



# Policies & Procedures for Longrich Distributor

JIANGSU LONGRICH BIOSCIENCE CO., LTD.

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# WELCOME TO LONGRICH

## 1. Longrich

Thank you for your interest and trust to be our partner in building your direct selling business with Longrich. Wish you a successful business achievement together with Longrich. You will see that it is a good choice. First and foremost, you are expected to equip yourself with a complete understanding of Longrich Business.

As a Longrich Global Distributor, your role is to help Longrich promote our global market, providing our customers with the best service as well as high-quality products.

As a Longrich Distributor, you are the link by connecting our company with our customers, playing an important role in building Longrich's brand and product image. As a Longrich distributor, you are expected to conduct your business professionally with integrity and standardized service practice, to make us a professional and high standard team.

## 2. Longrich Marketing Tools

Our Longrich Marketing tools are to help you to promote your business and they include: Starter Kit, Products Manual, Policies & Procedures, Rich News (Longrich Monthly Bulletin), Longrich Direct Selling Business, Longrich International Compensation Plan, Longrich Business Manual and so on.

## 3. Longrich E-commerce System

E-commerce System: [www.longliqicn.cn](http://www.longliqicn.cn). An online platform for all the distributors to place their orders, manage the distributors network and check their business performances

Longrich Official Company Website: [www.longrich.com](http://www.longrich.com). A platform for detailed information of Longrich, our products and news highlight.



# HOW TO PLACE AN ORDER

## 1. Ordering

All Longrich Distributors can directly place their orders through Longrich. For more specific details, please refer to the ordering standard of each local branch office.

## 2. Delivery Service

Longrich Distributors may place orders online, and Longrich provides the delivery service to your specified addresses (no more than 2 addresses), which must be registered correctly when you enroll as a new distributor. You can also pick up the products directly or entrust another distributor to pick up the products from our local branch. For more details, please refer to the local branch office.

## 3. Receipt Instructions

Please carefully check your ordered products, including but not limited to, quality and quantity before signing to verify you have received your order correctly. If there are any problems, please contact our local branch office for assistance. Make sure that the shipment documents are signed by the delivery agent and keep a record of it to support any damages or shipment loss during the delivery process.

## 4. Pickup Service

Longrich Distributors may pick up the order in Longrich local branch office, local stockists or other specified location with their valid ID and distributor number. (Notes: No across-country payment or order pickup)

## 5. Goods Returning and Replacing Policy

We will make every effort to ensure all the products you ordered is delivered safely, timely and intact to the destination that is specified on the order. If any mistakes occur unexpectedly, please feel free to contact us and we will do our best to help and resolve the issues. For more specific details, please refer to the local branch office.

## 6. Receipt and Invoice

When you purchase Longrich products, a receipt and invoice will be included in the order detailing the product names, number, prices and other information of the products. Please store these transaction documents for your personal record.

## 7. Bonuses Distribution

Longrich pays bonuses weekly by bank transfer or in cash. Payments: the bonuses can be deposited in the distributor's designated local bank account or picked up in person in our Longrich local branch office by personally signing for the payment amount.

# CODES OF CONDUCT

I, as a Longrich Distributor, agree and comply with the following principles to operate Longrich Individual Business:

1. Comply with Codes of Conduct, Policies & Procedures and other versions provided by any Longrich-authorized literatures.
2. When describing Longrich Business Plan, all the statements must be truthful, accurate and not misleading, strictly based on actual experiences and Longrich-authorized materials.
3. Make sure complaints of product quality are dealt with immediately and in a polite and friendly manner, in accordance with the procedures of Longrich-authorized materials.
4. Make every effort to strive for success and excellence in Longrich with integrity by conducting your business with the highest standard.
5. Be willing to shoulder and implement all the responsibilities stated in Longrich-authorized materials.
6. Only Longrich-authorized materials, including business tools, video materials and other business support materials, can be used while describing Longrich Business Plan, products or services or any other business activities.

# POLICIES & PROCEDURES

## Part 1 Policies & Procedures

### 1. Definitions

1.1 The following terms will have the meanings set forth herein when used in all agreements you signed with Longrich and other official Longrich materials, unless there is another explanation.

1.1.1 **Longrich Corp. (Longrich)** means the company located in Longrich Biological Industrial Park, Changshu City, Jiangsu, China.

1.1.1.1 **Longrich Overseas Branch Office** means the branch offices that are set up in other countries or regions which is out of mainland China, which strictly follow the local laws and regulations

1.1.2 **Longrich Business Plan** (or plan) means the general term of/means all that including Compensation Plan, Sponsorship Program as well as the regulations, policies and measures offered by Longrich which set forth these to help the development of Longrich business for Longrich distributors.

1.1.3 **Policies & Procedures for Longrich Distributor** (hereinafter referred to as P & P), is one part of Longrich Business Plan.

1.1.4 **Longrich Distributor** means the person who is authorized to sell products provided through or by Longrich, and may sponsor other person to become a Longrich Distributor, which is also applied to the customers that the membership is owned by himself or herself without getting any discount or rewards, as well as the distributors, sponsors and their heirs or transferees of different levels.

1.1.5 **Longrich Distributor Rank** means the person who achieve the related qualified rank according to Longrich business plan, accordingly the ranks are flagged as One Diamond, Two Diamond, Three Diamond, Four Diamond, Five Diamond, Six Diamond, Seven Diamond, One Star Director, Two Star Director, Three Star Director, Four Star Director, Five Star Director and other levels according to the compensation plan rank structure.

