iGen Education Trust which is primarily to be used for the funding of tertiary education in South Africa. 81% of the amount donated by each donor will be retained by iGen on a monthly basis. From that

amount, iGen will use a percentage (1%) to ensure the daily running of its activities. The one percent will be used to recruit professional full-time managers and staff. It will also be used to pay for office equipment, office systems, the necessary furniture, the hiring of office space etc.

- iGen Education Trust has a service level agreement (SLA) with Expansior. iGen will, on a monthly basis, pay Expansior 19% of any amount collected due to the efforts of Expansior and its independent marketers. Expansior will then use 20% of the 19% received from iGen to run the company and cover all relevant costs related to running an established company. The remaining 80% of the 19% will then be used by Expansior to enumerate the marketers using a 3X10 forced matrix. It is important for you to familiarise yourself with the manner in which forced matrices work and how you will be remunerated for your efforts. You will benefit from the marketing efforts of the company, your upline and also from your own downlines. No registration fee or any other product purchase by you, as the marketer, is required besides the monthly donation you opt to make. Data processing fees, admin fees, debit order fees etc. will be paid for by Expansior to the relevant agents on a monthly basis. You will, however, be responsible for the payment of penalty fees to your bank if any of your debit orders are not honoured. In addition, if any dishonoured debit orders result in Expansior incurring fees, such fees will be deducted from your referral commissions once you start generating revenue.
- **Trademark, Trade Names, Advertising.** The name of Expansior and other names as may be adopted by Expansior are proprietary trade names and trademarks of Expansior. As such, these trademarks are of great value to Expansior and are supplied to marketers for marketer's use only in an expressly authorized manner. The marketer agrees not to advertise Expansior products in any way other than the advertising or promotional materials made available to the marketer by Expansior. The marketer agrees not to use any written, printed, recorded or any other material in advertising, promoting or describing the products or Expansior marketing program, or in any other manner, any material which has not been copyrighted and supplied by Expansior, unless such material has been submitted to Expansior and approved in writing by Expansior before being disseminated, published or displayed. Failure to strictly observe this will lead to a marketer being penalised by the company, have their membership revoked and may even be sued by Expansior. Our brand is important to us and we protect its image strictly.
- The marketer, as an independent contractor, is fully responsible for all of his/her verbal and written statements made regarding the product or marketing program which are not expressly contained in writing in the current marketer agreement, and advertising or promotional materials supplied directly by Expansior. The marketer agrees to indemnify Expansior and hold it harmless from any and all liability including judgments, civil penalties, refund, attorney fees, court costs or lost business incurred by Expansior as a result of marketer's unauthorized representations.
- Expansior will not permit the use of its copyrights, designs, logos, trade names, trademarks, etc. without its prior written permission.

- All Expansior materials, whether printed, electronic, on film, produced by sound recording, or on the internet, are copyrighted and may not be reproduced in whole or in part by marketers or any other person except as authorized by Expansior. Permission to reproduce any materials will be considered only in extreme circumstances. Therefore, a marketer should not anticipate that approval will be granted.
- Any display ads or institutional or trademark advertising copy, other than covered in the foregoing rules, must be submitted to Expansior and approved in writing by Expansior prior to publication.
- All advertising copy, direct mailing, radio, TV, newspaper and display copy must be approved in writing by the management of Expansior.
- **Internet and Website Policy.** No marketer may independently design a website that uses the names, logos, product descriptions of Expansior, nor may a marketer use "blind" ads on the internet making product or income claims which are ultimately promoted with Expansior products or Expansior's compensation plan. Any person using Expansior names, logos, trademarks, etc. on the internet or any other advertising medium, except as permitted in writing by Expansior management and authorised to do so according to given Rules and Regulations, shall be subject to immediate discipline, including termination of marketer status and a possible legal lawsuit if Expansior ends up incurring losses.
- **Prohibition of marketing Expansior on unauthorized Internet Sites.** Except with written authorization from Expansior, a marketer may not sell or market or promote Expansior products on any unauthorized internet sites, including, but not limited to auction sites or internet shopping sites or internet malls etc. No marketer is authorised to piggy-back on Expansior's website and use it to promote his or her position at the expense of the internet service providers's prioritisation of Expansior. This is most certainly prohibited and if any marketer gets involved in such activity their membership shall be immediately terminated.
- **Unsolicited Email.** Expansior does not permit marketers to send unsolicited commercial email to others unless such emails strictly comply with applicable laws and regulations.
- Any email sent by a marketer that promotes Expansior, Expansior opportunity or Company products must comply with the following:
  - There must be a functioning return email address to the sender.
  - There must be a notice in the email that advises the recipient that he or she may reply to the email, via the functioning return email address, to request that future email solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
  - The email must clearly and conspicuously disclose that the message is an advertisement or solicitation.
  - The use of deceptive subject lines and/or false header information is prohibited.



