

NIKKEN INC.

NIHON KENKO ZOUSHIN KENKYUKAI, CANADA CORP.

Application/Agreement for North American Distributorship

DISTRIBUTORSHIP AGREEMENT

I hereby apply to become an Independent Nikken Consultant under the Nikken Inc./Nihon Kenko Zoushin Kenkyukai, Canada Corp. (hereinafter "Company") marketing program.

As an Independent Nikken Consultant ("Consultant"), I understand and agree that:

1. I am at least 18 years of age and of legal age to enter into a contract in the state or province in which I enter this agreement.
2. I shall become an Independent Nikken Consultant upon acceptance of this application by the Company. As a Consultant, I shall have the right to sell the services and products offered by the Company in accordance with the Company's marketing program and Policies and Procedures.
3. I have carefully reviewed the Company's marketing plan, rules and regulations, and Policies and Procedures, and acknowledge that they are incorporated as part of this agreement, in their present form and as modified from time to time by the Company at its discretion. I understand that it is my responsibility to keep informed of any changes or modifications that may be implemented in these rules, regulations, Policies and Procedures, and to maintain compliance with them in their most recent form.
4. I understand that upon acceptance of this application by the Company, I will be an independent contractor responsible for my own business and not an employee of the Company. I will not be treated as an employee in regard to any laws covering employees, including but not limited to the Federal Insurance Contributions Act, the Social Security Act, the Federal Unemployment Tax Act, income tax withholding at source for any federal or state laws, or similar or corresponding acts, provisions or laws in Canada. As an Independent Nikken Consultant, I understand that I will not be treated as an employee with respect to such services for Federal tax purposes. As an Independent Nikken Consultant, I understand that I am responsible for my own business and the transactions that occur under my distributorship, including but not limited to sales, returns, chargebacks, etc.
5. I acknowledge that as a wholly independent contractor, I am not purchasing a franchise or sold distributorship, and no fees are or will be required from me for the right to distribute the Company's products pursuant to this agreement. This agreement is not intended and shall not be construed to create a relationship of employer-employee, agency, partnership, or joint venture between any Consultant, sponsor and/or the Company.
6. As an independent contractor, I will:
 - a. Abide by any and all federal, state, provincial, county and local laws, rules and regulations pertaining to this agreement and/or the acquisition, receipt, holding, selling, distributing or advertising of Company products.
 - b. At my own expense, make, execute or file all such reports and obtain such licenses as are required by law or public authority with respect to this agreement and/or the receipt, holding, selling, distributing or advertising of Company products.
 - c. Be solely responsible for declaration and payment of all local, state, and federal taxes as may accrue because of the Consultant's activities in connection with this agreement.
7. The term of the Company distributorship is one year. If I wish to continue acting as a Consultant after the term of this agreement has expired, I will apply to renew this agreement annually in compliance with the renewal procedure applicable at that time. Renewal is subject to acceptance by the Company.
8. I understand that I am entitled to cancel participation in the marketing program at any time and for any reason, upon written notice to the Company. Following the notification of either cancellation or termination, the sponsoring Consultant or the Company will repurchase inventory and mandatory sales kit materials in accordance with the policies as stated in the Company's marketing program and Policies and Procedures.
9. I understand that no purchase or investment is necessary to become an Independent Nikken Consultant other than the purchase of a Consultant business success kit which is sold "at Company cost." (Purchase is optional in North Dakota.) I also understand that there are no inventory requirements under this agreement and sign-up for Autoship is optional. At the time of sign-up, if I believe I am being pressured by any Consultant to buy inappropriate, large quantities of product for which there is not a reasonable anticipated use, I may contact Distributor Relations at 949-789-2043.
10. I agree that I will not assign, sell or otherwise convey to any other person or entity any of the rights, privileges or interests as an Independent Nikken Consultant without the prior written consent of the Company. Prior written approval from the Company is also required for the following:
 - a. To advertise Company products;
 - b. For issuance of a position in a company or corporate name.
11. In sponsoring other Consultants, I agree to fulfill the obligations of performing a bona fide supervisory, distributing and selling function in the sale and delivery of product to the ultimate consumer and in the training of those Consultants I sponsor. I will maintain ongoing contact, communication and management supervision in my sales organization. Examples of this supervision may include, but are not limited to, newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions, accompanying individuals to Company training and sharing distribution network ("genealogy") information with those sponsored. I will be able to provide evidence to the company semiannually of my ongoing fulfillment of these responsibilities.
12. The company's program is built upon retail sales to the ultimate consumer. The company also recognizes that Consultants may wish to purchase product or service in reasonable amounts for their own personal or family use. For this reason, a retail sale for bonus purposes is a sale to nonparticipants. It is company policy, however, to strictly prohibit the purchase of product or large quantities of inventory in unreasonable amounts solely for the purpose of qualifying for bonuses or advancement in the marketing program. Consultants may not inventory load nor encourage others in the program to load up on inventory. Consultants must fulfill published personal and downline retail sales requirements, including requisite retail sales to nonparticipants, as well as supervisory responsibilities, to qualify for bonuses, overrides or advancements.
13. I agree to familiarize myself with all Company products and product descriptions, as contained in Company training, promotional, and sales materials and guides. I agree to not make any representation of the Company or its products, or make any statements, claims or warranties respecting the products that are not contained in Company-approved written materials. In particular, I agree that I will make no statement, claim or representation, express or implied, regarding the ability or capacity of any Company product to treat, cure, remedy, diminish or palliate any pain, disease or disorder.
14. I understand that the Company may immediately terminate any Consultant who misrepresents the Company, its products or business opportunity, who violates any requirement contained in this agreement, Company Policy and Procedures, or training manuals, or who fails to conduct a distributorship according to the principles of good conduct and business ethics.
15. I understand that by providing my email address to the Company, I am agreeing to receive email communications from the Company, including eNewsletters that contains news, updates and promotions about the Company's products or business. I further understand that I can withdraw my consent at any time.
16. I acknowledge that this agreement constitutes the entire agreement between the Company and myself, and that no additional promises, representations, warranties or agreements of any kind shall be valid unless in writing.
17. This agreement is not in force until accepted by the Company.