1.1.6 **Longrich Membership** means the qualifications, obligations and liabilities of a Longrich Distributor.

**1.1.7 Refer/Enroll;** please refer to our business and training materials to better understand the relationship between these interchangeable meaning.

**1.1.8 Sponsor** means the Longrich distributor who refers/enroll a new customer to become a new Longrich Distributor and the application is permitted by Longrich. The sponsor is responsible for the training and the new business development of his downline distributors.

**1.1.9 Personal Group** means the organization made of you and all your downline distributors (the distributors you sponsored)

**1.1.10 Longrich Products** mean those provided and supplied by or through Longrich, including products, marketing and materials, and service. All Longrich Distributors are authorized to sell or use Longrich Products under the **P & P**.

**1.1.11** Longrich may change or revise this **P & P** from time to time deemed necessary to update the business model.

**1.2** Please refer to the local laws, if this **P & P** conflict with them.

## **2.Becoming a Longrich Distributor**

### **2.1 Registration Agreement**

**2.1.1** Under the local law, regardless of sex, race, religion or level of education, any legal adult citizen who has a full capacity for civil conduct is allowed to apply to be a Longrich Distributor and enjoy the equal opportunity to become a Longrich Distributor. According to the laws of the local country or region in which Longrich operates, those who are not permitted to be in the direct sales business, cannot apply for a Longrich Membership.

### **2.2 Application Procedure**

**2.2.1** The person who wishes to become a Longrich Distributor, must be referred/enrolled by another currently active Longrich Distributor.

**2.2.2** Before joining Longrich Business Team, the applicant is required to read “P & P” thoroughly, and have a complete understanding of all the contents of the Starter Kit, and is willing to abide by all the policies and procedures stipulated for Distributor conducts.

**2.2.3** Upon Longrich’s approval, he or she will get a Membership number, which is imperative as a qualified Distributor.

**2.2.4** Without Longrich’s approval, Longrich Distributor can not apply for more than one Membership.

**2.3 Conditions of applying to be a Longrich Distributor include the following:**

**2.3.1** To be Longrich Distributor, applicant needs to purchase the complete ***Starter Kit***, so as to familiarize himself or herself with Longrich Business Plan and products in accordance with local laws and regulations.

**2.3.2** According to Policy 4.3, 4.4 and 4.5, a former Longrich Distributor may apply to become a Longrich Distributor again, if the requirements of Policy 2.3.1 are met.

**2.4 Except as stipulated in Policy 2.3.1, there are no other reasons for any mandatory purchase of Longrich products or services.**

**2.5 Longrich reserves the right to accept and reject any membership applications.**

**2.6 Longrich Membership can only be authorized by one person or one couple, who shall comply with the following provisions:**

**2.6.1** Except as cases provided in Policy 2.6.6, Longrich Membership can be possessed by individual or possessed jointly by one couple in the line of sponsorship.

**2.6.2** If both husband and wife wish to become Longrich Distributors, they may register together as one single Longrich Membership.

**2.6.3** In compliance with Policy 2.1, both husband and wife must comply with the **P & P**, perform duties while enjoying benefits of their distributorship, and agree that Longrich Membership can be passed on to a deceased Longrich Distributor’s spouse. If either member of the couple breaks the rules, both shall bear equal responsibility for the consequences arising from their action.

**2.6.4** For better development of Longrich Business, the couple can help each other with the general affairs, and shall bear full responsibility for all the consequences arised therefrom.

**2.6.5** If either member of the couple can not join as a Longrich distributor due to personal preference or fail to meet the requirements of Policy 2.1, he or she shall not make any claims against his or her spouse's Longrich business. If he or she intends to join as a Longrich distributor and jointly operate the business with his or her spouse, the Longrich membership can be recognized only with a written approval from Longrich.

**2.6.6** In the case when two different Longrich Distributors decide to get marry, they may (a) operate separated business with original Longrich Membership respectively; or (b) one quits from the original Longrich Membership and joins the other's line of sponsorship to be his or her Downline Distributor.

**2.6.7** If both husband and wife wish to become Longrich Distributors, they may register for 2 Longrich Membership, one of which shall be sponsored by the other.

**2.7 During the process of a divorce, pertaining to their jointly operated business with Longrich, the Distributor involved shall comply with the following as:**

**2.7.1** Reach an agreement in the ownership of their jointly operated business with Longrich, and the one who relinquished the original Longrich Membership may apply for a new one.

**2.7.2** If an agreement is not made, then:

**2.7.2.1** If the Longrich distributorship is being managed and operated by both members of the couple, but only one of the member was the registered owner of the account, then the membership is owned by the one who signed and entered into the contract with Longrich. The other member of the couple that was not a member of Longrich, can enjoy one half of bonuses for six months without any further benefits or claims and he or she can apply to be a new distributor again.

**2.7.2.2** Longrich will have the option of freezing the bonuses for a determined period of time if both Distributors involved fail to reach an agreement within the first 10 days of notifying Longrich in writing, until the final agreement in ownership is reached, and the one who relinquishes reserves the right to apply for a new Membership.



### **3.Responsibility of Longrich Distributor**

**3.1** As a Longrich Distributor, you are expected to abide by all laws, regulations, and commercial rules of the local country or region, and not conduct any fraudulent or illegal trading acts as stipulated by the government or participate in any activity that can damage the reputation of Longrich.