- All opt-out requests, whether received by email or regular mail, must be honored. If a marketer receives an opt-out request from a recipient of an email, the marketer must forward the opt-out request to Expansior.
- **Unsolicited Faxes and Spam.** Except as provided in this section, marketers may not use or transmit unsolicited faxes, mass email distribution, unsolicited email, or "spamming" or use an automatic telephone dialing system relative to the operation of their company businesses. Unsolicited broadcast distribution of email or other distribution that may be defined as "bulk mail" or "SPAM" is strictly prohibited. Marketers may send "general mailings" only to other marketers in their downline organizations and their direct up-line sponsors. Any other bulk use of email is prohibited.

The term "automatic telephone dialing system" means equipment, which has the capacity to:

- Store or produce telephone numbers to be called, using a random or sequential number generator; and
- To dial such numbers.

The terms "unsolicited faxes" and "unsolicited email" mean the transmission via telephone facsimile or electronic mail, respectively, of any material or information

advertising or promoting Expansior, its products, its compensation plan or any other aspect of Expansior which is transmitted to any person, except that these terms do not include a fax or email:

- To any person with that person's prior express invitation or permission; or
- To any person with whom the marketer has an established business or personal relationship. The term "established business or personal relationship" means a prior or existing relationship formed by a voluntary two-way communication between a marketer and a person, on the basis of:
  - (i) An inquiry, application, purchase or transaction by the person regarding products offered by such marketer; or
  - (ii) A personal or familial relationship, which relationship has not been previously terminated by either party.

- **International Sales.** All our independent marketers may market or sell the opportunity directly or indirectly to other potential donors regardless of whether they live in South Africa or not. This opportunity is open to all people all over the world and any individual or company may register to donate to iGen Education Trust either directly with iGen or via the Expansior website. Independent marketers who choose to sponsor internationally may do so freely in all countries where it is possible to access the internet and which do not prohibit their citizens from owning foreign bank accounts. All international promotions

and marketing must comply fully with the Rules of operation of a company marketer position as expected in each specific country. Any violation of this rule constitutes a material breach of this contract and is grounds for immediate termination of the marketer position.

- Expansior reserves the right to approve or disapprove marketer's change of business names, formation of partnerships, corporations, and trusts for tax, estate planning, and limited liability purposes. If Expansior approves such a change by marketer, the organization's name and the names of the principals of the organization must appear on the marketer registration/agreement along with the appropriate registration number, social security number or any other legal identification number. It is prohibited to make changes to attempt to circumvent or violate company rules on raiding, solicitation, targeting, cross-sponsoring or interference.
- The independent marketer agreement may be canceled at any time and for any reason by a marketer notifying Expansior in writing of the decision to cancel.
- If a marketer elects not to renew his\her marketer agreement, all rights to referral fees, marketing position and wholesale involvement in the Expansior network marketing programme cease. The terminated marketer's sales organization shall be transferred to his\her sponsor.
- Expansior shall be entitled to change or amend its rules and regulations at any time and without notice, and to make changes in the statement of policy and procedures.
- Each marketer shall comply with all applicable and relevant government and local taxes and regulations governing the sale of company products.
- On a periodic basis, Expansior will supply data processing information and reports to the marketer, which will provide information concerning the marketer's downline sales organization, product purchases and product mix (donation levels in his or her team). The independent marketer agrees that such information is proprietary and confidential to Expansior and is transmitted to the marketer in confidence. The independent marketer agrees that he or she will not disclose such information to any third party directly or indirectly, nor use the information to compete with Expansior directly or indirectly during or after the term of the agreement. The independent marketer and Expansior agree that for the purposes of confidentiality and nondisclosure, Expansior would not provide the above confidential information to any third party, even a fellow independent marketer. A marketer seeking to sell his/her marketer position in the network must acknowledge and agree to this provision prior to the finalization of the sale of their marketer position.
- **Vendor Confidentiality.** Expansior's business relationship with its vendors and agents is confidential. An independent marketer shall not contact, directly or indirectly, or speak to or communicate business issues with any representative of any supplier or agent of Expansior except at a company sponsored event at which the representative is present at the request of Expansior. Violation of this regulation may result in termination and

possible claims for damages if the vendor/agent's association is compromised by the marketer contact.

