

1. APPLICANT INFORMATION

PLEASE TYPE OR PRINT CLEARLY USING A DARK BALL POINT PEN

COMPLETE FOR INDIVIDUAL OR PARTNERSHIP OR CORPORATE CONTACT

NEW ASSOCIATE #1 NAME (Last, First, Middle Initial)

ASSOCIATE #1 SOCIAL SECURITY NUMBER/SOCIAL INSURANCE NO.
 _____ (MANDATORY in U.S. only)

NEW ASSOCIATE #2 NAME (Last, First, Middle Initial)

MAILING ADDRESS (For mailing of information & materials)

CITY _____ STATE/PROV. _____ ZIP CODE/POSTAL CODE _____

SHIPPING ADDRESS (Cannot be a P.O. Box. Please include Apartment #, Suite #, etc.)

CITY _____ STATE/PROV. _____ ZIP CODE/POSTAL CODE _____

Within City/Town Limits? YES NO COUNTY _____

NEW ASSOCIATE E-MAIL ADDRESS (Optional)

SPONSOR'S NAME (Last, First, Middle Initial) _____ SPONSOR I.D. NUMBER _____

WATKINS I.D. NUMBER

COMPLETE IF CORPORATION, OR OTHER

NAME OF BUSINESS ENTITY (To appear on all correspondence)

FEDERAL TAX I.D. NO. (in U.S. only)
 _____ (MANDATORY)

EVENING TELEPHONE
 () _____

DAYTIME TELEPHONE
 () _____

FAX LINE
 () _____

Birth day _____ Month _____ Day _____

2. BUSINESS KITS (available to New Associates only in their first 45 days)

- CHOOSE ONE:**
- COMPLETE BUSINESS STARTER KIT (US \$399.95/CDN \$555.00 — 500 PTS.)
(Shipping & Handling US \$32.00/CDN \$44.40)
 - BASIC BUSINESS STARTER KIT (US \$200.00/CDN \$279.00 — 250 PTS.)
(Shipping & Handling US \$16.00/CDN \$22.32)
 - GOOD TASTINGS STARTER KIT (US \$99.00/CDN \$145.00 — 99 PTS.)
(Shipping & Handling US \$10.95/CDN \$12.00)
 - BUSINESS INTRODUCTION PACKAGE (US \$49.95/CDN \$59.95)
(Shipping & Handling US and CDN \$8.95/U.S. Territories \$9.95)
 - I AM PERSONALIZING MY \$300.00 STARTER ORDER WHICH INCLUDES A BUSINESS INTRODUCTION PACKAGE (Please ask your sponsor to help you calculate the appropriate shipping and handling charges according to the Associate Reference Guide.)
- OR sign up at www.WatkinsOnline.com to purchase one of the kits.

New Associates order either the Business Introduction Package or one of the Starter Kits, which include a Business Introduction Package.
 Note: Nonprofit organizations are not required to purchase a kit.
 Allow 1-2 weeks for delivery

3. PAYMENT METHOD

I AM PAYING BY:

CHECK/CHEQUE # _____ MONEY ORDER

CREDIT CARD: Visa MasterCard Discover (U.S. only)

CREDIT CARD #

EXPIRATION DATE:

4. AUTHORIZATIONS

By signing below, I am applying to become a Watkins Associate. I have carefully read the terms and conditions on the back of this application and agree to abide by them.

Please call in or fax the Application Agreement to Watkins to obtain your Identification Number. If called in, you must mail or fax the completed Application Agreement to Watkins Incorporated to be received on or before the last day of the following month. If Watkins does not receive your Agreement pursuant to the time frame above, your Agreement will automatically be terminated.

By entering my Social Security Number (Federal Tax Identification Number/Social Insurance Number, if applicable) on this Application Agreement, I certify that this number is my correct taxpayer identification number. I have not been a Watkins Associate, or a partner, shareholder, or principal of any entity having a Watkins active status within the past six (6) months. I understand that any intentional misrepresentation of any information I provide on this Application Agreement may result in action by Watkins, up to and including termination of this Agreement.

Watkins originated the money-back guarantee in 1868, and we still believe in it today. If for any reason you are not satisfied, you may return your Business Introduction Package within 30 days for a full refund, all other product returns are subject to our return policy.