**3.2** When you are involved in any activity related to Longrich (including retailing, marketing, meetings, and so forth), they must abide by the P & P, Longrich Business Plan and other rules and regulations stipulated by the company, procedures, policies, measures, and revised provisions. Longrich may revise the “P & P” and related materials in accordance with actual need from time to time. Relevant revisions will be announced in the promotional material of the local language or delivered to Longrich Distributors by other means.

**3.3** Comply with the following provisions of products purchasing and selling:

**3.3.1** Distributors shall place orders directly from Longrich company, as well as the National or Regional Stockists that are authorized by Longrich;

**3.3.2** Longrich will calculate the bonuses, PV and the qualified level in accordance with the total sales revenue.

**3.4** Ensure the quality of customer service

**3.4.1** Distributors shall do the product demonstration for our new customers, to explain the detailed directions of usage and review the information provided on the products label.

**3.4.2** Distributors should sell products at the market price set by Longrich.

**3.4.3** Direct distributors should promptly inform the Longrich Company of major complaints or applications from customers, and provide all related written materials and dialogues in order to continue improving the company's service level.

**3.5** Distributors are responsible for the promotion of products, selling of products and Longrich Business Plan

**3.5.1** Distributors shall not put forward any exaggerated or unfounded propaganda or distribute misleading information related to Longrich Company, or the products offered through or by Longrich.

**3.5.2** Distributors shall not in any way distort products, including materials, offered through or by Longrich, such as price, specifications, quality, performance, grade, composition, style, model, origin, or supply situation.

**3.5.3** Under no circumstance shall a Longrich Distributor make false publicity of the products offered through or by Longrich, including the effect, standard, accessories, usage or advantage.

**3.5.4** All the products offered through or by Longrich can only be sold under the jurisdiction of local region/country, with the specified prices of Longrich.

**3.5.5** All the distributors must not (a) import or sell the products not offered through or by Longrich, or (b) export, or assist in allowing others to export the products offered through or by Longrich.

**3.5.6** Longrich distributors shall not promote any non-Longrich product or service as Longrich product or service.

**3.6** Upon the express approval of Longrich in writing, the Distributors may record any kind of audio or video at Longrich-held meetings, but on the premise that such behavior shall not interfere with the meeting's quality and others' participation in the meeting. Furthermore, the distributor can only get one recording (audio or video) for his or her own use, and the recording can not be copied for sale or used for other purposes.

**3.7** Longrich Distributors shall not (a) sell non-Longrich products or services (including, but not limited to, business like insurance, tax, real estate or investment), or (b) attempt to persuade other distributors, directly or indirectly, to purchase, use, sell our products or services, regardless of personal benefit or other reasons.

**3.8** The distributors should follow the below rules when holding the home party or meeting:

**3.8.1** The home party, meeting, and activity that direct distributors hold shall be placed on record as stipulated in relevant regulations of Longrich. Such home party, meeting, and activity should be held with product training as the theme and can also be used as a promotion for Longrich business. Such party shall not gain undue interests beyond Longrich Business Plan or for other purposes in the name of the gathering.

**3.8.2** When the distributors running Longrich business, no matter when and where you are, you can't hold any activities or meeting that related to any politics, religions nor superstitions.

**3.9** Names or distributor group name can not be used in the direct sales activity, without Longrich's written express approval. In order to use your distributor group name, you must first register the name with Longrich prior to using it in meetings or publication.

**3.10** "Longrich Distributors" shall be the main topic or theme of an activity, with the names or distributor group names as the secondary topic or theme. Please use the format below as an example when listing your own distinctive name or distributor group name.

Example: Longrich Distributors  
XX Group training meeting

**3.11** All the distributors may not:

**3.11.1** Indicate that they are the employees or business partners of Longrich or any associated organization in any way.

**3.11.2** Indicate that they are business agent, business executive or client of Longrich.

**3.11.3** Make defamation, threats, or intimidation in any way in business activities or during duties conducted by Longrich or its employees.

**3.12** All Longrich Distributors shall protect Longrich from being involved in any cases of claim, request or complaint, which arise from the personal irregularities under this rule, including threats, intimidation or fraud. The distributor shall make the compensation for any monetary loss, mental or other losses resulting from the incident to Longrich or the victims as well as any legal expenses during the process of the proceedings.

#### **4.The Sponsor's Responsibility**

**4.1** Longrich Distributors may sponsor others to be a new Longrich distributor, with the full compliance as following:

**4.1.1** The sponsors shall be honest and make a complete and clear explanation of the **Starter Kit** and **P & P** for the new potential distributor. All the explanation shall be accurate and reliable, without any false, concealed or misleading indications accompanied by following with particular emphasis:

---- The qualifications of becoming a Longrich Distributor, and how to apply for Longrich Membership.

- Longrich Business Plan
- Try to attend all the meetings sponsored by Longrich.
- Longrich Distributors Policies and Procedures
- Longrich Distributors' Responsibility and Obligations
- Compensation Plan
- Longrich products information, including: price, functions, and quality
- How to quit or terminate an Individual Longrich Business.

**4.1.2** It must be clear that whether the sponsor himself or herself and his or her spouse was Longrich member or not. If he or she did, the sponsor can recommended others join in Longrich based on the Policy 4.3 and 4.5. If the recommended member breaks the P&P, as a consequent being disciplined by Longrich according to Policy 4.7 which also caused the loss for his or her upline, then any problems between the involved should be handled compliance with the law.