- A marketer shall take appropriate steps to safeguard the protection of all private information provided by a donor, a prospective donor and/or other independent marketers.
- **Change in Status.** Marriage/Statutory Domestic Partnership: Two independent marketers who marry or enter into a statutory domestic partnership, after having established their own individual marketer positions, may continue to operate their existing marketer positions, regardless of whether they originate from the same line or not.

Divorce/Dissolution: Should a couple become divorced or enter into a dissolution in a situation where only one marketer position existed and was shared by the two, they agree to notify Expansior as to who will assume responsibility for the marketer position in one of the following manners:

- Written notarized agreement signed by both parties indicating who will retain the marketer position.
- A court order delineating who receives custody over the marketer position.
- Both parties may choose to retain their joint marketer position and operate it as a partnership.

The divorced/dissolved marketer may apply for a new marketer position at any time if they feel like.

Death: Upon the death of a marketer, the rights and responsibilities of the marketer position may be passed on to the rightfully legally documented beneficiary as long as that person's details appear in the deceased marketer's profile as requested during registration. The new marketer may continue with the position as is or may apply to have the username changed by following the appropriate steps. It is important for the new marketer to familiarise himself or herself with the manner in which a forced matrix works.

Disability: Should a marketer become disabled to the extent that he/she can no longer fulfill the required duties of an Expansior marketer, such disabled marketer's legal representative or beneficiary shall:

- Contact Expansior within thirty (30) days of the disability and advise Expansior of the marketer's status and the plans for future management or cancellation of the marketer position.
- Provide notarized or court confirmed copy of appointment as legal representative or beneficiary.

- o Provide notarized or court confirmed copy of document establishing right to administer the position in the Expansior business.
- o Should the legal representative or conservator plan to continue the business of the marketer position, then he/she shall fill out a new marketer application/agreement and receive the required training consistent with the disabled marketer's level at the time of disability.
- o The above-mentioned requirements shall be satisfied within a deadline of six months.
- o **Sale or Transfer.** A marketer may not sell, assign or otherwise transfer his or her marketer position in the network, or other marketer rights without written application and approval by Expansior. This paragraph is also applicable to transfer of any interest in an entity that owns a marketer position, including but not limited to corporation, partnership, trust or other legal entity. The potential buyer must be at the equivalent or higher rank as the selling marketer or have been a marketer for at least a one year period prior to the sale. The marketer position must be offered in writing first to the marketer's sponsor. If the sponsor declines the offer, the marketer may offer the marketer position for sale to other qualified marketers, but only on the same terms and conditions as offered to the sponsor. A marketer who sells his or her marketer position shall remain eligible to qualify as a marketer at any point in time by donating again to iGen Education Trust and promoting the opportunity. Expansior reserves the right to review the sale agreement and to verify waiver from the upline sponsor in the event the upline sponsor declines to purchase the marketer position.
- o This statement of policies and procedures is incorporated into the independent marketer agreement and constitutes the entire agreement of the parties regarding their business relationship.
- o Expansior expressly reserves the right to alter or amend Rules and Regulations, Policies and Procedures, product availability and compensation plan. Upon notification, in writing, such amendments are automatically incorporated as part of the agreement between Expansior and the marketer. Expansior's communication of changes may include, but shall not be limited to mail, email, fax, posting on Expansior website, publication in company newsletters or magazines, etc.
- o **Ownership by legal persons.** A partnership, a trust or company may register as an independent marketer. However, it is important that a duly authorised natural person registers on behalf of the legal person. Any individual may participate in more than one (1) marketer position and in any form, at any time. What is critical in this business model is the funding of iGen Education Trust, and it does not matter how many times any legal or natural person donates.

