



Travel Site Owner Policies and Procedures

(Effective April 1, 2009)

YTB Travel Network of Illinois Inc.
An Illinois corporation ("YTBTN")

For use in the United States and its territories only (except Puerto Rico)
Version 7.2

YTB CORPORATE OFFICE

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“QUICK LOOK”

The Policies and Procedures are an integral part of YTB’s agreement with you. It is the responsibility of each Travel Site Owner to read, understand, adhere to, and ensure he or she is aware of and operating under the most current version of the Agreement. In an effort to give you a high level, quick look at some key portions of the Policies and Procedures, we are providing you with this condensed version.

Following this “quick look” are 46 pages that are important for you to understand. The quick look is in no way a replacement for, nor is it to be considered a part of, the Policies and Procedures. Your success and the success of your fellow Travel Site Owners depend on the integrity of the men and women who offer our products and services. Because you may be unfamiliar with many of these standards of practice, it is very important to read and abide by the entire Agreement. Please review the information in the Agreement carefully.

COMPANY CODE OF ETHICS

I will not misrepresent, or make any representations or warranties concerning, the income potential of the Travel Site Owner Plans. It is impossible to predict Travel Site Owner incomes.

1.1 - POLICIES AND COMPENSATION PLAN INCORPORATED INTO AGREEMENT:

It is the responsibility of each Travel Site Owner to read, understand, adhere to, and ensure he or she is aware of and operating under the most current version of the Agreement. YTBTN reserves the right to amend the Agreement and its prices at its sole and absolute discretion.

2.1 - TRAVEL SITE OWNER REQUIREMENTS:

To become an Affiliate - Submit a properly completed (online) Application and Agreement to YTBTN. Affiliates are allowed to personalize their website with a Travel Site name (except in Canada) and may book travel only through their website. They receive 60% of the travel commission paid to YTBTN. To become a Referring Travel Agent (RTA), one must complete all of the above AND enroll, pay for, and complete a First Class Training. RTA will receive a ten percent (10%) increase in their share of travel commissions paid to YTBTN for travel booked and completed by the RTA’s customers. To become a Travel Agent, one must complete all the above AND enroll, pay for, and complete all “E-campus” travel training modules.

2.2 - NO PRODUCT PURCHASE REQUIRED:

No Travel Site Owner is required to purchase products, services or sales aids, other than the original purchase fee published at the time and the monthly hosting fee of \$49.95 for the replicated personalized travel website.

2.4 - GENERAL RESPONSIBILITIES OF A TRAVEL SITE OWNER:

Travel Site Owners shall not engage in unauthorized or inappropriate communication between the Customer and vendors and/or travel suppliers, including but not limited to (1) changing YTBTN agency information with any supplier or entity or (2) contracting with or disputing with any supplier on behalf of YTBTN.

3.1 - ADHERENCE TO YTBTN'S MARKETING AND COMPENSATION PLAN:

Travel Site Owners must adhere to the terms of YTBTN'S travel, training, marketing and commission plans as set forth in YTBTN'S literature. Travel Site Owners shall not offer YTBTN'S travel opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official YTBTN literature.

3.3 - INTERNET WEBSITES AND E-MAIL COMMUNICATIONS:

Travel Site Owners may utilize ONLY the COMPANY'S replicated website program.

3.5 - BLOGS, CHAT ROOMS, SOCIAL NETWORKS, ONLINE AUCTIONS, AND OTHER ONLINE FORUMS:

Travel Site Owners shall not use online blogs, chat rooms, social networks, online auctions sites, or any other online forum to market, sell, advertise, promote, or discuss YTBTN'S products or services.

3.7 - TRADEMARKS AND COPYRIGHTS:

Travel Site Owners are not allowed to sell any item of clothing, marketing, advertising or training material, with or without YTBTN logo at any sponsored event, including the National Convention.

3.15 - TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS:

Travel Trade Shows are strictly non-solicitation events. As delegates to these events, Travel Site Owners are prohibited from selling travel or advertising any of YTBTN'S products or services.

4 | Travel Site Owner Policies and Procedures (U.S.)

3.16 - CONFLICTS OF INTEREST:

Travel Site Owners are free to participate in other multilevel/ network marketing businesses, however, they may not directly or indirectly attempt to enroll Travel Site Owners or Customers into any other network marketing business.

3.21 - INDEPENDENT CONTRACTOR STATUS:

Travel Site Owners are independent contractors and are not purchasers of a franchise or a business opportunity.

3.23 - International Marketing:

Travel Site Owners are authorized to sell YTBTN products and services, and engage customers only in the countries in which YTBTN is authorized to conduct business.

4.3 - MULTIPLE TRAVEL SITE OWNER BUSINESSES:

A Travel Site Owner may have, operate or receive compensation from more than one YTBTN Travel Site Owner business.

4.12 - TELEMARKETING TECHNIQUES:

Travel Site Owners must not engage in telemarketing in the operation of their YTB business.

6.1 - TRAVEL SALES:

RTAs and Travel Agents may contact travel vendors on behalf of their Customers in order to obtain quotes, fares and schedules. Affiliates, however, may not.

7.1 - BONUS AND COMMISSION QUALIFICATIONS:

A Travel Site Owner must be active and in compliance with the Agreement to qualify for travel commissions.

11.1 - EFFECT OF CANCELLATION:

A Travel Site Owner whose business is cancelled will lose all rights as a Travel Site Owner. This includes the right to market YTBTN travel products and services and the right to receive future commissions, bonuses, or other income.

****PLEASE NOTE: All items are subject to tax as applicable****

Table of Contents

- YTBTN -- Code of Ethics..... 7
- SECTION 1 – INTRODUCTION..... 8
 - 1.1 - Policies and Compensation Plan Incorporated into Agreement..... 8
 - 1.2 - Purpose of Policies.....8
 - 1.3 - Changes to the Agreement..... 9
 - 1.4 - Delays..... 9
 - 1.5 - Policies and Provisions Severable..... 9
 - 1.6 - Waiver.....9
- SECTION 2 – BECOMING A TRAVEL SITE OWNER.....10
 - 2.1 - Requirements to Become an Affiliate.....10
 - 2.2 - No Product Purchase Required.....10
 - 2.3 - Affiliate Benefits.....11
 - 2.4 - General Responsibilities of a Travel Site Owner.....11
 - 2.5 - Term and Renewal of Your Travel Site Owner Busines.....12
 - 2.6 - Talent Release.....12
- SECTION 3 - OPERATING YOUR BUSINESS.....13
 - 3.1 - Adherence to YTBTN’S Marketing and Compensation Plan.....13
 - 3.2 - Advertising - General..... 13
 - 3.3 - INTERNET Websites and E-mail Communications..... 14
 - 3.4 - E-mail Communications - Unsolicited E-mail..... 14
 - 3.5 - Blogs, Chat Rooms, Social Networks, Online Auctions, and other Online Forums... 15
 - 3.6 - Domain Names and E-mail Addresses.....15
 - 3.7 - Trademarks and Copyrights.....16
 - 3.8 - Recordings.....17
 - 3.9 - Media and Media Inquiries.....17
 - 3.10 - Business Entities.....17
 - 3.11 - Changes to a Business Entity.....18
 - 3.12 - Cancellation and Re-application.....18
 - 3.13 - Unauthorized Claims and Actions - Indemnification.....18
 - 3.14 - Commercial Outlets.....18
 - 3.15 - Trade Shows, Expositions and Other Sales Forums.....19
 - 3.16 - Conflicts of Interest..... 19
 - Nonsolicitation..... 19
 - Sale of Competing Goods or Services.....20
 - Travel Site Owner Participation in Other Network Marketing Programs.....20
 - 3.17 - Errors or Questions.....20
 - 3.18 - Governmental Approval or Endorsement.....20
 - 3.19 - Identification.....21
 - 3.20 - Income Taxes.....21
 - 3.21 - Independent Contractor Status.....21
 - 3.22 - Travel Site Owner’s Name..... 21
 - 3.23 - International Marketing.....22
 - 3.24 - Confidentiality.....22
- SECTION 4 – REQUIREMENTS..... 24
 - 4.1 - Adherence to Laws and Ordinances.....24

PLEASE NOTE: All items are subject to tax as applicable

4.2 - Minors.....	24
4.3 - Multiple Travel Site Owner Businesses.....	24
4.4 - Marriage.....	25
4.5 - Divorce or Dissolution.....	25
4.6 - Actions of Household Members or Affiliated Individuals.....	25
4.7 - Requests for Records.....	25
4.8 - Sale, Transfer or Assignment of a Travel Site Owner’s Business.....	26
4.9 - Separation of a Travel Site Owner’s Business.....	27
4.10 - Succession.....	28
4.11 - Transfer upon Death of a Travel Site Owner.....	28
4.12 - Telemarketing Techniques.....	28
4.13 - Unsolicited Faxes.....	29
SECTION 5 – RESPONSIBILITIES OF TRAVEL SITE OWNERS.....	30
5.1 - Change of Address or Telephone.....	30
5.2 - Non-disparagement.....	30
5.3 - Reporting Policy Violations.....	30
5.4 - Vendor Confidentiality/Communications.....	31
SECTION 6 - SALES REQUIREMENTS.....	32
6.1 - Travel Sales.....	32
6.2 - No Territory Restrictions.....	32
SECTION 7 - BONUSES AND COMMISSIONS.....	33
7.1 - Bonus and Commission Qualifications.....	33
7.2 - Adjustment to Bonuses and Commissions.....	33
7.3 - Other Deductions.....	33
7.4 - Replacement Checks.....	33
7.5 - Returned Commission Checks.....	33
7.6 - Reports.....	34
SECTION 8 – REFUNDS AND INVENTORY RETURNS.....	35
8.1 - Cancellation Guarantee.....	35
SECTION 9 - DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS.....	36
9.1 - Disciplinary Sanctions.....	36
9.2 - Grievances and Complaints.....	37
9.3 - Dispute Resolution Board.....	37
9.4 - Mediation.....	38
9.5 - Arbitration.....	38
9.6 - Governing Law, Jurisdiction and Venue.....	39
SECTION 10 - PAYMENT AND SHIPPING.....	40
10.1 - Returned Checks.....	40
10.2 - Sales Taxes.....	40
SECTION 11 - INACTIVITY AND CANCELLATION.....	41
11.1 - Effect of Cancellation.....	41
11.2 - Involuntary Cancellation.....	42
11.3 - Voluntary Cancellation.....	42
SECTION 12 – GLOSSARY OF TERMS.....	43
SECTION 13 – TRAVEL SITE OWNER TERMS AND CONDITIONS.....	45
13.1 - Terms and Conditions.....	45