Signature of New Associate _____ Date _____

Signature of #2 New Associate (if applicable) _____ Date _____

5. PAYMENT SUMMARY

I HAVE ENCLOSED PAYMENT FOR THE FOLLOWING:

Business Kits (see section 2)	\$ _____
State/Provincial Sales Tax (if applicable)	\$ _____
Shipping and Handling (see section 2)	\$ _____
TOTAL	\$ _____

NOTE: Make check payable to Watkins Incorporated

6. UPON COMPLETION

- SEND PAYMENT AND ORIGINAL COPY TO: → U.S. Watkins Incorporated
P.O. Box 5570
Winona, MN 55987-0570
Phone: (800) 833-2113
FAX: (507) 452-6723
- MAKE COPIES FOR YOURSELF AND YOUR SPONSOR
- NEW ASSOCIATE MEMBERSHIP SIGN-UP ONLY →

CANADA Watkins Incorporated
277 Hutchings Street
Winnipeg, MB R2X 2R4
Phone: (800) 375-1114
FAX: (204) 477-0011

CONGRATULATIONS and WELCOME TO WATKINS!

Watkins Incorporated Terms and Conditions

1. I understand that as a Watkins Associate:
 - a. I have the right to purchase products and services from Watkins at the Associate price.
 - b. I have the right to offer for sale Watkins products and services in accordance with these Terms and Conditions.
 - c. I have the right to sponsor persons in Watkins. If I am a nonprofit organization, I have the right to sponsor other nonprofit organizations.
 - d. I will comply with all federal, state/province, county and municipal laws, ordinances, rules, and regulations, and shall make all reports and remit all withholdings or other deductions as may be required by any federal, state/province, county or municipal law, ordinance, rule or regulations.
 - e. I will develop and service at least five customers per month. I understand that I must keep accurate records of retail sales, and Watkins may periodically ask to be provided with documentation of such sales.
 - f. In order to be eligible to receive income and bonuses, I will resell at least 70% of all products or services that I purchase from Watkins. All products purchased will be for sale to or use by an end consumer, and I will not purchase any products or services solely for the purpose of qualifying for income, commissions or bonuses.
 - g. I will perform my obligations as an Associate with honesty and integrity.
 - h. I will only use the sales contracts and order forms which are provided or authorized by Watkins Incorporated for the sales of its goods and services, and I will follow all policies and procedures established by Watkins for the completion and processing of such contracts and orders.
2. I agree to present the Watkins International Compensation Plan and Watkins products and services as set forth in official Watkins literature. I will make no claims regarding potential income, earnings, products or services beyond what is stated in official Watkins literature. I agree to abide by the advertising guidelines set forth in Watkins Corporate Policies & Procedures.
3. I agree that as a Watkins Associate I am an independent contractor, and not an employee, agent, partner, legal representative, or franchisee of Watkins. I am not authorized to and will not incur any debt, expense, obligation, or open any checking account on behalf of, for, or in the name of Watkins Incorporated. I understand that I shall control the manner and means by which I operate my Watkins active status, subject to my compliance with these Terms and Conditions and Watkins Corporate Policies & Procedures (all of which are collectively referred to as the "Agreement"). I agree that I will be solely responsible for paying all expenses incurred by myself, including but not limited to travel, food, lodging, secretarial, office, long distance telephone and other expenses. I UNDERSTAND THAT I SHALL NOT BE TREATED AS AN EMPLOYEE OF WATKINS FOR FEDERAL OR STATE/PROVINCIAL TAX PURPOSES. Watkins is not responsible for withholding, and shall not withhold or deduct from my income and bonuses, if any, FICA, FICAH, or taxes of any kind, unless such withholding becomes legally required. I agree to be bound by all sales tax collection agreements between Watkins Incorporated and all appropriate taxing jurisdictions, and all related rules and procedures.
4. I have had the opportunity to read and agree to comply with Watkins Corporate Policies & Procedures, all of which are incorporated into and made a part of these Terms and Conditions. I understand that I must be in good standing, and not in violation of any of the terms of this agreement, in order to be eligible to receive any income or bonuses from Watkins. I understand that these Terms and Conditions, and Watkins Corporate Policies & Procedures, may be amended from time to time, and I agree that any such amendment will apply to me. The continuation of my Watkins active status or my acceptance of income or bonuses shall constitute my acceptance of any and all amendments.
5. Upon acceptance of this application by Watkins, I am authorized as an Associate as of the date of this Associate Application. The term of this agreement is one year. If I fail to annually renew my Watkins active status, I understand that I will lose my rights as an Associate, including rights to my downline organization, income, and bonuses pursuant to Watkins Corporate Policies & Procedures. The Associate may cancel this Agreement at any time by giving written notice to Watkins. In the event of such termination, the Associate shall continue to be liable to Watkins for any outstanding obligations owed to Watkins.
6. I may not assign any rights or delegate my duties under this Agreement without the prior written consent of Watkins. Any attempt to transfer or assign this Agreement without the express written consent of Watkins renders this Agreement voidable at the option of Watkins and may result in termination of my active status.