- o A marketer position may change status under the same sponsor from individual to partnership, or trust or company or vice-versa with proper and complete documentation approved by Expansior.
- o To form a new marketer position as a partnership, trust or company or to change status to one of these forms of business, you must request a partnership, trust or company registration documents and registration number from the relevant authorities in South Africa or any other country. This form must be submitted detailing all partners, trustees, shareholders, officers or directors in the partnership or company. The partner or officer who submits the form must be duly authorized to enter into binding contracts on behalf of the partnership or corporation. Any member of the partnership, trust or company may independently register as a donor under that company's marketer position in the network. Each of the parties has an opportunity to donate multiple times and thereby acquiring multiple marketer position.
- o **Natural persons and legal persons ownership Information.** A natural person can have as many marketer positions as possible in Expansior. He or she may own many other marketer positions on any donation level of their choice and no limits shall be imposed on them regardless of how the positions relate to one another. Whether this achieved individually or jointly, or they participate as a partner, owner, shareholder, trustee, director, or association member in more than one marketer position, it is not illegal or prohibited in the Expansior network.
- o A person shall provide Expansior with an appropriate Identity Number or a Taxpayer Identification Number (TIN) as prompted on registration. No individual operating under a fictitious name and no partnership, trust, company or other business entity may become an Expansior marketer without submitting an electronic "personal identification" form following enrolment of proprietorship, company, trust or partnership. The following documents need to be sent to complete the registration process:
  - (1) Proprietorship:** A copy of name filing must be submitted, together with the appropriate form. No areas may appear altered on the document. A properly taken photograph of the document may also be downloaded.
  - (2) Company:** A shareholder's agreement with all relevant registration information is needed. It must clearly indicate who the different shareholders are. There must also be a letter clearly stipulating that the natural person registering on behalf of the company has been duly authorized. No areas may appear altered on the documents. A properly taken photograph of the documents may also be downloaded.
  - (3) Corporation:** If a person or an entity is from the United States of America, copies of articles of incorporation are required, including the page with state seals and

notarization. These articles will show who the principals are and prove validation of Federal ID Number/Business Number/E.I.N, plus a W-9 form. As above, No areas may appear altered on the document. A properly taken photograph of the document may also be downloaded.

**(4) LLC:** If a person or an entity is from the United States of America, IRS acceptance only. The name on the IRS acceptance is required to state the LLC in order to use it as an LLC, plus a W-9 form. No areas may appear altered on the document. A properly taken photograph of the document may also be downloaded.

**(5) Trust:** A copy of the trust deed or an affidavit of trust with the notarized copy of the power of attorney is necessary. If Federal ID Number is to be used and is not noted in the affidavit, an IRS acceptance will be required, plus a W-9 form. No areas may appear altered on the document. A properly taken photograph of the document may also be downloaded.

**(6) A stokvel or partnership:** To register as a stokvel or partnership, the duly authorised and delegated person must electronically complete the partnership portion of the Entity Information form, along with all signatures that apply. It is always advisable to have each member of the stokvel or partnership register their own marketer position and donate individually to the iGen Education Trust. This will give them more benefits than registering as part of a partnership. On documents submitted, no areas may appear altered or erased. A properly taken photograph of the document may also be downloaded.

- o **Entity Guarantee for Owners:** Although Expansior has offered marketers the opportunity to conduct their marketer position as corporate, LLC, trust or partnership entities, it is agreed that since the marketer position entity is under the control of its owners or principals, the actions of individual owners or beneficiaries as they may affect Expansior and the marketer position are also critical to Expansior's business. Therefore it is agreed that actions of the ownership entity shareholders, officers, directors, trustees, beneficiaries, agents, employees or other related or interested parties and the actions of such parties, which are in contravention to Expansior's policies shall be attributable to the corporate, LLC, trust or partnership entity. In the event that any of the ownership entity shareholders, officers, directors, trustees, beneficiaries, agents, employees or other related parties shall terminate ownership interests in the marketer position, any breaching actions by such parties that continue to have a beneficial financial interest, directly or indirectly, in the marketer position shall be attributable to the marketer position.
- o **Members of the same Household.** Members of any marketer's household may operate together as one company marketer position, but they are also free to operate as separate independent marketers. A household is defined as husband, wife, parties to a statutory recognized domestic partnership and dependents. Note: Children of legal age to contract

and at least 18 years of age are not considered a part of their parents' household. Expansior recognizes that members of the same household may belong to competing direct selling opportunities. Although the actions of the parties are normally in good faith, in some circumstances, there is an abuse of relationships in which the non-company household member is engaged in recruitment, solicitation or raiding of Expansior sales organization. Since the household member that has an ownership interest in Expansior marketer position is in the best position to be responsible to prevent raiding or cross-sponsoring activity by their co-household member, the cross-recruiting activity of the non-company household member shall be attributed to Expansior marketer position, subjecting the marketer position to discipline or termination.