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YTBTN

Code of Ethics

As a Travel Site Owner of YTBTN, I represent, warrant, promise and agree that:

- ✓ I will be courteous, respectful, honest and fair in all my dealings while acting as an Travel Site Owner and I will perform my business activities in a manner that will enhance my reputation and the positive reputation of YTBTN. I recognize that the founders of YTBTN have strong personal convictions regarding the ethical conduct of all Travel Site Owners.
- ✓ I will not engage in any deceptive or illegal practice.
- ✓ I will make no claim for products, services or business positions of YTBTN except as contained in official literature of YTBTN.
- ✓ I will not misrepresent, or make any representations or warranties concerning, the income potential of the Travel Site Owner Commission Plans. It is impossible to predict Travel Site Owner incomes. The success of a Travel Site Owner depends on many variables, such as amount of time and effort committed to his/her business and his/her organizational abilities.
- ✓ I understand and agree that I am solely responsible for all financial and/or legal obligations incurred by me in the course of my business as a Travel Site Owner including self-employment taxes, income taxes, license fees, etc. I understand that I am an independent contractor for all legal purposes and for all federal and state employment and tax purposes.

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SECTION 1

INTRODUCTION

1.1 - POLICIES AND COMPENSATION PLAN INCORPORATED INTO AGREEMENT

These Policies and Procedures, in their present form and as amended at the sole discretion of YBTBN are incorporated into, and form an integral part of YBTBN'S Agreement with its Travel Site Owners. Throughout these Policies, when the term "Agreement" is used, it collectively refers to YBTBN'S Travel Site Owner Applications and Agreements, these Policies and Procedures and incorporated Terms and Conditions; YBTBN'S general marketing and commission plan, and YBTBN'S Business Entity Registration Form (if applicable). These documents are all incorporated herein by reference (all in their current form and as amended by YBTBN from time-to-time in its sole and absolute discretion). It is the responsibility of each Travel Site Owner to read, understand, adhere to, and ensure he or she is aware of and operating under the most current version of the Agreement.

1.2 - PURPOSE OF POLICIES

Reference is made throughout this document to the term "Travel Site Owner". Unless specifically identified otherwise, the term collectively refers to an Affiliate, Referring Travel Agent ("RTA") and/or Travel Agent, each of which is more fully defined in the Glossary of this document and are based on levels of training and/or experience.

YBTBN offers its travel services and products through Travel Site Owners. It is important to understand that your success and the success of your fellow Travel Site Owners depend on the integrity of the men and women who offer our products and services. To clearly define the relationship existing between Travel Site Owners and YBTBN, and to explicitly set a standard for acceptable business conduct, YBTBN has established this Agreement.

YBTBN'S Travel Site Owners are required to comply with the Agreement as well as all federal, state, and local laws governing their business and their conduct. Because you may be unfamiliar with many of these standards of practice, it is very important to read and abide by the Agreement. Please review the information in the Agreement carefully. It explains and governs the relationship between you, as an independent contractor, and YBTBN. If you have any questions regarding any policy or procedure, do not hesitate to seek an answer from YBTBN.

1.3 - CHANGES TO THE AGREEMENT

Because federal, state, and local laws, as well as the business environment, periodically change, YBTBN reserves the right to amend the Agreement and its prices at its sole and absolute discretion. By signing the Application and Agreement, the Travel Site Owner agrees to abide by all amendments that YBTBN elects to make. Amendments shall be effective upon notice to all Travel Site Owners the Agreement has been modified. YBTBN shall provide or make available to all Travel Site Owners a complete copy of the amended provisions by one or more of the following methods: (i) posting on YBTBN'S official website; (ii) electronic mail (e-mail); (iii) fax-on-demand; (iv) inclusion in YBTBN periodicals; (v) inclusion in product orders or bonus check mailings; or (vi) special mailings. The continuation of an Travel Site Owner's YBTBN business or an Travel Site Owner's acceptance of bonuses or commissions constitutes acceptance of any and all amendments.

1.4 - DELAYS

YBTBN shall not be responsible for delays or failures in performance of its obligations when performance is made commercially impracticable due to circumstances beyond its reasonable control. This includes, without limitation, strikes, labor difficulties, riot, war, fire, death, telecommunication failures, and curtailment of a party's source of supply, or government decrees or orders.

1.5 - POLICIES AND PROVISIONS SEVERABLE

If any provision of the Agreement, in its current form or as may be amended, is found to be invalid or unenforceable for any reason, only the invalid portion of the provision shall be severed and the remaining terms and provisions shall remain in full force and effect. The severed provision, or portion thereof, shall be reformed to reflect the purpose of the provision as closely as possible.

1.6 - WAIVER

YBTBN never gives up its rights to insist on compliance with the Agreement and with the applicable laws governing the conduct of a business. No failure of YBTBN to exercise any right or power under the Agreement or to insist upon strict compliance by a Travel Site Owner with any obligation or provision of the Agreement, and no custom or practice of the parties at variance with the terms of the Agreement, shall constitute a waiver of YBTBN'S right to demand exact compliance with the Agreement. Waiver by YBTBN can be effectuated only in writing by an authorized officer of YBTBN. YBTBN'S waiver of any particular breach by a Travel Site Owner shall not affect or impair YBTBN'S rights with respect to any subsequent breach, nor shall it affect in any way the rights or obligations of any other Travel Site Owner. No delay or omission by YBTBN to exercise any right arising from a breach shall affect or impair YBTBN'S rights as to that or any subsequent breach.

The existence of any claim or cause of action of a Travel Site Owner against YBTBN shall not constitute a defense to YBTBN'S enforcement of any term or provision of the Agreement.

SECTION 2 BECOMING A TRAVEL SITE OWNER

2.1 - REQUIREMENTS TO BECOME AN AFFILIATE

To become an Affiliate for YTBTN, each applicant must:

- a) If an individual, be of the age of majority in his or her state of residence;
 - b) Reside in the United States, a U.S. Territory, or any country which YTBTN has officially announced is open for business;
 - c) Have and provide to YTBTN a valid Social Security or Federal Tax ID number;
 - d) Agree to abide by the Agreement; and
 - e) Submit a properly completed (online) Application and Agreement to YTBTN.
- Affiliates are allowed to personalize their website with a Travel site name (except in Canada) and may book travel only through their website. They receive 60% of the travel commission paid to YTBTN.

To become a Referring Travel Agent ("RTA"), one must complete all of the above AND enroll, pay for, and complete a First Class Training ("FCT"). An Travel Site Owner who has accomplished this will receive a ten percent (10%) increase in their share of travel commissions paid to YTBTN for travel booked and completed by the RTA's customers.

To become a Travel Agent, one must complete all the above AND enroll, pay for, and complete all "E-campus" travel training modules.

2.2 - NO PRODUCT PURCHASE REQUIRED

No person desiring to become a Travel Site Owner is required to purchase products, services or sales aids, other than the original purchase fee published at the time and the monthly hosting fee of \$49.95 for the replicated personalized travel website.

2.3 - AFFILIATE BENEFITS

Once an Affiliate Application and Agreement has been accepted by YTBTN, the benefits of the commissions and bonuses plan are available to the new Affiliate. These benefits include the right to:

- a) Sell the travel products and services offered on YTBTN'S replicated website;
- b) Participate in YTBTN'S travel commissions (receive bonuses and commissions, if eligible);
- c) Receive periodic literature from YTBTN;
- e) Participate in YTBTN'S sponsored support, service, training, motivational and recognition functions, upon payment of appropriate charges if applicable; and
- f) Participate in promotional and incentive contests and programs sponsored by YTBTN for its Travel Site Owners.

2.4 - GENERAL RESPONSIBILITIES OF A TRAVEL SITE OWNER

Selling Travel Packages

- a) Travel Site Owners booking group travel involving 40 or more persons (or 20 cabins for a cruise) may be referred to YTBTN'S Home Office Group Travel Department for assistance.
- b) Travel Site Owners shall not engage in unauthorized or inappropriate communication between the Customer and vendors and/or travel suppliers, including but not limited to (1) changing YTBTN agency information with any supplier or entity or (2) contracting with or disputing with any supplier on behalf of YTBTN.
- c) Travel Site Owners shall not advertise, offer and/or sell travel packages on eBay, YouTube, MySpace or other similar on-line auction, advertising, social networking or sales sites.
- d) Travel Site Owners are very restricted in how they may handle payments for travel from their Customers and the following rules must be adhered to and will be strictly enforced.
 - i. TRAVEL SITE OWNERS MAY NEVER ACCEPT CASH FROM A TRAVEL CUSTOMER UNDER ANY CIRCUMSTANCE.
 - ii. Checks, cashiers checks or money orders from the Customer are acceptable but only if they are made out to YTBTN or the travel vendor (e.g. Carnival Cruise Lines) and sent via Express Mail or other traceable shipping method. Failure to mail said payments in a timely manner may cause late fees or cancelled bookings. Any resultant costs will be the sole responsibility of the Travel Site Owner.