**4.1.3** Train the distributors you sponsored regularly in accordance with the measures and provisions of the Starter Kit, or the specified marketing provisions from Longrich.

**4.1.4** Make sure all the distributors you sponsored have a complete understanding of Longrich Purchasing Procedure, and understand how to place orders directly from Longrich.

**4.1.5** When your Downline Distributor intends to quit his or her Longrich Business, you shall respect his or her choice and help with any relevant procedures to close the account.

**4.1.6** Make every effort to help and encourage the downline distributors to comply with all the rules of the P & P, paying attention to Policy 3.

**4.1.7** Encourage your downline distributors to attend meetings and other activities that Longrich hosts.

**4.1.8** Encourage your Downline Distributors to study and use Longrich-authorized marketing materials correctly, including publications, videos, and recordings, to successfully conduct Longrich Business.

**4.2** Under no circumstances may a Distributor encourage, lure, intervene, directly or indirectly, or entice another Distributor to leave or switch from his or her original group or organization – “Line Stealing”.

**4.3** A Distributor who wishes to transfer to a different sponsor but is unable to obtain the necessary consents may not register

under a new sponsor until the Distributor has quit and terminated his or her original Longrich Business, or terminated his or her Longrich Membership for a period of 6 months or longer. During the period of inactivity, the former Distributor (a) shall not conduct any activities as a Longrich Distributor; (b) shall not engage in products purchasing, such as placing orders, delivery or receiving commission payments; (c) shall not introduce Longrich Business Plan; (d) shall not attend any activities, including meetings, parties or trainings.

**4.4** The Distributors are not allowed to recommend any other distributors of the former sponsor team or the Downline Distributors including the first distributor, unless the recommended already revoked from his or her former Longrich membership qualification or stopped operating Longrich business in more than half a year. Meanwhile, the distributors who is to apply to be Longrich distributor again is not allowed to be recommended by the former sponsor team or the Downline Distributors including the first Distributor, unless the recommended already revoked from his or her former Longrich membership qualification or stopped operating Longrich business in more than half a year.

**4.5** If the former Longrich distributors have qualification or membership in Longrich other markets or regions, who is disciplined based on the “Six Month Suspending Period” rule or above mentioned the Policy 4.4 relevant rules, he or she can continue run Longrich business in those markets or regions without any qualification influenced by applying the Longrich distributors again in this market or region during the Six Month Suspending Period.

**4.6** Any violation of the Policy 4.3, 4.4 or 4.5, the responsible distributor shall receive corrective disciplinary action, which includes Longrich Membership Termination and all his downline distributors’ memberships as well as the sales performance being transferred to each respective original sponsor.

**4.7** If the sponsor found his or her downline distributor is in violation of the Policy 4.3, 4.4 and 4.5, the sponsor should file a

complaint in writing to Longrich during the Six Month Suspending period concerning the violation, otherwise he/she will not have the right to protect his own interests or benefits.

**4.8** Longrich strives to maintain all lines of sponsorship integrity in the Sales Team. All distributors are not encouraged to arbitrarily transfer to another sponsor, and Longrich reserves rights to reject all the request of sponsor or group transfer. Any Distributor transfer request to a new sponsor must first be granted approval from Longrich and be in compliance with the company provisions.

**4.8.1** Longrich reserves the right to reject any individual Distributor transfer request.

## **5. Longrich Business Plan Statement**

**5.1** Distributors shall not mislead or deceive potential distributors, customers or anyone who is invited to attend a Longrich Business Presentation , meeting or group gathering to make sure all the attendees understand and abide by the following:

**5.1.1** Longrich Business Plan is only authorized through Longrich company, not by any other individual, company or business organization.

**5.1.2** Longrich's products are only provided through or by Longrich company, not by any other individual, company or business organization.

**5.1.3** Longrich will never divide our business into exclusive regional sales territories, where the specified Distributor can operate individual marketing business on or of their own.

**5.1.4** Longrich is the exclusive owner of Longrich Business, which covers all the items about the Plan, Distributors, and Products.

**5.2 When presenting or introducing Longrich Business Plan, Distributors shall comply with the following provisions, except as provided in Policy 4.1.1 and other relevant provisions:**

**5.2.1** Make sure all the statements provided shall be accurate and truthful, in compliance with the Plan without any deviation or distortion.

**5.2.2** In accordance with the Starter Kit and other Longrich-authorized materials, clarify the features of the Longrich products, the business plan, the legal relationship between Longrich distributor and Longrich company.



**5.2.3** Shall not exaggerate of personal wealth, or overstate personal gains and benefits.

**5.2.4** Shall not attack or criticize other competitive companies, jobs, careers or industries.

**5.2.5** Shall fully emphasize and attach the great importance to product selling, other than implying that the distributors can gain benefit by sponsoring potential distributors into the Longrich Business. Clarify that distributors do not have the obligation to sponsor others.

**5.2.6** Clarify that the Distributors can only receive income and compensation by selling Longrich products, providing high quality service, and keeping Longrich Membership in compliance with Longrich Business Plan.

**5.2.7** When describing profit, past or potential income, choose one of the following options:

**5.2.7.1** Take the projected income as provided in the marketing and training examples, which are provided in the Starter Kit or other Longrich-authorized materials.