- o For marketing and promotion purposes, it is agreed that Expansior is authorised to use a marketer's name, photograph, personal story and/or likeness in advertising or promotional materials and a marketer waives all claims for remuneration for such use.
- o **Disciplinary Actions.** A marketer's violation of any policies and procedures, the agreement, terms and conditions or any illegal, fraudulent, deceptive, or unethical business conduct may result, at Expansior's discretion, in one or more of the following disciplinary actions:
  - o Issuance of a written warning or admonition.
  - o Imposition of a fine, which may be imposed immediately or withheld from future commission payments.
  - o Reassignment of all or part of a marketer's organization.
  - o Suspension, which may result in termination or reinstatement with conditions or restrictions.
  - o Termination of the marketer.
- o Expansior reserves the right to terminate any marketer position at any time for a certain cause when it is determined that the marketer has violated the provisions of the independent marketer's agreement, including the provisions of these policies and procedures as they may be amended or the provisions of applicable laws and standards of fair dealing. Such involuntary termination shall be made by Expansior at its discretion. Before any marketer's involvement in the Expansior marketing plan is terminated, efforts shall be made by Expansior to engage and discuss with the marketer concerned with the aim of resolving the issues causing a violation. If the marketer acknowledges his or her errors and quickly corrects their errors or expedite the resolution of the matter, Expansior will not proceed with the termination. On the other hand, if the infringement persists regardless of Expansior's intervention, then the marketer's participation in the network marketing programme shall be terminated. Upon an involuntary termination, Expansior shall notify the marketer by mail or email at the latest address listed with Expansior for the marketer. In the event of a termination, the terminated marketer agrees to immediately cease representing him/herself as a marketer. A person who ceases to be a marketer in the

Expansior program does not necessarily cease to become a donor in iGen Education Trust. He or she may continue to be a donor and contribute for as long as they choose to. Expansior is an autonomic legal person on its own which simply uses a network marketing programme to market and promote iGen and its activities but it is independent of iGen. Therefore violating Expansior's network marketing rules does not automatically translate to a person violating the rules governing iGen Education Trust.

o **Termination of Expansior membership.**

- o When a decision is made to terminate a marketer position, Expansior will inform the marketer in writing that the marketer position is terminated immediately, effective as of the date of the written notification. The termination notice will be sent via email or by certified mail to the marketer's address on file with Expansior.
- o The marketer will have 30 days from the date of mailing of the certified letter in which to appeal the termination in writing, and provide written response to the finding of violations of Expansior agreement, policies and rules. The marketer's appeal and/or response correspondence must be received by Expansior within 15 days of Expansior's termination letter. If the appeal is not received within the 15 day period, the termination will be automatically deemed final.
- o If a marketer files a timely appeal of termination, Expansior will review and reconsider the termination, consider any other appropriate action, and notify the marketer of its decision. The decision of Expansior will be final and subject to no further review. In the event the termination is not rescinded, the termination will be effective as of the date of Expansior's original termination notice.
- o All marketers have the right to sponsor others. In addition, every person has the ultimate right to choose his/her own sponsor. If two marketers should claim to be the sponsors of the same new marketer, Expansior shall regard the first application received by the company admin system in the main office as controlling. However, since each marketer registers themselves electronically, they too have an opportunity to fill in the details of their upline during online registration.
- o As a general rule, it is good practice to regard the first marketer to meaningfully work with a prospective marketer as having first claim to sponsorship, but this is not necessarily controlling. Basic tenets of common sense and consideration should govern. It is important to be honourable when dealing with other people. If a marketer approaches you first regarding the Expansior opportunity, be honourable enough to mention that person as your upline sponsor when you register to become a donor.
- o As a convenience to its marketers, Expansior may provide various methods of registering or informing Expansior of newly sponsored marketers, including online internet registration, telephone registration and facsimile registration. Until such time as Expansior receives an application, either as hard copy or by facsimile,



containing all appropriate information, as well as the signature of the proposed new marketer, Expansior will only consider the internet, telephone or facsimile registration in the category of "intended" recognition of sponsor. Thus, although Expansior is attempting to create some convenience for its sponsoring marketers, it is the responsibility of the sponsoring marketer to cause delivery to Expansior of a completed and signed marketer agreement if the sponsor is to expect formal recognition as the official sponsoring marketer. It is therefore critical for any person registering online to make sure that their electronic form is signed as this is the only way the South African law will allow for any debit orders to be effected.