****PLEASE NOTE: All items are subject to tax as applicable****

- iii A Customer's credit card information may be accepted but only by having the customer fill out and sign a Credit Card Authorization ("CCA") form (available in the Back Office for downloading). The CCA must be filled out and signed by the customer. This Authorization Form may be used for future travel by the same Customer (no requirement to obtain one for each trip for recurring Customers.) The credit card information from the form may then be passed through to YTBTN or the travel vendor for travel booking. UNDER NO CIRCUMSTANCES MAY A TRAVEL SITE OWNER PROCESS A CUSTOMER'S CREDIT CARD THROUGH THEIR OWN MERCHANT ACCOUNT, PAYPAL, OR OTHER PROCESSING ACCOUNT. The Credit Card Authorization Forms must be kept by the Travel Site Owner in a secure and locked location for a period of one year after completion of the travel. Failure to produce a properly executed credit card authorization when requested by YTBTN will result in disciplinary action.
- iv Travel Site Owners should never use their personal funds to make up for a shortfall in travel costs or late deposits by a Customer.

2.5 - TERM AND RENEWAL OF YOUR TRAVEL SITE OWNER BUSINESS

The term of the Travel Site Owner Agreement is month-to-month from the date of its acceptance by YTBTN.

2.6 - TALENT RELEASE

Each Travel Site Owner hereby consents to, allows and grants YTBTN a perpetual, worldwide, royalty-free and exclusive license to use, edit, modify and otherwise exploit (i) the name, photograph, testimonials, statements, likeness, biographical information, title, positions, voice, voices and biography and (ii) any film footage, video tapes, audio tapes, recordings and interviews when created in connection with any YTBTN events, promotion and/or conventions, to advertise, promote and publicize YTBTN'S business, products, events and/or services, in any form, format or media, whether now known or hereafter devised.

SECTION 3

OPERATING YOUR BUSINESS

3.1 - ADHERENCE TO YBTBNS MARKETING AND COMPENSATION PLAN

Travel Site Owners must adhere to the terms of YBTBNS travel, training, marketing and commission plans as set forth in YBTBNS literature. Travel Site Owners shall not offer YBTBNS travel opportunity through, or in combination with, any other system, program, or method of marketing other than that specifically set forth in official YBTBN literature. Travel Site Owners shall not require or encourage other current or prospective Customers or Travel Site Owners to participate in YBTBN in any manner that varies from the program as set forth in official YBTBN literature.

3.2 - ADVERTISING

General

All Travel Site Owners shall safeguard and promote the good reputation of YBTBN and its products and services. The marketing and promotion of YBTBN, YBTBNS products and services shall be consistent with the public interest, and must avoid all discourteous, deceptive, misleading, unethical or immoral conduct or practices.

To promote the products and services that YBTBN offers, Travel Site Owners must use only the promotional materials and sales aids produced by YBTBN. The rationale behind this requirement is simple: YBTBN has carefully designed its services, products, product labels, and promotional materials to ensure that each aspect of YBTBN is fair, truthful, substantiated, and complies with the vast and complex legal requirements of federal and state laws. If YBTBN Travel Site Owners were allowed to develop their own sales aids and promotional materials, notwithstanding their integrity and good intentions, there is likelihood that they would unintentionally violate any number of statutes or regulations affecting YBTBNS travel business. These violations, although perhaps relatively few in number, would jeopardize YBTBNS opportunity for all Travel Site Owners.

Accordingly, Travel Site Owners must not produce their own literature, advertisements, sales aids and promotional materials, or Internet web pages.

YBTBN does not permit Travel Site Owners to create side-businesses selling sales aids, business cards, marketing websites or similar materials to other Travel Site Owners of YBTBN.

3.3 - INTERNET WEBSITES AND E-MAIL COMMUNICATIONS

If an Travel Site Owner desires to utilize an Internet web page to promote his or her business, he or she may do so through YTBTN'S replicated website program only. This program permits Travel Site Owners to market travel on the Internet, on a website that can be personalized with the Travel Site Owner's message and the Travel Site Owner's contact information. No Travel Site Owner may independently design or have designed a website using the names, logos, or product descriptions of YTBTN or which otherwise promotes (directly or indirectly) YTBTN'S products or YTBTN'S opportunity. A Travel Site Owner may not use "blind" ads on the Internet making travel services claims which are ultimately associated with YTBTN'S products. The use of any other Internet website or web page (including without limitation auction sites such as eBay) to in any way promote the sale of YTBTN'S products or services is a breach of the Agreement and may result in any of the disciplinary sanctions set forth in Section 9.1.

3.4 - E-MAIL COMMUNICATIONS - UNSOLICITED E-MAIL

YTBTN does not permit Travel Site Owners to send unsolicited commercial e-mails unless such e-mails strictly comply with applicable laws and regulations including, without limitation, the Federal CAN SPAM Act. Any e-mail sent by a Travel Site Owner promoting YTBTN'S products and services must comply with the following:

- a) There must be a functioning return e-mail address to the sender.
- b) Travel Site Owners shall provide individual consumers the option to terminate any further communication between the Travel Site Owner and the consumer and if any consumer requests that a Travel Site Owner cease communication, the Travel Site Owner shall immediately stop communicating upon such request. There must be a notice in the e-mail advising the recipient that he or she may reply to the e-mail, via the functioning return e-mail address, to request future e-mail solicitations or correspondence not be sent to him or her (a functioning "opt-out" notice).
- c) The e-mail must include the Travel Site Owner's physical mailing address (i.e. not a Post Office Box), and may not represent the e-mail is originating from YTBTN or that the e-mail is signed by any employee or officer of YTBTN.
- d) The e-mail must clearly and conspicuously disclose that the message is a commercial advertisement or solicitation.
- e) The use of deceptive subject lines and/or false header information is prohibited.

- f) All opt-out requests, whether received by e-mail or regular mail, must be honored. If a Travel Site Owner receives an opt-out request from a recipient of an e-mail, the Travel Site Owner must forward a copy of the opt-out request to YTBTN'S Compliance Department.
- g) Travel Site Owners shall not make offers or solicitations in the guise of research, surveys or informal communication, when the real intent is to sell travel services.
- h) Travel Site Owners must abide by all laws and regulations regarding electronic communications.
- i) Travel Site Owners may not distribute content that is (1) unlawful, harassing, libelous, slanderous, abusive, threatening, harmful, vulgar, obscene or otherwise objectionable (2) which could give rise to civil liability, (3) otherwise violate any applicable local, state, national or international law or regulation, or (4) describes YTBTN or any of its products or services in an inaccurate manner.
- j) Travel Site Owners may not, directly or indirectly, buy e-mail lists, or send unsolicited e-mails to persons with whom they have no prior or existing personal or business relationship.

YTBTN may periodically send commercial e-mails on behalf of Travel Site Owners. By entering into the Travel Site Owner Agreement, Travel Site Owner agrees YTBTN may send such e-mails and the Travel Site Owner's physical and e-mail addresses will be included in such e-mails as outlined above. Travel Site Owners shall honor opt-out requests generated as a result of such e-mails sent by YTBTN.

3.5 - BLOGS, CHAT ROOMS, SOCIAL NETWORKS, ONLINE AUCTIONS, AND OTHER ONLINE FORUMS

Travel Site Owners shall not use online blogs, chat rooms, social networks, online auctions sites, or any other online forum to market, sell, advertise, promote, or discuss YTBTN'S products or services.

3.6 - DOMAIN NAMES AND E-MAIL ADDRESSES

Travel Site Owners may not use or attempt to register any of YTBTN'S or third party's trade names, trademarks, service names, service marks, product names, YTBTN'S name, or any derivative thereof, for any Internet domain name. Nor may Travel Site Owners incorporate or attempt to incorporate any of YTBTN'S or third party's trade names, trademarks, service names, service marks, product names, YTBTN'S name, or any derivative thereof, into any electronic mail address.

3.7 - TRADEMARKS AND COPYRIGHTS

YBTBN will not permit the use of its trade names, trademarks, designs, or symbols by any person, including YBTBN'S Travel Site Owners, without its prior, written permission. Travel Site Owner agrees that YBTBN and its affiliated companies' trademarks, service marks, trade names, patents and copyrighted materials are owned exclusively by the YBTBN and/or its affiliated companies, and that use of such intellectual property by Travel Site Owner shall be in compliance with the Agreement. Travel Site Owner will not promote his or her Travel Site Owner business or use YBTBN'S, any of its affiliated companies' or any third party's names, trade names, logos, sales materials, trademarks, service marks or other intellectual property, except in material as provided by YBTBN. The term "sales, advertising and training materials" includes but is not limited to; written, audio, CD, DVD, and flash materials and presentations as well as shirts, hats or other articles of clothing or accessories. Without limiting the generality of the foregoing, Travel Site Owner understands that Travel Site Owner is prohibited from (i) using YBTBN'S, its affiliated companies' and third parties' trademarks and trade names in domain names, (ii) creating his or her own sales and training materials and/or presentations that use the names, trademarks, logos or other intellectual property of YBTBN, its affiliated companies or third parties and (iii) creating any other materials that incorporate YBTBN's names, logos, trademarks or copyrighted works. Travel Site Owner understands that unauthorized use or duplication of YBTBN'S, its affiliated companies' and third parties' names, marks, sales and training materials or copyrighted materials is a violation of federal and/or state law, the Agreement, and may result in termination of the Agreement. Each of YBTBN'S and its affiliated companies' names, trademarks and service marks ("Proprietary Marks") and copyrighted materials are owned by the respective YTB, YBTBN and/or their affiliated companies. The use of the Proprietary Marks and copyrighted materials must be in strict compliance with the Agreement. Each Travel Site Owner acknowledges that any right to use YBTBN'S Proprietary Marks and copyrighted materials is non-exclusive, and YBTBN has the right and sole discretion to grant others the right to use such Proprietary Marks and copyrighted materials. Each Travel Site Owner expressly recognizes that, as between such person and YBTBN, any and all goodwill associated with the Proprietary Marks and copyrighted materials (including goodwill arising from each Travel Site Owner's use) inures directly and exclusively to the benefit of YBTBN and is the property of the YBTBN, and that, on expiration or termination of these Policies and Procedures, no monetary amount shall be attributable to any goodwill associated with REP'S use of the Proprietary Marks or copyrighted materials. This prohibition also extends to third party (e.g. travel vendors') trademarks.