**5.2.7.2** Take other Distributors' personal experience as an example, which shall be accompanied by the permission of that distributor, with names or specific amount of income as stated.

**5.2.8** Must make it clear that all the compensations or incentives, including but not limited to the Incentive Trips, Luxury Houses Incentive and Luxury Car Incentive, all came from the proper operation and promotion of the Longrich Business.

## **6. Use of Longrich Name and Trademark**

**6.1** Longrich Distributors shall acknowledge that Longrich owns all Longrich trademarks, awards or medals, insignias, designs, book formats, audio recordings, videos, and all professional skills and knowledge that Longrich employs and are related to Longrich business plan and products. In addition, Longrich Distributors shall acknowledge that through their registration, use, and authorization, Longrich can exclusively use them in the local country or region.

**6.2** As for Longrich name and trademark, distributors shall not commit any of the following acts, in particular:

**6.2.1** Produce, obtain or sell, through any other source other than Longrich Company, such as Longrich branded items or Longrich product's name, graphic, or trademark.



**6.2.2** Take “Longrich” as the name of any organization or business, or authorize others to use this name

**6.3** The distributor can download and transfers Longrich authorized marketing materials from Longrich local branch office to other group members in other places or regions, but the materials being downloading and transferred should remain in its original content. When transferring these marketing materials through the communication page in the back office system, acknowledgement must be given that it was authorized by Longrich.

**6.4** Except in cases stipulated in Policy 6.4, all publications and audio-visual materials provided by Longrich shall be protected by the copyright law of the local country or region. Distributors and other personnel shall not reproduce or copy all or part of such publications or materials, without the authorized approval of Longrich in writing.

**6.5** Distributors can use the prints provided by Longrich, but only for the operation and promotion of Longrich Business.

## **7. Inheritance of Longrich Membership**

**7.1** If Longrich Membership is jointly owned by both husband and wife, as provided in Policy 2.6.3: Longrich Membership can be passed on to a deceased Longrich Distributor’s spouse, with all the rights and obligations pertaining to that account.

**7.2** In the case of death of an individual Longrich Membership, Longrich will handle this case in accordance with the following provisions:

**7.2.1** Longrich may have the option of appointing a temporary appointee to operating this Individual Longrich Business, unless the ownership of this Longrich Membership was already resolved in accordance with Policy 7.2.2. The temporary appointee may receive a commission of the bonuses and profits, in part or in whole, during the temporary operational period.

**7.2.2** The temporary appointee shall complete the following tasks within 60 days after being appointed:

**7.2.2.1** Help handover this Longrich Individual Business and Longrich Membership to the legally/designated heir or

beneficiary, and help him or her with the registration of becoming a Longrich Distributor.

**7.2.2.2** With the express approval of Longrich in writing, may entrust an appropriate manager to operate this Longrich Individual Business until the expiration of specified period. The temporary manager may apply to become a Longrich Distributor, and receive a commission of the bonuses and profits, in part or in whole, during the temporary operational period.

**7.2.2.3** If the heir or beneficiary is more than one person, all the heirs or beneficiaries shall elect one person to inherit this Longrich Membership under Policy 7.2.2.1. And all the bonuses, profits and other benefits in the future operation of this Longrich Individual Business, can be distributed through the negotiated agreement between the involved heirs or beneficiaries.

## **8. Disciplinary Actions**

**8.1** If one or more distributors cause a serious breach of the P & P, such as untruthful and distorted explanation of Longrich Business Plan, Longrich is authorized to impose relevant disciplinary actions and take corrective measures to the whole team or any members of the team in the organization.

**8.2** Longrich will notify the relevant Distributor before the disciplinary actions and corrective measures being implemented, with the reason, which will make it clear why he or she is disciplined.

**8.3** Under Policy 8.2, the distributor may have an opportunity to explain when informed by Longrich, or with the express approval of Longrich in writing, he or she may conduct a investigation in the direct sales team within a specified deadline.

**8.4** If the distributor fail to take an effective remedial action within the specified deadline provided in Policy 8.3, Longrich may have an option of taking the corrective measures.

**8.5** Longrich may have the following options of disciplinary actions and corrective measures:

**8.5.1** Issuance of a written warning or admonition announcement to part of or the whole members of the team where the distributor who break the P & P belongs. The announcement, which indicates the reason for such measures, a request for proper introduction of Longrich Business Plan, as well as the specific date, time and place to the retaining for part of or the whole team, is jointly signed by Longrich or accompanied by this Distributor or another specific Distributor.

**8.5.2** The responsible Distributor shall take a thorough retraining for how to make a proper introduction of Longrich Business Plan and how to instruct other Distributors in right ways. The retraining seminar shall be hosted by this responsible distributor or another specific Distributor, and supervised by Longrich. If this distributor rejects or makes a faint attempt to host such seminars, Longrich will take an option to host them by itself.

**8.6** The retraining seminars of the foregoing in Policy 8.5.2, shall be hosted in accordance with the following procedures:

**8.6.1** The responsible Distributor or the specific distributor shall forward a retraining schedule in order for Longrich to review.

**8.6.2** The retraining schedule shall indicate the specific date, time, place of the retraining, the presenter of Longrich Business Plan, and the Distributors who are invited to attend and how many Distributors will be present.

**8.6.3** The responsible Distributor or the specific Distributor shall forward an attendance sheet to Longrich, after the retraining seminar.