- o There is no super natural power involved in Expansior or in any genuine business for that matter. Those who work hard to market the opportunity but fail to help new marketers develop their business meet with limited success. Therefore, a responsibility of an upline is to work with new marketers, helping them learn the business and encouraging them to do the same to their own downlines, especially during the critical early months.
- o Expansior's system is makes sponsoring a downline much easier since the product we are dealing with is intangible and marketers are not required to carry any inventory of products or sales aids for new marketers. We do encourage, however, that marketers thoroughly familiarise themselves with the Expansior business opportunity and its forced matrix and should try and carry a laptop together with all the necessary teaching material. By doing so, this will expedite the understanding of the business by the new marketer and both the new and old marketer will find building a major sales organization much easier because of the decreased response time in meeting a new marketer's needs.
- o When soliciting a prospective marketer to join Expansior's network program, the marketer must clearly explain the following:
  - (1) Purpose of both Expansior and iGen.
  - (2) Products: type and benefits of each product.
  - (3) The compensation plan and how it works.
  - (4) Policies and Procedures.
  - (5) Marketer's rights, duties and responsibilities.
  - (6) Other important items that will affect the judgment of the prospective marketer.
  - (7) The obligatory opening of a South African bank account for all non-South Africans who do not have one.
- o Transfer of Sponsorship. In Expansior, transfer of a marketer from one sponsor to another is illegal and actively discouraged. Maintaining the integrity of sponsorship is absolutely mandatory for the success of the overall organization.

- o Transfers will generally be approved under three (3) circumstances only:
  - (1) In the case of unethical sponsoring by the original sponsor. In such cases, Expansior will be the final authority.
  - (2) With the written approval of the immediate three (3) upline sponsors and detailed reason given explaining why that is necessary.
  - (3) Resigning from Expansior entirely and then reapplying under the new sponsor.
  
- o In cases of unethical sponsoring, the individual may be transferred with any downlines intact. In all other events, the individual alone is transferred without any downline marketers being removed from the original line of sponsorship. This will certainly lead to the marketer losing substantially if he or she already had a successful business under them, in which case relocating to another sponsor simply wont make any sense.
  
- o To be able to grow the business successfully and generate above average monthly income, it is critical for the marketer to treat this opportunity as a genuine business and do the following daily:
  - o Check you business every day. Make that part of your daily routine.
  - o Find ways of encouraging your downlines at least once a week. Since this system uses a forced matrix, your downlines will enjoy significant encouragement and support through the spill-overs from you and those above you.
  - o Attend to the questions and queries of your immediate downlines almost immediately as they may need to relay that to their own downlines.
  - o Market the business whenever an opportunity presents itself.
  - o Buy the available stickers, hats, T-shirts, caps etc. to help you market the business and promote what it stands for.
  - o Be a person of integrity and honour. Never lie to any person just so you could convince them to sign up as a marketer. It is critical for them to understand that they are supporting iGen and through supporting iGen they get an opportunity to support themselves and their families financially.
  
- o Expansior encourages each independent marketer to keep accurate records of their monthly expenses related to the business. This could be invoices, slips, etc of funds spent towards the business. Make an electronic folder of such proof of payments. They are tax deductible in most countries and they might help you pay less tax when you have to declare your earnings to your government.
  
- o As with any other business, it is advisable for you to buy the necessary equipment that will help you promote, market and grow your business. This is not a get-rich-quick scheme or

a pyramid scheme and as such you will not generate above average income if you do not invest in the business.