YBTBN does not allow Travel Site Owner to sell any item of clothing, marketing, advertising or training material, with or without YBTBN logo at any YBTBN (or affiliated companies) sponsored event, including YBTBN's National Convention or training events without prior, written permission from YBTBN.

3.8 - RECORDINGS

Travel Site Owners may not copy, produce, reproduce for sale or distribution or create derivative works of products sold by YTBTN or any YTBTN-produced literature, audio or video material, presentations, events or speeches, including conference calls. Video, photographing and/or audio taping meetings and conferences of YTBTN is strictly prohibited.

3.9 - MEDIA AND MEDIA INQUIRIES

Travel Site Owners must not attempt to respond to media inquiries regarding YTBTN, its products or services, or their independent business. All inquiries by any type of media must be immediately referred to YTBTN'S Public Relations Department, without comment by the Travel Site Owner. This policy is designed to ensure accurate and consistent information is provided to the public as well as a proper public image. Travel Site Owners must not utilize radio or television media for the advertising, distribution or promotion of YTBTN products or the Travel Site Owner opportunity without the express written consent of YTBTN. In the event that YTBTN does grant permission for the use of such media, YTBTN has final authority on every stage of the production process with full rights to all recordings.

3.10 - BUSINESS ENTITIES

A corporation, limited liability YTBTN (LLC), partnership or trust (collectively referred to in this section as a 'Business Entity') may apply to be a YTBTN Travel Site Owner by submitting its Certificate of Incorporation, Certificate of Organization, Partnership Agreement, trust documents, FEIN or other organizational documents requested by YTBTN (these documents are collectively referred to as the 'Entity Documents') to YTBTN, along with a properly completed Business Entity Registration Form and W-9. When a Travel Site Owner enrolls, the Entity Documents, Business Entity Registration Form and a W-9 must be submitted to YTBTN within thirty (30) days of the online enrollment. (If not received within the thirty (30) day period, the Travel Site Owner Agreement shall automatically terminate.) The Business Entity Registration Form must be signed by all of the shareholders, members, partners or trustees of the Business Entity (each a 'Member'). Members of the entity are jointly and severally liable for any indebtedness or other obligation to YTBTN.

To prevent the circumvention of any portion of Section 4, if an additional partner, shareholder, member, or other Business Entity affiliate is added to a business entity, the original applicant must remain as a party to the original Travel Site Owner Application and Agreement. If the original Travel Site Owner wants to terminate his or her relationship with YTBTN, he or she must transfer or assign his or her business in accordance with Section 4.15 below. If this process is not followed, the business shall be canceled upon the withdrawal of the original Travel Site Owner. All bonus and commission checks will be sent to the address of record for the original Travel Site Owner. Please note that the modifications permitted within the scope of this paragraph do not include a change of sponsorship. YTBTN may, at its discretion, require notarized documents before implementing any changes to a Travel Site Owner business. Please allow thirty (30) days after the receipt of the request by YTBTN for processing.

****PLEASE NOTE: All items are subject to tax as applicable****

3.11 - CHANGES TO A BUSINESS ENTITY

An Travel Site Owner's business may change its status under the same sponsor from an individual to a partnership, LLC, corporation or trust, or from one type of entity to another. There is a \$25.00 fee for each change requested, which must be included with the written request and the completed Travel Site Owner Application and Agreement and Entity Documents. Such changes shall be processed only once per year and must be submitted by November 30th to become effective on January 1st of the following year. In addition, Travel Site Owners operating their businesses utilizing a Business Entity must notify YTBTN of the addition or removal of any officers, directors, shareholders, managers, members or business associates of the Business Entity.

3.12 - CANCELLATION AND RE-APPLICATION

A Travel Site Owner may legitimately change organizations by voluntarily cancelling his or her business by calling Customer Support to do so. The Travel Site Owner must then remain inactive (i.e., including but not limited to no sales of YTBTN products, no attendance at any YTBTN function, participation in any other form of Travel Site Owner activity and no operation of any other business of YTBTN or its affiliated entities for four (4) full calendar months. Following the four (4) month period of inactivity, the former Travel Site Owner may reapply.

3.13 - UNAUTHORIZED CLAIMS AND ACTIONS

Indemnification

A Travel Site Owner is fully responsible for all of his or her verbal and written statements made regarding YTBTN'S products and services, which are not expressly contained in the official YTBTN material. Travel Site Owners agree to indemnify YTBTN and YTBTN'S directors, officers, shareholders, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, investigation costs, court costs, or lost business incurred by YTBTN as a result of the Travel Site Owner's unauthorized representations or actions. This provision shall survive the termination of the Travel Site Owner Agreement.

3.14 - COMMERCIAL OUTLETS

Travel Site Owners may not sell YTBTN'S services or products from a commercial outlet, nor may Travel Site Owners display or sell YTBTN'S services, products or literature in any retail or service establishment.

3.15 - TRADE SHOWS, EXPOSITIONS AND OTHER SALES FORUMS

Travel Site Owners may display and/or sell YBTBN'S travel services at most trade shows and professional expositions (such as Home and Garden or Boat Show). While at these events, travel marketing efforts must be confined to the Travel Site Owner's booth.

Before submitting a deposit to the event promoter, Travel Site Owners must contact the Marketing Department in writing for conditional approval, as YBTBN'S policy is to authorize only one Travel Site Owner business per event. Final approval will be granted to the first Travel Site Owner who submits an official advertisement of the event, a copy of the contract signed by both the Travel Site Owner and the event official, and a receipt indicating a deposit for the booth has been paid. Approval is given only for the event specified. Any requests to participate in future events must again be submitted to the Marketing Department. YBTBN further reserves the right to refuse authorization to participate at any function which it does not deem a suitable forum for the promotion of its products, services, or YBTBN'S opportunity. Approval will not be given for swap meets, garage sales, flea markets or farmer's markets as these events are not conducive to the professional image YBTBN wishes to portray.

Travel Trade Shows (Industry events, generally sponsored by Travel Vendors), however, are treated differently. Travel Trade Shows are strictly non-solicitation events. As a delegate at these events, Travel Site Owners are prohibited from selling travel or advertising any of YBTBN'S products or services.

3.16 - CONFLICTS OF INTEREST

NON-SOLICITATION

YBTBN'S Travel Site Owners are free to participate in multilevel or network marketing business ventures or marketing opportunities (collectively "network marketing"). However, during the term of this Agreement, Travel Site Owners may not directly or indirectly attempt to enroll YBTBN's Travel Site Owners or Customers into any other network marketing business.

Following the cancellation of a Travel Site Owner's Agreement, and for a period of one (1) year thereafter, a former Travel Site Owner may not recruit or solicit any of YBTBN'S REPs, Travel Site Owners or Customers for any business opportunity, including network marketing. Travel Site Owners and YBTBN recognize because network marketing is conducted through networks of independent contractors dispersed across the United States and internationally, and business is commonly conducted via the internet and telephone, an effort to narrowly limit the geographic scope of this non-solicitation provision would render it wholly ineffective. Therefore, Travel Site Owners and YBTBN agree that this non-solicitation provision shall apply to all markets in which YBTBN conducts business.

SALE OF COMPETING GOODS OR SERVICES

Travel Site Owners must not sell, or attempt to sell, any competing programs, products or services to YTBTN'S Customers or Travel Site Owners. Any program, product or service in the same generic categories as YTBTN'S travel services or products is deemed to be competing, regardless of differences in cost, quality, or distinguishing factors.

TRAVEL SITE OWNER PARTICIPATION IN OTHER NETWORK MARKETING PROGRAMS

If a Travel Site Owner is engaged in a network marketing program it is the responsibility of the Travel Site Owner to ensure his or her YTBTN business is operated entirely separate and apart from any other program in which the Travel Site Owner participates. To this end, the following must be adhered to:

- a) The Travel Site Owner shall not display YTBTN'S promotional materials, sales aids, products or services with or in the same location as any other network marketing company's promotional materials, sales aids, products or services.
- b) The Travel Site Owner may not offer YTBTN'S products or services to prospective or existing Customers or Travel Site Owners in conjunction with any other network marketing company's program, opportunity, product or service.
- c) The Travel Site Owner may not offer any other network marketing company's products, services, or opportunity at any YTBTN meeting, training, seminar, or convention, or within two (2) hours and a five (5) mile radius of YTBTN'S event. If a YTBTN meeting is held telephonically or via the internet, any other network marketing company's meeting must be at least two (2) hours before or after YTBTN'S meeting, and on a different conference telephone number or internet web address from YTBTN'S meeting.

3.17 - ERRORS OR QUESTIONS

If a Travel Site Owner has questions about or believes any errors have been made regarding commissions, bonuses, or charges, the Travel Site Owner must notify YTBTN in writing within sixty (60) days of the date of the purported error or incident in question. YTBTN will not be responsible for any errors, omissions or problems not reported to YTBTN within sixty (60) days.