7. I understand that if I fail to comply with the terms of this Agreement, Watkins may, at its discretion, terminate my active status or impose upon me other disciplinary action, including but not limited to, forfeiture of income and bonuses, loss of all or part of my marketing organization. If I am in breach, default or violation of this Agreement at termination, I shall not be entitled to receive any further income or bonuses, whether or not the sales for such have been completed. If I fail to pay for products or services when payment is due, I authorize Watkins to withhold the appropriate amounts from my income or bonus checks, to charge my credit cards, or debit my checking accounts, if any, which I have authorized Watkins to charge. I understand that the failure to promptly pay for products constitutes a breach of this Agreement. Watkins may terminate this Agreement at any time if the Associate breaches any of his or her obligations under the terms of this Agreement, by giving written notice of the termination and the reason for such termination. Upon such termination, the Associate will forfeit any income and bonuses and will permanently lose all rights as an Associate, including his or her rights to any downline organization.
8. To the extent permitted by law, Watkins, its directors, officers, shareholders, employees, assigns, and agents (collectively referred to as "affiliates"), shall not be liable for, and I release Watkins and its affiliates from, and waive all claims for any loss of profits, indirect, direct, special or consequential damages or any other loss incurred or suffered by me as a result of: (a) my breach of this Agreement or Watkins Corporate Policies & Procedures; (b) the promotion or operation of my active status and any activities related to it (e.g., the presentation of Watkins products or Compensation Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.); (c) any incorrect or wrong data or information provided by me; or (d) the failure to provide any information or data necessary for Watkins to operate its business, including without limitation, or the payment of commissions or bonuses. I agree that the entire liability of Watkins and myself, including, but not limited to, any cause of action sounding in contract, tort or equity shall not exceed, and shall be limited to, the amount of products I have purchased from Watkins under this Agreement or any other agreement that are in resalable condition.
9. This Agreement constitutes the entire contract between Watkins and myself. Any promises, representations, offers, or other communications not expressly set forth in this Agreement are of no force or effect. To the extent of any conflict or inconsistency between this Agreement and any other agreement (other than Watkins Corporate Policies & Associate Responsibilities), this Associate Agreement shall supersede and prevail over any term of any other agreement as to the matters addressed herein. To the extent of any conflict or inconsistency between this Agreement and Watkins Corporate Policies & Procedures, Watkins Corporate Policies & Procedures shall in all instances supersede and prevail over any term of this Agreement.
10. Any waiver by Watkins of any breach of this Agreement must be in writing and signed by an authorized officer of Watkins. Waiver by Watkins of any breach of this Agreement by me shall not operate or be construed as a waiver of any subsequent breach.
11. In the event that a provision of this Agreement is held to be invalid or unenforceable, such provision shall be reformed only to the extent necessary to make it enforceable, and the balance of the Agreement will remain in full force and effect.
12. This Agreement will be governed by and construed in accordance with the laws of the State of Minnesota, unless the laws of the state in which I reside expressly require the application of its laws. Except as set forth in the Watkins Corporate Policies and Procedures, or unless the laws of the state in which I reside expressly prohibit the consensual jurisdiction and venue provisions of this Agreement, in which case its laws shall govern, all disputes and claims relating to Watkins, the Associate Agreement, the Watkins International Compensation Plan or Watkins products and services, the rights and obligations of an independent Associate and Watkins, or any other claims or causes of action relating to the performance of either an independent Associate or Watkins under the Agreement or the Watkins Corporate Policies and Procedures shall be brought in Winona County District Court, in Winona, Minnesota, or in the U.S. District Court for the District of Minnesota. The Associate acknowledges that the right to trial by jury is a constitutional one, but that it may be waived and that the time and expense required for trial by a jury may exceed the time and expense required for a trial without a jury. The Associate, after consulting (or having had the opportunity to consult) with counsel of Associate's choice, knowingly and voluntarily, and for the mutual benefit of Watkins and the Associate, waives any right to trial by jury in the event of litigation regarding the performance or enforcement of, or in any way related to, this agreement or any related agreements or obligations here or thereunder. The Associate has read this Agreement in its entirety and understands all the provisions of this Agreement. The Associate also agrees that compliance by Watkins with the express provisions of this Agreement shall constitute good faith and shall be considered reasonable for all purposes. If an Associate files a claim or counterclaim against Watkins, an Associate shall do so on an individual basis and not with any other Associate or as part of a class action.