(United States Only)

1. By entering the Social Security Number(s), I (We) am (are) certifying that the number shown on this form is the correct taxpayer identification number. I understand that use of my Social Security Number is for tax purposes only. Tax identification numbers are kept confidential and are not used for any other purpose.
2. Nikken may withhold a portion of commission/bonus checks for United States income earned by foreign Consultants/Distributors in accordance with applicable US Internal Revenue Codes, unless eligibility for a legal tax exemption is demonstrated.

(Canada Only)

1. By entering the Social Insurance Number(s), I (We) am (are) certifying that the number shown on this form is the correct taxpayer identification number. I understand that use of my Social Insurance Number is for tax purposes only. Tax identification numbers are kept confidential and are not used for any other purpose.
2. I understand and agree to remit Federal Goods and Services Tax and Provincial Sales Tax to the company on all product orders unless tax exempt.
3. I agree that Company will be allowed to account for the Goods and Services Tax (GST) payable by the consumers on goods delivered by me pursuant to the GST Alternate Collection Mechanism for direct selling organizations. For the purposes of the GST Alternate Collection Mechanism, I agree to collect from the consumer the required GST based on the retail price charged by me, and as agent on my behalf, Company will remit to Canada Revenue Agency, the GST applicable with respect to any fees earned by me from Company. In this regard, Company will provide to me a monthly statement disclosing GST remittances to Canada Revenue Agency, Excise made by Company on my behalf.
4. I agree that Company is entitled to collect from the consumer the required provincial sales tax (PST) based on the retail price charged by me to the consumer. Company will be the sole registered vendor in each province (provided that this is not contrary to any specific provincial legislation) and will be responsible for remitting the applicable PST to the respective provincial governments and filing the appropriate PST returns.