3.18 - GOVERNMENTAL APPROVAL OR ENDORSEMENT

Neither federal nor state regulatory agencies approve or endorse any direct selling or network marketing companies or programs. Therefore, Travel Site Owners shall not represent or imply YTBTN or its travel services marketing plan have been "approved," "endorsed" or otherwise sanctioned by any government agency.

3.19 - IDENTIFICATION

All Travel Site Owners are required to provide their valid Social Security Number ("SSN"), or a valid Federal Employer Identification Number ("FEIN") to YTBTN on the Travel Site Owner Application and Agreement, along with a fully executed W-9 if applicable. Upon enrollment, YTBTN will provide a unique Travel Site Owner Identification Number to the Travel Site Owner by which he or she will be identified. This number will be used to place orders, and track commissions and bonuses. The failure of a Travel Site Owner to supply a valid SSN or FEIN shall result in immediate dismissal.

3.20 - INCOME TAXES

Each Travel Site Owner is responsible for paying local, state and federal taxes on any income generated as an Independent Travel Site Owner. If a Travel Site Owner business is tax exempt, the Federal Tax Identification Number must be provided to YTBTN. Every year, YTBTN will provide an IRS Form 1099 MISC (Non-employee Compensation) earnings statement to each U.S. resident who: (i) Had earnings of over \$600 in the previous calendar year; or (ii) Made purchases during the previous calendar year in excess of \$5,000.

3.21 - INDEPENDENT CONTRACTOR STATUS

Travel Site Owners are independent contractors and are not purchasers of a franchise or a business opportunity. The Agreement between YTBTN and its Travel Site Owners does not create an employer/employee relationship, agency, partnership, or joint venture between the YTBTN and the Travel Site Owner. Travel Site Owners shall not be treated as an employee for his or her services or for federal or state tax purposes. All Travel Site Owners are responsible for paying local, state, and federal taxes due from all compensation earned as a Travel Site Owner of YTBTN. The Travel Site Owner has no authority (expressed or implied), to bind YTBTN to any obligation. Each Travel Site Owner shall establish his or her own goals, hours, and methods of sale, so long as he or she complies with the terms of the Agreement and applicable laws.

The name of YTBTN and other names as may be adopted by YTBTN are proprietary trade names, trademarks and service marks of YTBTN. As such, these marks are of great value to YTBTN and are supplied to Travel Site Owners for their use only in an expressly authorized manner. Use of YTBTN name on any item not produced by YTBTN is prohibited.

3.22 - TRAVEL SITE OWNER'S NAME

RTAs and Travel Agents (not Affiliates) may list themselves as an "Independent YTB Referring Travel Agent" in the white or yellow pages of the telephone directory under their own name. No RTA may place telephone directory display ads using YTBTN'S name or logo. RTAs may not answer the telephone by saying YTBTN name, "YTB Incorporated", or in any other manner leading the caller to believe he or she reached the corporate offices of YTBTN.

3.23 - INTERNATIONAL MARKETING

Because of critical legal, monetary and tax considerations, YTBTN must limit the resale of YTBTN products and services, and the presentation of YTBTN'S business to prospective customers and Travel Site Owners located within the United States and U.S. Territories and those other countries that YTBTN has announced are officially opened for business. Moreover, allowing a few Travel Site Owners to conduct business in markets not yet opened by YTBTN would violate the concept of affording every Travel Site Owner the equal opportunity to expand internationally.

Accordingly, Travel Site Owners are authorized to sell YTBTN products and services, and engage customers only in the countries in which YTBTN is authorized to conduct business, as announced in official YTBTN literature. YTBTN'S U.S.-based products or sales aids cannot be shipped into or sold in any other foreign country. Travel Site Owners may sell, give, transfer, or distribute YTBTN products or sales aids only in the marketing material's intended country. In addition, no Travel Site Owner may, in any unauthorized country: (i) conduct sales or training meetings; (ii) engage potential customers; or (iii) conduct any other activity for the purpose of selling YTBTN travel services.

3.24 - CONFIDENTIALITY

"Confidential Information" means any and all information YTBTN designates as being confidential or which, under the circumstances surrounding disclosure, would reasonably be expected to be or ought to be treated as confidential. Confidential Information includes, without limitation, Travel Site Owner customer lists and data, pricing, technical information, research, development, procedures, algorithms, data, designs, know-how, the marketing or promotion of any of YTBTN'S products or services, YTBTN'S business policies, practices or operations, information received from others that YTBTN is obligated to treat as confidential and information regarding YTBTN'S respective parents, subsidiaries and affiliated agents. Confidential Information also includes supplier commission percentages and related information, commercial secrets, trade secrets, and any internal information of YTBTN. Confidential Information is proprietary and confidential to YTBTN. It is provided to the Travel Site Owner in strictest confidence.

- a) Lists and data are for the limited use of the Travel Site Owner to facilitate training, support and to further the Travel Site Owner's business only. Each Travel Site Owner agrees the use of YTBTN'S Travel Site Owner customer lists or other lists or data constitutes a non-exclusive license between the Travel Site Owner and YTBTN for the Travel Site Owner's limited use thereof, as more fully set forth below.

- b. Lists, data and information relating to Travel Site Owners or customers remain, at all times, the exclusive property of YTB TN and must be returned to YTB TN upon request. A Travel Site Owner receiving such a list, data or information, whether from YTB TN or from another source, agrees:
 - i. To limit the use of a list to the intended scope of the list and to exclusively advance a Travel Site Owner's YTB TN related business;
 - ii. To hold confidential and not disclose any portion thereof to any third party, including, but not limited to, existing Travel Site Owners, competitors, and the general public. Any use or disclosure of lists, outside of those authorized, constitutes misuse, misappropriation, and a violation of the Agreements, and will cause irreparable harm to YTB TN;
 - iii. That, upon any violation of this section, the Travel Site Owner agrees that (1) YTB TN shall be entitled, in addition to any other rights or remedies available to YTB TN at law or in equity, to injunctive relief, enjoining such use under applicable national or local law, and (2) he or she will retrieve and return to YTB TN all existing lists previously provided to the Travel Site Owner;
 - iv. That intended or unintended misuse of a list, data or information may be cause for termination of a Travel Site Owner; and
 - v. That the obligations under this section will survive the termination or expiration of the Agreement.
- c. YTB TN reserves the right to pursue all appropriate remedies under applicable federal, state or local laws to protect its rights to the Confidential Information, proprietary information and trade secrets of YTB TN; and any failure to pursue such remedies in one instance will not constitute a waiver of those rights by YTB TN in any other circumstances.

Each Travel Site Owner agrees that he/she will not use such lists, data or information to compete with YTB TN or for any other purpose other than to promote his/her YTB TN - related business activities.

Any Travel Site Owner who is found to be in violation of this section may be subject to disciplinary action and, in addition, to all other rights and remedies available to YTB TN at law or in equity, YTB TN may seek remedies for compensatory and punitive damages, injunctive relief and for specific performance to the fullest extent the law makes available.

SECTION 4 REQUIREMENTS

4.1 - ADHERENCE TO LAWS AND ORDINANCES

It is the responsibility of the Travel Site Owner to research and obtain information on local laws, licensing or other requirements which may affect their business. Travel Site Owners shall comply with all federal, state, and local laws and regulations in the conduct of their businesses. Many cities and counties have laws regulating certain home-based businesses. In some cases these ordinances are not applicable to Travel Site Owners because of the nature of their business. However, Travel Site Owners must obey those laws that do apply to them. If a city or county official tells an Travel Site Owner that an ordinance applies to him or her, the Travel Site Owner shall be polite and cooperative, and immediately send a copy of the ordinance to the Compliance Department of YTBTN for review.

4.2 - MINORS

A person who is recognized as a minor in his/her state of residence may not be a Travel Site Owner for YTBTN.

4.3 - MULTIPLE TRAVEL SITE OWNER BUSINESSES

In order to maintain the integrity of YTBTN'S Commission structure, husbands and wives or common-law couples (collectively "spouses") who wish to become Travel Site Owners must jointly operate their Travel Site as one business entity.

In the case of joint ownership, YTBTN shall deal exclusively with the listed primary Travel Site Owner applicant in all matters relating to the Agreement. Secondary applicants are subject to all of the obligations, terms and conditions of these Terms and Conditions. The primary Travel Site Owner applicant shall be responsible for the compliance with the Agreement by his or her secondary applicant if Travel Site Owner chooses to have one.

4.4 - MARRIAGE

Travel Site Owners who choose to marry may maintain their separate Travel Site Owner positions.

4.5 - DIVORCE OR DISSOLUTION

- a) If married persons or partners who share ownership in a Travel Site Owner business obtain a divorce or wish to dissolve their partnership, corporation or limited liability YBTBN, YBTBN will continue to treat them pursuant to the controlling party being the designated primary applicant at the time of filing of a petition in a court of jurisdiction for divorce or dissolution, until such time as YBTBN receives written notice from both parties or an appropriate court order directing otherwise. The written notice must be signed by all parties and notarized.
- b) Divorced persons or dissolved partnerships, corporations or limited liability companies must submit to YBTBN a certified copy of any legal judgment or decree, or jointly specify in writing to YBTBN, as to ownership and/or how future commission and bonus checks should be paid.

4.6 - ACTIONS OF HOUSEHOLD MEMBERS OR AFFILIATED INDIVIDUALS

If any member of a Travel Site Owner's immediate household engages in any activity which, if performed by the Travel Site Owner, would violate any provision of the Agreement, such activity will be deemed a violation by the Travel Site Owner and YBTBN may take disciplinary action pursuant to the Agreement against the Travel Site Owner. Similarly, if any individual associated in any way with a corporation, partnership, trust or other entity (collectively "affiliated individual") violates the Agreement, such action(s) will be deemed a violation by the entity, and YBTBN may take disciplinary action against the entity.