- o **Income Claims.** No income claims, income projections nor income representations may be made to prospective marketers. Obviously, any false, deceptive or misleading claims regarding the opportunity is prohibited. In their excitement and enthusiasm, marketers are occasionally tempted to represent hypothetical income figures based upon the inherent power of network marketing as actual income projections. This is counter-productive, since new marketers may be quickly disappointed if their results are not as extensive or as rapid as a hypothetical model would suggest. Expansior believes firmly that the income potential is great enough to be highly attractive in reality without resorting to artificial and unrealistic financial projections. Stick to what the company offers you and use that to promote your business.
- o **Status representation.** In all cases, any reference the marketer makes to himself or herself must clearly set forth the marketer's independent status. For example, if the marketer has a business telephone, the telephone may not be listed under Expansior's name or in any other manner which does not disclose the independent contractor status of the marketer.
- o **Judgment and Tax Liens.** Expansior will comply fully with any court order or instruction/demand by any government taxing authorities within the Republic of South Africa and other governments that orders, instructs or demands the withholding of a marketer's earnings from his/her marketer position with Expansior. It is important though that the paperwork submitted regarding this be genuine and free of error. Expansior will investigate the genuineness of the matter and comply accordingly if Expansior concludes that the matter is indeed genuine.
- o **Requests for appropriate Records.** Expansior will comply fully with all requests for records accompanied by a properly prepared and signed authorization by the person whose records are being sought. Expansior will comply fully with all requests for records by government agencies with the authority to request such records and accompanied by the requisite legal documentation.
- o **Newspaper Advertisements.** Some independent marketers use classified advertising in the newspapers to find prospects. The following rules apply:
  - o No advertisement may imply that a "job" or "position" is available.
  - o No specific income can be promised.
  - o Advertisements must contain no misleading facts or distortions of Expansior opportunity or product line.
  - o The advert itself must first go via the Expansior office and receive a stamp of approval before it is sent out for publication. No marketer is allowed to publish Expansior information without written approval by Expansior.

- o **Business Cards and Stationery.** Any printed materials, including business cards and stationery, must be approved by Expansior in advance. Criteria for approving these materials will include a judgment regarding the quality of the materials as well as properly setting forth the independent status of the marketer. No section of such business cards may be used coyly to give a false sense of an Expansior employee status.
  
- o **Telemarketing Techniques.** The South African government and other governments around the world have laws and regulations that restrict direct marketing and telemarketing practices. In South Africa, the Consumer Protection Act regulates against such practices. Although Expansior does not consider marketers to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that your inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause you to violate the law. These regulations must not be taken lightly, as they tend to carry significant penalties. Therefore, marketers must not engage in telemarketing in the operation of their businesses. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of a company product, or to recruit them for Expansior opportunity. "Cold calls" made to prospective customers or marketers that promote the Expansior opportunity constitute telemarketing and is prohibited. However, a telephone call(s) placed to a prospective donor or marketer (a "prospect") is permissible under the following situations:
  - o You may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom you have at least a recent first-hand relationship within the preceding three (3) months. Bear in mind, however, that if you make a habit of "card collecting" with everyone you meet and subsequently calling them, the law may consider this a form of telemarketing that is not subject to this exemption. Thus, if you engage in calling "acquaintances," you must make such calls on an occasional basis only and not make this a routine practice. The best practice is to call people you know and who know you. That way you will avoid creating a practice similar to telemarketing.
  
  - o The prospect's personal inquiry or application regarding making a donation to iGen Education Trust or regarding the Expansior products or opportunity offered by the marketer, within the three (3) months immediately preceding the date of such a meeting.
  
  - o If the marketer has an established business relationship with the prospect, then it is highly unlikely that calling them will constitute telemarketing unless they have indicated that they do not prefer receiving such calls. An "established business relationship" is a relationship between a marketer and a prospect based on the prospect's purchase, rental or lease of goods or services from the marketer, or a financial transaction between the prospect and the marketer within the eighteen

- (18) months immediately preceding the date of a telephone call to induce the prospect's desire to donate, or to purchase a product or service.
- o If the marketer receives written and signed permission from the prospect authorizing the marketer to call. The authorization must specify the telephone number(s) which the marketer is authorized to call.
  - o In addition, marketers shall not use automatic telephone dialing systems relative to the operation of their businesses. The term "automatic telephone dialing system" means equipment which has the capacity to (a) store or produce telephone numbers to be called, using a random or sequential number generator, and (b) to dial such numbers.
  - o The Consumer Protection Act defines 'direct marketing' as :
    - A form of either personal or electronic communication;
    - To promote any good/s or service/s,
    - Or requesting a consumer to make a donation of any kind for any reason.
  - o The Consumer Section 11 of the Act makes provision for an opt-out registry that enables consumers to protect themselves 'against any communication, (i.e. Cold Calls), that is primarily for the purpose of direct marketing', by the Consumer Commission. This comes on the backdrop of consumers' right to privacy and a right to protect themselves against direct marketing.
  - o It is therefore critical for all Expansior marketers to conduct themselves in a manner that will not leave them socially compromised and legally exposed.
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- o **Press Inquiries.** Any inquiries by the media are to be referred immediately to Expansior. Under no circumstances should any independent marketer handle any media or press queries on behalf of Expansior. This policy is to assure accuracy and a consistent public image. Expansior has a dedicated communication office and it is equipped to handle any such queries without providing inaccurate or inconsistent information. Most governments around the world rarely approve or endorse direct selling programs. Therefore, marketers may not represent that Expansior's program has been approved or endorsed by any governmental agency. This will only be communicated by Expansior where a government agency has approved or endorsed, in writing, our direct selling program.
  - o **Indemnification.** The independent marketer hereby indemnifies and releases Expansior, its officers, directors, agents and assigns and holds harmless from and against the full amount of any and all claims, causes of action, judicial and administrative proceedings suits, charges, liabilities, losses, damages, costs and expenses, including without limitation court costs and reasonable fees and expenses of attorneys and consultants, which are or may be made, filed or assessed against Expansior at any time arising out of