**8.6.4** Every meeting or seminar shall be recorded and submit the recording to Longrich for review.

**8.6.5** Chair or preside the whole retraining seminar, and forward a written report to Longrich afterwards.

**8.6.6** Longrich may appoint a specific person to attend the retraining seminar, to get a better idea of how the retraining seminar is going and particularly of the ways to explain Longrich Business Plan. If in need, the person Longrich appointed can replace the original host.

**8.7** Longrich may take the following measures:

**8.7.1** Any activities about sponsor issue will not be permitted;

**8.7.2** All the bonuses of the responsible Distributor will be frozen;

**8.7.3** The corresponding Longrich Membership and Ranking will be inactive.

**8.7.4** The existing incentive qualification, travel, and any other meetings, will be inactive during the supervision period.

**8.8** According to his/her performance during the retraining seminar or meeting, If Longrich is convinced that the distributor will never do any distortions of Longrich Business Plan or break the Business Rules, Longrich may:

**8.8.1** Stop all the measures, restore all the rights after implementing Policy 8.8.2

**8.8.2** All the fees during the whole process of retraining seminar will be deducted from the foregoing frozen bonuses during the supervision period. Any balance will be paid afterwards.

**8.9** If the responsible Distributor fail to convince Longrich that he or she is capable of being corrected or set right, then:

**8.9.1** Extends the supervision period for a further corrective measures;

**8.9.2** Stop implementing supervision measures, and terminate his or her Longrich Membership.

## **9. Termination of Longrich Membership**

**9.1** The termination of Longrich Membership means the termination of contractual relationship between Distributor and Longrich. It also means the termination of all the benefits arising therefrom, including the bonuses, will cease to be valid effective from the day Longrich the company issues the termination notice.

**9.2** Any Distributor (or one of the couple) found to have involved in the following cases will receive a written corrective measures notice, including but not limited to, suspension and termination of Longrich Membership:

**9.2.1** Provided false information in the process of registration of Longrich Distributor.

**9.2.2** Caused a serious breach of **P & P**.

**9.2.3** Infringement of Policies of the P & P, but failed to correct himself within the deadline provided in the express notice of Longrich in writing.

**9.2.4** Infringement of the local laws of the land and was sentenced to fixed-term imprisonment or even more severe penalty.

**9.2.5** The foregoing temporary manager/operator failed to handle the deceased Distributor cases in accordance with Policy 7.2.2, or the owner of Longrich Membership still pending.

**9.2.6** Failed to renew contract within the expiry period stipulated by Longrich.

**9.3** The responsible distributor will receive a written termination notice of Longrich Membership, in accordance with the following regulations:

**9.3.1** Make sure the notice is mailed to the latest address which the responsible distributor/client registered in Longrich system;

**9.3.2** State the items the client violated in the **P & P**;

**9.3.3** State the effective date;

**9.3.4** Any other exceptional circumstances, please subject to Crosscheck Statements in Policy 10;

**9.4** When it comes to the termination of Longrich Membership:

**9.4.1** The responsible/client will lose his position in the line of sponsorship, as well as Ranking and Membership.

**9.4.2** Longrich reserves the right to cancel individual Membership and all the position of the group he sponsored will move up thereof.

**9.5** The distributor whose Longrich Membership was terminated shall:

**9.5.1** Stop using Logo or any marks of Longrich, or anything related with Longrich;

**9.5.2** Stop claiming to be Longrich Distributor.

**9.6** If the responsible distributor's Longrich Membership is terminated for not correcting himself or herself by taking the measures provided in Policy 8, after fees cost in Policy 7.8.2, Longrich will pay the remaining bonus, which was escrowed by Longrich in accordance with Policy 8.7.2 and Policy 8.7.3, without interest, to the responsible distributor within 3 months.

**9.7** Longrich reserves the exclusive rights to handle all rights issues of the former Longrich Distributor, and make any decisions or provisions even it may be in conflict with the **P&P**.

## **10. Crosscheck Statements**

**10.1** The responsible Longrich Distributor who received these penalty, including but not limited to, supervision and termination of Longrich Membership, may request for a double-check/crosscheck to Longrich in writing, within 15 days since accepting the notice from Longrich.

**10.2** Longrich may have the option of handling or making any decisions in appropriate way towards this double-check/crosscheck request mentioned in Policy 10.1.

**10.3** The responsible Distributor shall provide all the related information upon Longrich's request.

**10.4** Longrich will determine whether the evidence provided is credible or not, instead of a strict compliance of legal procedure.

**10.5** This responsible Longrich Distributor will receive a copy of decision from Longrich, after Longrich receiving the crosscheck request letter and other relevant documents.

**10.6** Branch Offices may suggest to maintaining, reversing, or modifying the original decision.

**10.7** Longrich HQ will inform the responsible Longrich Distributor the final decision upon the issues of, including but not limited to the termination of Longrich Membership, in writing, as follow:

**10.7.1** Maintain Longrich original decision of cancelling this Longrich Membership, going into effect since the date stated in the decision letter.

**10.7.2** Or Longrich decide to terminate Longrich Membership of this responsible Longrich Distributor.

**10.8** Longrich HQ will inform this responsible Distributor the relevant measures and set the deadline to complete, if Longrich would decide to take other measures.