4.7 - REQUESTS FOR RECORDS

Any request from a Travel Site Owner for copies of invoices, applications, customer travel activity reports, or other records will require a fee of \$1.00 per page per copy. This fee covers the expense of mailing and time required to research files and make copies of same.

4.8 - SALE, TRANSFER OR ASSIGNMENT OF TRAVEL SITE OWNER'S BUSINESS

Although a Travel Site Owner business is a privately owned, independently operated business, the sale, transfer or assignment of such a business entity is subject to certain limitations. If a Travel Site Owner wishes to sell his or her business, the following criteria must be met:

- a) Protection of the existing line of sponsorship must always be maintained to ensure YTBTN'S business continues to be operated in that line of sponsorship.
- b) The buyer or transferee must become qualified as a Travel Site Owner. If the buyer is an active Travel Site Owner, he or she must first terminate his or her original business and wait four (4) calendar months before acquiring any interest in the new business.
- c) Before the sale, transfer or assignment can be finalized and approved by YTBTN, any debt obligations the selling Travel Site Owner has with YTBTN must be satisfied.
- d) The selling Travel Site Owner must be in good standing and not in violation of any of the terms of the Agreement in order to be eligible to sell, transfer or assign YTBTN business.
- e) The sale, transfer or assignment must occur six (6) months after the business was obtained by the Travel Site Owner.
- f) YTBTN'S administrative fee for this type of business transfer is \$450 and must be submitted to YTBTN with the appropriate supporting documentation.

Prior to selling a YTBTN business, the selling Travel Site Owner must notify YTBTN'S Compliance Department of his or her intent to sell their business. Upon completed execution of the purchase and sale agreement, the parties must submit copies of the same to the Compliance Department for review, along with the business transfer fee. YTBTN reserves the right to request additional documentation that may be necessary to analyze the transaction between the buyer and seller. The Compliance Department will, in its sole and absolute discretion, approve or deny the sale, transfer or assignment within thirty (30) days after its receipt of all necessary documents from the parties.

If the parties fail to obtain YTBTN'S approval for the transaction, the transfer shall be voided at YTBTN'S option and the business transfer fee will be returned.

If the sale is allowed, the purchaser of the existing business will assume all the obligations of that position of the selling Travel Site Owner.

A Travel Site Owner who sells his or her business shall not be eligible to re-apply as a Travel Site Owner for a period of at least four (4) full calendar months after the date of the sale.

4.9 - SEPARATION OF AN TRAVEL SITE OWNER'S BUSINESS

YTBTN'S Travel Site Owners sometimes operate their business(es) as husband-wife partnerships, regular partnerships, an LLC, corporation, or a trust. At such time as a marriage may end in divorce, or a corporation, LLC partnership or trust (the latter four entities are collectively referred to herein as "entities") may dissolve, arrangements must be made to ensure any separation or division of the business is accomplished so as not to adversely affect the interests of YTBTN. If the separating parties fail to provide for the best interests of other Travel Site Owners and YTBTN in a timely fashion, YTBTN will involuntarily terminate the Travel Site Owner Agreement.

During the divorce or entity dissolution process, the parties must adopt one of the following methods of operation:

- a) One of the parties may, with consent of the other(s), operate their business pursuant to an assignment in writing whereby the relinquishing spouse, shareholders, partners or trustees authorize YTBTN to deal directly and solely with the remaining spouse or non-relinquishing shareholder, partner or trustee.
- b) The parties may continue to operate their business jointly on a "business-as-usual" basis, whereupon all compensation paid by YTBTN will be paid according to the status quo as it existed prior to the divorce filing or dissolution proceedings. This is the default procedure if the parties do not agree on the format set forth above.

Under no circumstances will the Travel Site Owner business of divorcing spouses or a dissolving business entity be divided. Similarly, under no circumstances will YTBTN split commission and bonus checks between divorcing spouses or members of dissolving entities. YTBTN will recognize only the one, original Travel Site Owner travel business and will issue only one commission check per YTBTN'S business per commission cycle. Commission checks shall always be issued to the same individual or entity. In the event that parties to a divorce or dissolution proceeding are unable to resolve a dispute over the disposition of commissions and ownership of the business in a timely fashion as determined by YTBTN, the Travel Site Owner shall be involuntarily canceled.

If a former spouse has completely relinquished all rights in the original business pursuant to a divorce, he or she is thereafter free to enroll under any sponsor of his or her choosing without waiting four (4) calendar months. In the case of business entity dissolutions, the former partner, shareholder, member, or other entity affiliate who retains no interest in the business must wait four (4) calendar months from the date of the final dissolution before re-enrolling as a Travel Site Owner. In either case, however, the former spouse or business affiliate shall have no rights to any to any former retail customers. They must develop the new business in the same manner as would any other new Travel Site Owner.

4.10 - SUCCESSION

Upon the death or incapacitation of an Travel Site Owner, his or her business may be passed to his or her heirs. Appropriate legal documentation must be submitted to YBTBN to ensure the transfer is proper. Accordingly, a Travel Site Owner should consult an attorney to assist him or her in the preparation of a will or other testamentary instrument. Whenever a business is transferred by a will or other testamentary process, the beneficiary acquires the right to collect all bonuses and commissions of the deceased or incapacitated Travel Site Owner's Marketing Organization provided the following qualifications are met.

The successor(s) must:

- a) Complete and execute a Travel Site Owner Agreement;
- b) Comply with terms and provisions of the Agreement; and
- c) Meet all of the qualifications for the deceased or incapacitated Travel Site Owner's status.

Bonus and commission checks of a business transferred pursuant to this section will be paid in a single check jointly to the devisees. The devisees must provide YBTBN with an "address of record" to which all bonus and commission checks will be sent. If the business is bequeathed to joint devisees, they must form a business entity and acquire a Federal Taxpayer Identification Number. YBTBN will issue all bonus and commission checks and one 1099 to the business entity.

4.11 - TRANSFER UPON DEATH OF A TRAVEL SITE OWNER

To effectuate a testamentary transfer of a business, the Personal Representative or Executor of the estate of the deceased Travel Site Owner must provide all necessary documentation to establish a successor's or successors' right to the subject YBTBN business. The successor or successors must complete and execute a Travel Site Owner Agreement and meet the other requirements set forth in Section 3.

4.12 - TELEMARKETING TECHNIQUES

The Federal Trade Commission and the Federal Communications Commission each have laws restricting telemarketing practices. Both federal agencies (as well as a number of states) have "do not call" regulations as part of their telemarketing laws. Although YBTBN does not consider Travel Site Owners to be "telemarketers" in the traditional sense of the word, these government regulations broadly define the term "telemarketer" and "telemarketing" so that an inadvertent action of calling someone whose telephone number is listed on the federal "do not call" registry could cause the Travel Site Owner to violate the law. Moreover, these regulations must not be taken lightly, as they carry significant penalties - up to \$11,000 per violation for violation of the FTC's Telemarketing Sales Rule, 16 C.F.R. Part 310 - and even harsher penalties in some states.

Therefore, Travel Site Owners must not engage in telemarketing in the operation of their YTB business. The term "telemarketing" means the placing of one or more telephone calls to an individual or entity to induce the purchase of YBTBN'S products or services. "Cold calls" made to prospective customers or Travel Site Owners that promote either YBTBN'S products or services constitute telemarketing and are prohibited. However, a telephone

****PLEASE NOTE: All items are subject to tax as applicable****

call(s) placed to a prospective customer or Travel Site Owner (a travel "prospect") is permissible under the following situations:

- a) If the Travel Site Owner has an established business relationship with the prospect. An "established business relationship" is a relationship between a Travel Site Owner and a prospect based on the prospect's purchase, rental, or lease of goods or services from the Travel Site Owner, or a financial transaction between the prospect and the Travel Site Owner, within the eighteen (18) months immediately preceding the date of a telephone call to induce the prospect's purchase of a product or service.
- b) The prospect's personal inquiry or application to the Travel Site Owner regarding a product or service offered by YTB TN, within the three (3) months immediately preceding the date of such a call.
- c) If the Travel Site Owner receives written and signed permission from the prospect authorizing the Travel Site Owner to call. The authorization must specify the telephone number(s) which the Travel Site Owner is authorized to call.
- d) A Travel Site Owner may call family members, personal friends, and acquaintances. An "acquaintance" is someone with whom the Travel Site Owner has had at least a recent first-hand relationship within the preceding three (3) months. However, if you make a habit of "card collecting" with everyone you meet and subsequently calling them, the FTC 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.
- e) In addition, Travel Site Owners shall not use automatic telephone dialing systems relative to the operation of their YTB TN businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (i) store or produce telephone numbers to be called, using a random or sequential number generator; and (ii) to dial such numbers.

4.13 - UNSOLICITED FAXES

Except as provided in this section, Travel Site Owners may not use or transmit unsolicited faxes or use an automatic telephone dialing system relative to the operation of their YTB TN businesses. The term "automatic telephone dialing system" means equipment which has the capacity to: (i) store or produce telephone numbers to be called, using a random or sequential number generator; and (ii) to dial such numbers. The term "unsolicited faxes" means the transmission via telephone facsimile of any material or information advertising or promoting YTB TN, its products, the Marketing and Compensation Plan or any other aspect of the YTB TN which is transmitted to any person, except that these terms do not include a fax: (i) to any person with that person's prior express invitation or permission; or (ii) to any person with whom the Travel Site Owner 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 Travel Site Owner and a person, on the basis of: (iii) an inquiry, application, purchase or transaction by the person regarding products offered by such Travel Site Owner; or (iv) a personal or familial relationship, which relationship has not been previously terminated by either party.