marketer's business operations and representations made by the marketer in the operation of his/her business, arising from the following:

- o Violation and/or lack of compliance with terms of the marketer agreement, policies and procedures, rules and regulations, marketing program manual or guidelines or any other directive from Expansior as to the method and manner of operation of the independent marketer business;
- o Engaging in any conduct not authorized by Expansior in Expansior market program;
- o Any fraud, negligence or wilful misconduct in the operation of the independent marketer business;
- o Misrepresentation or unauthorized representation regarding Expansior's product, marketing opportunity or potential or Expansior's marketing program;
- o Failure to adhere to any local or international laws, regulation, ordinance and/or any order or rule issue by any court of appropriate jurisdiction;
- o Engaging in any action which exceeds the scope of authority to the marketer as granted by Expansior;
- o Engaging in any activity over which Expansior has no effective control as to the actions of the marketer.
- o Engaging in the general business operations of the marketer's business.
- o **Waiver.** Expansior never gives up its right to insist on compliance with these rules or with the applicable laws governing the conduct of a business. This is true in all cases, both specifically expressed and implied, unless an officer of Expansior who is authorized to bind Expansior in contracts or agreements specifies in writing that Expansior waives any of these provisions. In addition, any time Expansior gives permission for a breach of the rules, that permission does not extend to future breaches. This provision deals with the concept of "waiver," and the parties agree that Expansior does not waive any of its rights under any circumstances short of the written confirmation alluded to above.
- o **Governing Law.** These rules are reasonably related to the laws of the Republic of South Africa and shall be governed in all respects thereby. The parties agree that jurisdiction and venue shall lie with the place of acceptance of the marketer application, the Western Cape Province in the Republic of South Africa.
- o **Partial Validity.** Should any portion of these Rules and Regulations, of the marketer's application and agreement, or of any other instruments referred to herein or issued by Expansior be declared invalid by a court of competent jurisdiction, the balance of such rules, applications, or instruments shall remain in full force and effect.
- o **Remuneration of marketers.** To access the opportunity to generate revenue from the Expansior network, it is important for you to first register with iGen Education Trust

([www.igenedutrust.org.za](http://www.igenedutrust.org.za)) and opt for a monthly donation. There are seven different donation levels and you need to choose one of them. You can always upgrade or downgrade the level of donation. Each level of donation links you to a different marketing level in Expansior and will remunerate differently. Higher levels of donations in iGen Education Trust attract higher referral fees in Expansior.

- All marketers stand a chance of generating revenue by referring others to support the funding of students at tertiary level in South Africa. Expansior has entered into a service level agreement (SLA) with iGen Education Trust. The SLA dictates that 19% of any amount that iGen Education Trust generates on a monthly basis as a result of the marketing activities of Expansior should be paid to Expansior for the service rendered.
  - Expansior uses network marketing to incentivise donors and encourage them to continue supporting iGen Education Trust, as well as to encourage donors to use their own time, effort and money to actively market and promote the activities of iGen Education Trust via Expansior.
  - The 19% which Expansior receives from iGen Education Trust is the source of the funds used to remunerate marketers. 80% of the 19% is used to remunerate marketers using a 3X10 forced matrix. Marketers will be paid variable amounts depending on a number of factors. The matrix remunerates using different ratios be donor and per level but in all cases marketers will be paid referral fees down to level 10. This matrix is explained in detail below and under a section referred to as the Compensation Plan. 20% of the 19% is used by Expansior for the running of the company, i.e. remuneration of employees, hiring of presentation venues, flights, accommodation, car hire, branding material, hiring of offices, procurement of office equipment, running special education projects, paying of dividends to shareholders etc.s.
- o **Compensation plan.** The compensation plan uses a 3x10 forced matrix.
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