

COMPLIANCE:

Our compliance team has been hard at work to help to deliver a sound message to all affiliates in regard to the use of the Internationally trademarked name Karatbars International which includes all Karatbars copyrighted images and our company's general presence on the Internet. The majority of the guidelines listed below are consistent with the current affiliate terms located in your back office. We encourage each affiliate to review the terms and conditions in your back office.

Items noted are the following.

- 1) Use of the internationally trademarked name Karatbars, shall not be included in any affiliate URL or domain name, unless otherwise approved and directed by our corporate offices. This means our IT Department must have login access to the website at all times in order to make changes necessary for compliance for those sites who are approved by our corporate offices.
- 2) All affiliates sites must state you are an "Affiliate" / "Independent Contractor" representing Karatbars International and you are not an employee of Karatbars International. The font size shall be consistent or larger than all other verbiage throughout the website.
- 3) All "12 Week Strategy" videos/ marketing should be removed immediately.

Exceptions to the rule are:

- a) Anyone who shares the strategy or our pay plan must explain this as an Affiliate strategy only and does not reflect the views nor requirements of Karatbars International. No website or video will be allowed to use any example greater than the Bronze business package example.
- b) Affiliates shall not refer only to the Dual Team System when presenting Karatbars Pay Plan. Affiliates should make known the Free System which is available for all and refer to the Dual Team system as optional.
- c) The following disclaimer must be shown in every situation where our pay plan is explained or income example given regardless of whether the 12 week strategy is discussed.

Figure 1

Every effort has been made to accurately represent Karatbars Marketing plan and its potential. All earnings or income examples will depend solely on the ideas, techniques, knowledge, skills, and time invested into your independent business. Karatbars does not guarantee any results or success level and is not responsible for any financial decisions you make in relation to promoting our products. Any and all income examples used by Karatbars or its affiliates are not to be considered average earnings.

It is mutually agreed that Karatbars, its affiliated entities, principals, employees, are in no way responsible for the success or failure of your business decisions relating to any information presented by our company, or our company products or services.

You agree to hold harmless Karatbars, its affiliated entities, principals, employees, and any other Affiliates from and against any claim for damages, monetary or otherwise, for any reason involving or arising from this program.

4) Karatbars International is a trademarked name and all images from our website are the property of Karatbars International. The use of our images or trademarked name must be approved in any and every marketing platform created by its affiliates. Using initials to refer to Karatbars International will be considered a violation.

5) All affiliates who represent Karatbars International must do so in a professional and ethical manner. Use of third party entities which Karatbars International has formed relationships with, shall not be mentioned in any manner whether by verbal communication, use of videos or written form other than what is expressed on our corporate website. The language must not be altered.

ie: <http://karatbars.com> / <http://allaboutkaratbars.com>

For Example: LBMA - Nadir Refinery - Atasay AtaKulche, Degussa Refinery - Inatec – Pay systems

6) There shall be no mention of a government entity, political party or public institution (Local, Federal or International) within any affiliate marketing website which may or may not be perceived as a disparaging, contemptuous, defamatory, derogatory, or critical comment toward them. This is **without exception** and cause for immediate suspension of your account.

7) Usage of words such as ROI (return of investment), Investment are reserved for Professional and licensed Financial planners. Refrain from using terms in reference to our physical gold products as an Investment. Physically held Gold is protection in times of duress and a hedge against inflation.

8) There shall be no public postings of affiliate's incomes. This is a direct violation of laws in the majority of the countries worldwide. Publicly sharing ones income is to be considered inducement and carries severe penalties by your local governments which shall not be limited to fines and jail sentences. Any affiliate found posting their income publicly will be immediately suspended from doing business with Karatbars International.

9) Public meetings and/or Open meetings used to promote the Karatbars Affiliate Opportunity should immediately cease within 30 days of this notice.

Private home meetings, private office meetings or closed to the public meetings will be allowed. No advertisement shall be made on any and all public platforms using the name Karatbars International.

10) No affiliate shall offer or give financial or tax advice unless proper authorization and/ or license has been obtained from the jurisdiction in which they live. All affiliates must refer tax questions and investment questions the client may have to their trusted licensed advisors.