SECTION 5 RESPONSIBILITIES OF TRAVEL SITE OWNERS

5.1 - CHANGE OF ADDRESS OR TELEPHONE

To ensure timely delivery of products, support materials, and commission checks, it is critically important YTBTN'S files are current. Street addresses are required for shipping materials as UPS cannot deliver to a post office box. Travel Site Owners planning to move must update any personal information via the Back Office function of the Travel Site Owner's replicated website or send their new address and telephone numbers to YTBTN'S Corporate Offices to the attention of the Customer Support Department as applicable. To guarantee proper delivery, two weeks advance notice must be provided to YTBTN on all changes.

5.2 - NON-DISPARAGEMENT

YTBTN wants to provide Travel Site Owners with the best products, travel commission plan, and service in the industry. YTBTN values your constructive criticisms and comments. All such comments should be submitted in writing to the Customer Support Department. To best serve you, YTBTN must hear from you. While YTBTN welcomes constructive input, negative comments and remarks made in the field by Travel Site Owners about YTBTN, its products or services serve no purpose other than to sour the enthusiasm of YTBTN'S other Travel Site Owners. For this reason, and to set the proper example, Travel Site Owners must not disparage, demean, or make negative remarks about YTBTN, other Travel Site Owners, YTBTN'S travel services and products or YTBTN'S directors, officers, or employees.

5.3 - REPORTING POLICY VIOLATIONS

Travel Site Owners observing a policy violation by another Travel Site Owner should submit a written report of the violation directly to the attention of YTBTN'S Compliance Department. Details of the incidents such as dates, number of occurrences, and persons involved should be included. Any supporting documentation should be included in the report. Alternatively, these reports may be telephoned into The Compliance Department during normal business hours or submit a statement documenting the names and facts involved to same at Compliance@ytb.com.

5.4 - VENDOR CONFIDENTIALITY/COMMUNICATIONS

YTBTN'S business relationships with its alliances, vendors, suppliers, associates or former employees within or outside the corporate workplace are confidential, proprietary, and not to be circumvented by either the Travel Site Owner or the vendor. An RTA or Travel Agent may contact any representative of any travel supplier or vendor of YTBTN on behalf of their Customer in order to obtain quotes, fares and schedules, HOWEVER, an Affiliate may NOT.

Travel Site Owners shall not negotiate with vendors or suppliers in any industry on behalf of YTBTN, including, but not limited to, attempting to negotiate with any vendor or supplier for broker's fees, finder's fees, commissions or any other fees for arranging a possible transaction between the vendor and/or supplier and YTBTN. Notwithstanding the foregoing, in the event a Travel Site Owner does arrange a transaction between YTBTN and a third party, such Travel Site Owner will not be entitled to any brokers, finders, commission or other fee from YTBTN or any of its affiliated entities.

YTB's vendor commission levels are confidential and proprietary and cannot be expressed to the public.

SECTION 6

SALES REQUIREMENTS

6.1 - TRAVEL SALES

YBTBN'S travel commission structure is based on the sale of YBTBN'S travel services to end consumers. In order to earn commissions, Travel Site Owners must guide customers to their Travel site to book travel, or to assist their customers in limited fashion as outlined in these policies, (as well as meet other responsibilities set forth in the Agreement) to be eligible for travel commissions.

RTAs and Travel Agents may contact travel vendors on behalf of their Customers in order to obtain quotes, fares and schedules. Affiliates, however, may not. If an RTA or Travel Agent books travel on behalf of their Customer, they must follow the terms of this Agreement, specifically Section 2.4 (d) i, ii, iii, iv, pertaining to payment thereof. A Customer may not be abandoned under any circumstances while a booking is pending; the RTA or Travel Agent must make themselves available for changes, cancellations or other questions or reasonable requests from the Customer.

It is extremely important to utilize the services of the Travel Support Department if Travel Site Owner has questions about the quote and/or booking process. Feel free to contact them at anytime for assistance or questions.

6.2 - NO TERRITORY RESTRICTIONS

There are no exclusive territories granted to anyone. No franchise fees are required.

SECTION 7

BONUSES AND COMMISSIONS

7.1 - BONUS AND COMMISSION QUALIFICATIONS

An Travel Site Owner must be active and in compliance with the Agreement to qualify for travel commissions. So long as a Travel Site Owner complies with the terms of the Agreement including the Terms and Conditions and these Policies and Procedures, YTBTN shall pay commissions to such Travel Site Owner in accordance with the existing commission structure. The minimum amount for which YTBTN will issue a check is \$10.00. If a Travel Site Owner's commissions do not equal or exceed \$10.00, YTBTN will accrue the commissions and bonuses until they total \$10.00. A check will be issued once \$10.00 has been accrued.

7.2 – ADJUSTMENT TO BONUSES AND COMMISSIONS

Travel Site Owners receive commissions based on the actual sales and completion of travel by the end consumers. When travel is cancelled and the customer is entitled to a refund no commission will be paid to the Travel Site Owner, regardless of the reason for cancellation.

7.3 - OTHER DEDUCTIONS

YTBTN will deduct from all bonus and commission checks issued to a Travel Site Owner a check issuance/data processing fee of \$1.50.

7.4 - REPLACEMENT CHECKS

Upon request, YTBTN will issue a replacement check for a lost or stolen check; however, a \$15.00 service fee will be assessed on any request made fourteen (14) business days of the issue date of the check. Conversely, after fourteen (14) business days a replacement check may be reissued at no cost to the Travel Site Owner.

7.5 - RETURNED COMMISSION CHECKS

YTBTN shall use their best commercially reasonable efforts to ensure Travel Site Owners receive their commission checks. However, when a check is returned to YTBTN because a Travel Site Owner has moved without providing YTBTN with a forwarding address or the check is returned or is not presented for payment for some other reason beyond the control of YTBTN, the check amount shall be credited to the Travel Site Owner's account ninety (90) days after its date of issue and may be subject to a credit maintenance fee. All payments and credits from YTBTN not claimed or cashed within one (1) year of issuance will be rescinded and remain the property of YTBTN.

7.6 - REPORTS

All information provided by YBTBN in online or telephonic customer activity reports, including but not limited to Travel Site Owner sales volume (or any part thereof) is believed to be accurate and reliable. Due to various factors including, but not limited to, the inherent possibility of human and mechanical error; the accuracy, completeness, and timeliness of orders; denial of credit card and electronic check payments; cancelled travel; credit card and electronic check charge-backs; the information is not guaranteed by YBTBN or any persons creating or transmitting the information.

ALL TRAVEL SITE OWNER SALES VOLUME INFORMATION IS PROVIDED "AS IS" WITHOUT WARRANTIES, EXPRESS OR IMPLIED, OR REPRESENTATIONS OF ANY KIND WHATSOEVER. IN PARTICULAR BUT WITHOUT LIMITATION THERE SHALL BE NO WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON INFRINGEMENT.

TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, YBTBN AND/OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION WILL IN NO EVENT BE LIABLE TO ANY TRAVEL SITE OWNER OR ANYONE ELSE FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT ARISE OUT OF THE USE OF OR ACCESS TO PERSONAL AND GROUP SALES VOLUME INFORMATION (INCLUDING BUT NOT LIMITED TO LOST PROFITS, BONUSES, OR COMMISSIONS, LOSS OF OPPORTUNITY, AND DAMAGES THAT MAY RESULT FROM INACCURACY, INCOMPLETENESS, INCONVENIENCE, DELAY, OR LOSS OF THE USE OF THE INFORMATION), EVEN IF YBTBN OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, YBTBN OR OTHER PERSONS CREATING OR TRANSMITTING THE INFORMATION SHALL HAVE NO RESPONSIBILITY OR LIABILITY TO TRAVEL SITE OWNER OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY OR OTHER THEORY WITH RESPECT TO ANY SUBJECT MATTER OF THE AGREEMENT.

Access to and use of YBTBN'S online and telephone travel commission reporting services is provided to the Travel Site Owner "as is". If a Travel Site Owner has questions on the accuracy, they are advised to immediately bring those discrepancies to the attention of the Commissions Department.

SECTION 8

REFUNDS AND INVENTORY RETURNS

8.1 - CANCELLATION GUARANTEE

YTBTN offers a 100%, five (5) business day money-back satisfaction guarantee to all Travel Site Owners under the following conditions:

The initial hosting fee, which is one (1) month hosting of Travel Site Owner's travel booking website, and the initial Travel Site Owner purchase fee, are each refundable by calling YTBTN within five (5) business days of payment; provided, however, that each is non-refundable thereafter. Call (618) 655-9477 Ext 2 (Customer Support) to make the request (please have your billing address, Travel Site Owner number and the credit card number you used to sign up when calling).