## **11.Notices**

**11.1** Longrich will make the appropriate decision case by case, to show a warning to the Distributors who violates the policies of the P&P. The options, which are decided in accordance with the seriousness, attitude, motivation and other factors of the case, include announcements, notices, warning letters and meeting. All the information involved, includes but not limited to, Distributor name, Membership No, Level, the facts and penalty.

**11.2** Longrich branch offices may revise or modify the content of **P & P** when deemed necessary, and will be submitted to the HQ for approval. Upon approval by Longrich HQ, then only the revised version can be passed on to local distributors, valid to be used.

## **Part 2 Business Instructions for Distributor**

**1.** Must not violate the laws and regulations of the local country where Longrich branch office operates.

**2.** Those who are not allowed to be independent distributor, under the Direct Sales Rules, must not conceal their identity to join Longrich Business.

**3.** Must not acquire Longrich Membership with false information or identity.

**4.** Longrich Distributors, who have officially quit, may register a new membership No. after the original one has been invalid for 6 months or above.

**5.** Distributors must not collude with others to calculate and distribute remuneration to others without permission.

**6.** Distributors must not take advantage of Longrich resources or business relationships to commit fraudulent acts, such as financing, deposit taking, and fundraising.

**7.** Distributors shall not take the advantage of Longrich network to promote products or services of our competitors in the market, or carry out promotion not compliant with the stated code of conducts.

**8.** Distributors must not force, mislead others to stock goods, or manipulate the earning distribution, to seek illegitimate interests, and bring about a significant and irreparable damage.

**9.** Distributors must not use the names, marks or copyright of Longrich, impersonating Longrich employee to commit fraudulent acts.

**10.** Cross-buying and selling under the names of immediate family members shall be considered as an act of violating the Distributor order. Children, spouses and parents can be seen as immediate family.

**11.** Cross-buying and selling under others' names shall be considered as an act of violating the distributor order.

**12.** Distributors must neither disturb, lure, bribe or abuse the leaders, staff or other Distributors from Longrich, nor damage



the public property of Longrich. Distributors are obligated to ensure normal operations of the company.

**13.**Distributors must not withhold, take possession of the goods, or the payments without permission, and must not switch the goods with the customers arbitrarily.

**14.** Any statements or actions related to politics, religions, superstition, as well as other inappropriate or immoral issues are prohibited when running the Longrich business.

**15.**Public fighting or quarrel shall be prohibited, for it will disrupt our business.

**16.**All the products must not be sold at lower price than what have been set by Longrich.

**17.**Distributors must not disturb others, obtain their phone numbers, in order to persuade them to be their customers.

**18.**Distributor must not promote his or her business through improper ways or practice, like actions that distort any policies of Longrich, overstate the revenue, or defame other distributors.

**19.**Distributors must not provide false information or testimony, and must not mislead Longrich in the investigation process of cases that involved Rules of Conducts.

**20.**Distributors must not spread information without Longrich's written approval, or carry out false publicity of information published by Longrich.

**21.**Distributors must not carry out false publicity of product effects and the company strength.

**22.**Distributors must not sell non-Longrich marketing material and audio/video, which will attract the attention of relevant law enforcement agencies , thus negatively affect Longrich' s goodwill.

**23.**You will be appreciated to avoid any misbehavior in cases of product quality complaints and returned goods.

**24.**Distributors must comply with the relevant provision of Longrich, whenever he or she is invited to conduct a presentation, give testimony, or being interviewed.

**25.**Distributors must not attack, underestimate, slander the goodwill or reputation of other jobs,careers industries, companies, brands or its practitioners.

**26.**Distributors must not change, swap, or falsify with the intention to modify others' Longrich Membership.

**27.** Distributors must not charge any additional surcharges beyond the set price.

**28.**Distributors shall make a report to Longrich on meetings, which may be held by using Longrich conference room or personal office, and be willing to accept the supervision and inspection from Longrich.

**29.**Must not imply that Longrich business is a get rich quick scheme, by overstating distributor's income in order to lure others to join Longrich Business.

**30.**Must not carry out any publication of products provided by or through Longrich, in a false, misleading or exaggerated way.

**31.**Shall not distort the information of products provided by or through Longrich, including the price, specification, quality, features, grade, ingredients, style, original manufacture place and supply situation.

**32.**Under no circumstances shall the meetings be involved in activities that is political or religious in nature, or anything that personality cult or gangs.

**33.** All the meetings/activities must not disturb or incite surrounding people , causing a bad impact.

**34.**Must not gain personal benefit by way of increasing or charging extra fee during Longrich meetings/activities.

**35.**Must adhere to the provisions of Marketing Tool Materials.

**36.**All the meetings/activities shall adhere to relevant provisions.

## **Part 3 Disciplinary Actions Institution of Marketing Representative Violations**

### **I Regulations of Disciplinary Actions**

<b>Level</b>	<b>Actions</b>	<b>Joint Actions</b>
1	Written warning	<p>1.Above level 2, Longrich reserves the right whether to make the announcement or not</p> <p>2.The upgrade promotion of a distributor who undergoes disciplinary action of level 4 or above will be postponed. Any further decision pertaining to the upgrade promotion will depend on his or her performance during the disciplinary action period.</p> <p>3.If the distributor is qualified to enjoy incentives while he or she is under the disciplinary action of level 6 or above, then the company will cancel his or her qualification for the incentive, as well as any awards.</p>
2	Freeze the membership for 1 week, deduct the compensation of 1 week	
3	Freeze the membership for 2 weeks, deduct the compensation of 2 weeks	
4	Freeze the membership for 3 weeks, deduct the compensation of 3 weeks	
5	Freeze the membership for 4 weeks, deduct the compensation of 4 weeks	
6	Freeze the membership for 6 weeks, deduct the compensation of 6 weeks	
7	Freeze the membership for 2 terms, deduct the compensation of 2 terms	
8	Freeze the membership for 3 terms, deduct the compensation of 3 terms	
9	Freeze the membership for 6 terms, deduct the compensation of 6 terms	
10	Terminate Longrich membership	

Remarks:

1. We will implement the disciplinary action level system to deal with the violation to meet the different disciplinary actions that will be carried out within the corresponding disciplinary actions level scope according to the influence caused by the violations; if it involves two or more violations at the same time, the disciplinary actions level mete out will be of the highest level.
2. If the violations committed are not covered in the "Violation Category" list, Longrich the company will determine the disciplinary actions and measures based on the facts the case situation.
3. Distributors can continue to sell products and provide service to our customers during the suspension period.
4. If the distributors obtain the rank and bonus through violations of conducts or foul play, Longrich reserves the rights to recalculate and deduct or cancel the bonus.
5. The interpretation of this Policies & Procedures is reserved by Jiangsu Longrich Bioscience Co., LTD., and its branch offices.

## II Corrective Measures & Standard

### 1. Major Disciplinary Actions Standard

No.	Violation Catalogue	Disciplinary Standard	Remarks
1	Breach of National laws & provisions	Level 10	
2	Falsify the identity, which is not compliance with local direct sales laws to join	Level 10	Students, Civil Servant, Teacher and military serviceman)
3	Acquire Longrich membership with untruthful documents/identity	Level 10	
4	Register a new Longrich membership with the original one not being inactive for 6 months or longer	Level 10	
5	Carry out the compensation calculation or distribution in person	Level 10	
6	Carry out fraudulent activities, such as financing, fund raising, donation, in Longrich name	Level 10	
7	Abuse Longrich networking to promote any unlawful products and services or those provided by Longrich competitors.	Level 10	
8	Carry out income manipulation, like any mandatory or solicitation of hoarding, to seek illegitimate interests, or doing what may cause a highly adverse impact on the market	Level 9	
9	Using any Longrich marks, including names, trade mark, and copyright without permission, or pretending as Longrich employee to cause fraud.	Level 9	
10	Withhold, take possession of the goods, or the payment without permission, and do not exchange products for customers.	Level 9	
11	1. Cross-group buying or selling Longrich products with the name of your immediate relations, which include spouse, children, parents and your in-laws. 2. Cross-group buying or selling Longrich product with others' name.	Level 8	
12	Disturb, solicit, bribe, abuse any Longrich employee or other marketing representatives, destroy public facilities of Longrich, which disturb and jeopardise the normal operations of Longrich	Level 7	
13	Being involved in crime of altercation, which does great harm to the goodwill of Longrich	Level 6	
14	Sell products at a lower price than what Longrich has set	Level 6	

### III. General Disciplinary Actions Standard

No.	Violation Catalogue	Standard	Remarks
1	Disturb others, get their phone numbers, in order to solicit the customers.	Level 5	
2	Promote business by improper ways and manners, like the acts of distorting any statement of Longrich, overstate revenue, or defame other distributors.	Level 4	
3	Provide false information or false testimony, misleading Longrich in the investigation process of cases with Rules of Conducts.	Level 4	
4	Spread information without Longrich written approval, or carry out false publicity of Longrich published information.	Level 4	
5	Carry out bogus publicity of products effects and the strength of Longrich.	Level 3	
6	Sell non-Longrich marketing material and audio/video, which will attract the attention of relevant law enforcements, negatively affecting Longrich' s goodwill.	Level 3	
7	Inappropriate handling of cases regarding quality complaints and returned purchase.	Level 3	
8	Any violations of the relevant provision of Longrich, when you are invited to make a presentation, do some sharing, or being interviewed.	Level 2	
9	Attack, despise, and slander the goodwill or reputation of other jobs, careers, industries, companies, brands or its practitioners.	Level 2	
10	Change, swap, or falsify to modify any other's Longrich Membership without Longrich permission.	Level 2	
11	Charge any additional surcharges beyond the marked price.	Level 1	

### 3. Norms of Violation in Meetings/Activities

No.	Norms	Standard
1	Shall comply with the following provisions during meetings/activities: 2.1 Shall not do any publication of products provided by or through Longrich, in a false, misleading or exaggerated way or manner. 2.2 Shall not distort the information of products provided by or through Longrich, including the price, specification, quality, features, grade, ingredients, style, original manufacture place and supply situation.	Level 8
2	Submit a report to Longrich on meetings, which may be held by using Longrich conference room or using personal office, and be willing to accept the supervision and inspection from Longrich.	Level 6
3	Shall not gain personal benefit by way of increasing extra fee during Longrich meetings/activities.	Level 5
4	Any interruption or troubles caused during meetings/activities, which will have a bad effect on Longrich.	Level 4
5	Any violation of Longrich-authorized business tool strategy.	Level 3
6	Using those not conforming to the provisions as the names of meetings/activities.	Level 1

This Policies & Procedures will be deemed effective from the date of approval, any revised version, will be subject to the latest one.