****PLEASE NOTE: All items are subject to tax as applicable****

SECTION 9

DISPUTE RESOLUTION AND DISCIPLINARY PROCEEDINGS

9.1 - DISCIPLINARY SANCTIONS

Violation of the Agreement, violation of any common law duty, including but not limited to, any applicable duty of loyalty, any illegal, fraudulent, deceptive or unethical business conduct, or any act or omission by a Travel Site Owner that, in the sole discretion of YBTBN may damage its reputation or goodwill (such act or omission need not be related to the Travel Site Owner's business), may result, at YBTBN'S discretion, in one or more of the following corrective measures:

- a) Issuance of a written warning or admonition;
- b) Requiring the Travel Site Owner to take immediate corrective measures;
- c) Imposition of a fine, which may be withheld from bonus and commission checks. The amount may be returned after successful conclusion of a Probationary period (Please see Section 10.1 (g) below), or the amount may be permanent in order to offset the cost of an investigation or potential restitution costs.
- d) Loss of rights to one or more bonus and commission checks;
- e) YBTBN may withhold from a Travel Site Owner all or part of the Travel Site Owner's bonuses and commissions during the period that YBTBN is investigating any conduct allegedly in violation of the Agreement. If a Travel Site Owner's business is canceled for disciplinary reasons, the Travel Site Owner will not be entitled to recover any commissions withheld during the investigation period;
- f) Suspension of the individual's Travel Site Owner Agreement for one or more pay periods;
- g) Probationary period during which time any further infractions of the Agreement will result in termination of the Travel Site Owner's business.
- h) Termination of the offender's Travel Site Owner Agreement;
- i) Any other measure expressly allowed within any provision of the Agreement or which YBTBN deems practicable to implement and appropriate to equitably resolve injuries caused partially or exclusively by the Travel Site Owner's policy violation or contractual breach; or
- j) In situations deemed appropriate by YBTBN, YBTBN may institute legal, including criminal, proceedings for monetary, criminal and/or equitable relief exclusive of the procedures outlined in Sections 9.4 and 9.5 below.
- k) YBTBN reserves the right to accept or deny any application or terminate anyone for any reason such as past or current felony convictions, acts of moral turpitude or other actions which, at the sole discretion of YBTBN, would harm the reputation of YTB or its current share- or stakeholders.

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9.2 - GRIEVANCES AND COMPLAINTS

When a Travel Site Owner has a grievance or complaint with another Travel Site Owner regarding any practice or conduct in relationship to their respective businesses, the complaining Travel Site Owner should first report the problem to YTBTN'S Compliance Department at CodeOfEthics@ytb.com. If the matter involves interpretation or violation of YTBTN'S policies, the Compliance Department will review the facts and attempt to resolve it. If it is not resolved, it will be referred to the Dispute Resolution Board for final review and determination.

9.3 - DISPUTE RESOLUTION BOARD

The purpose of the Dispute Resolution Board ("DRB") is to: (1) review appeals of disciplinary sanctions; and (2) review matters between YTBTN'S Travel Site Owners. After the response or settlement instituted by the Compliance Department has been denied or otherwise remains unresolved, upon written request, the DRB reviews evidence, deliberates, and responds to current outstanding issues on a collective basis.

A Travel Site Owner may submit a written appeal within seven (7) business days from the date of: (i) the written notice by YTBTN of disciplinary action; or (ii) the written decision of the Compliance Department, as applicable, regarding disputes between Travel Site Owners.

All communication with YTBTN and the Travel Site Owner seeking resolution of a dispute must be in writing and sent via U.S. Mail. It is within the DRB's discretion whether a claim is accepted for review. If the DRB agrees to review the matter, the DRB shall schedule a hearing within fifteen (15) business days of receipt of the Travel Site Owner's written request. All evidence (e.g., documents, exhibits, etc.) a Travel Site Owner desires to have considered by the DRB must be submitted to YTBTN with the written request for a review with the DRB. The decision of the Dispute Resolution Board will be final and subject to no further review, except as provided in Sections 9.4 and 9.5 below. During the pendency of the claim before the DRB, the Travel Site Owner waives his or her right to pursue arbitration or any other remedy.

Following issuance of a disciplinary sanction that includes a fine, suspension or termination, the disciplined Travel Site Owner may appeal the sanction to the DRB. Travel Site Owner's appeal must be in writing and received by YTBTN within fifteen (15) days from the date of YTBTN'S notice of the disciplinary sanction. If the appeal is not received by YTBTN within the fifteen (15) day period, the sanction will be final. The Travel Site Owner must submit all supporting documentation with his or her appeal correspondence. If the Travel Site Owner files a timely appeal of a disciplinary sanction, the DRB will review and reconsider the sanction, consider any other appropriate action, and notify the Travel Site Owner in writing of its decision.

The DRB will be made up of a minimum of three mid- to senior-level management personnel of YTBTN and two Travel Site Owners with at least one year of Active Travel Site Owner status. All members will be selected by YTBTN.

9.4 - MEDIATION

Prior to instituting any arbitration as provided in Section 9.5 below, the parties shall meet in good faith and attempt to resolve any dispute arising from or relating to the Agreement through non-binding mediation. One individual who is mutually acceptable to the parties shall be appointed as mediator. The mediator's fees and costs, as well as the costs of holding and conducting the mediation, shall be divided equally between the parties. Each party shall pay its portion of the anticipated fees and costs at least ten (10) days in advance of the mediation. Each party shall pay its own attorney fees, costs, and individual expenses associated with conducting and attending the mediation. Mediation shall be held in Edwardsville, Illinois and shall last no more than two (2) business days.

9.5 - ARBITRATION

If mediation is unsuccessful, any controversy or claim arising out of or relating to the Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

Travel Site Owners waive all rights to trial by jury or by any court. All arbitration proceedings shall be held in Edwardsville, Illinois, unless the laws of the state in which a Travel Site Owner resides expressly require the application of its laws, in which case the arbitration shall be held in the capital of that state. All parties shall be entitled to all discovery rights pursuant to the Federal Rules of Civil Procedure. There shall be one arbitrator, an attorney at law, who shall have expertise in business law transactions with a strong preference being an attorney knowledgeable in the direct selling industry, selected from the panel which the American Arbitration Panel provides. Each party to the arbitration shall be responsible for its own costs and expenses of arbitration, including legal and filing fees. The decision of the arbitrator shall be final and binding on the parties and may, if necessary, be reduced to a judgment in any court of competent jurisdiction. This agreement to arbitration shall survive any termination or expiration of the Agreement.

Nothing in the Agreement shall prevent YBTBN from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction, permanent injunction or other relief available to safeguard and protect YBTBN'S interest prior to, during or following the filing of any arbitration or other proceeding or pending the rendition of a decision or award in connection with any arbitration or other proceeding.

Intellectual Property and/or Trademark infringements are specifically excluded from arbitration.

9.6 - GOVERNING LAW, JURISDICTION AND VENUE

Jurisdiction and venue of any matter not subject to arbitration shall reside exclusively in Madison County, State of Illinois. The Federal Arbitration Act shall govern all matters relating to arbitration. The law of the State of Illinois shall govern all matters relating to or arising from the Agreement. Notwithstanding the foregoing, and the arbitration provision in Section 9.5, residents of the State of Louisiana shall be entitled to bring an action against YBTN in their home forum and pursuant to Louisiana law.

SECTION 10

PAYMENT AND SHIPPING

10.1 - RETURNED CHECKS

All checks returned by a Travel Site Owner's bank for insufficient funds will be re-submitted for payment. A \$25.00 returned check fee will be charged to the account of the Travel Site Owner. After receiving a returned check from a customer or a Travel Site Owner, all future orders must be paid by Credit Card, money order or cashier's check. Any outstanding balance owed to YBTBN by a Travel Site Owner for NSF checks and returned check fees will be withheld from subsequent bonus and commission checks.

10.2 - SALES TAXES

In designing YBTBN opportunity, one of the guiding philosophies has been to free Travel Site Owners from as many administrative, operational, and logistical tasks as possible. In doing so, Travel Site Owners are then able to concentrate on those activities which directly affect their incomes, namely travel sales. To these ends, YBTBN relieves Travel Site Owners of the burdens of collecting and remitting sales taxes, filing sales tax reports, and keeping records relative to sales taxes.

By virtue of its business operations, YBTBN is required to charge sales taxes on all purchases made by Travel Site Owners and Customers, and remit the taxes charged to the respective states. Accordingly, YBTBN will collect and remit appropriate sales taxes on behalf of Travel Site Owners, based on the suggested retail price of the products, according to applicable tax rates in the state or province to which the shipment and services are destined. If a Travel Site Owner has submitted, and YBTBN has accepted, a current Sales Tax Exemption Certificate and Sales Tax Registration License, sales taxes will not be added to the invoice and the responsibility of collecting and remitting sales taxes to the appropriate authorities shall be on the Travel Site Owner. Exemption from the payment of sales tax is applicable only to orders of product or services which are sent to a state for which the proper tax exemption papers have been filed and accepted. Applicable sales taxes will be charged on orders destined to another state. Any sales tax exemption accepted by YBTBN is not retroactive.

****PLEASE NOTE: All items are subject to tax as applicable****

SECTION 11

INACTIVITY AND CANCELLATION

11.1 - EFFECT OF CANCELLATION

As long as a Travel Site Owner remains active until the next pay cycle and complies with the terms of the Travel Site Owner Agreement, YBTBN shall pay commissions to such Travel Site Owner in accordance with the existing and current commission structure. A Travel Site Owner's bonuses and commissions constitute the entire consideration for the Travel Site Owner's efforts in generating sales and all activities related to generating travel sales. Following a Travel Site Owner's non-renewal of his or her Travel Site Owner Agreement, written cancellation for inactivity, or voluntary or involuntary cancellation of his or her Travel Site Owner Agreement (all of these methods are collectively referred to as "cancellation"), the former Travel Site Owner shall have no right, title, claim or interest to any pending commissions related to future travel booked through their Travel Site. A Travel Site Owner whose business is cancelled will lose all rights as a Travel Site Owner. This includes the right to market YBTBN travel products and services and the right to receive future commissions, bonuses, or other income. In the event of cancellation, Travel Site Owners agree to waive all rights they may have, including but not limited to property rights, to any bonuses, commissions or other remuneration derived from travel sales or other activities of his or her former referring travel business.

Following an Travel Site Owner's cancellation of his or her Travel Site Owner Agreement, the former Travel Site Owner shall not hold himself or herself out as a Travel Site Owner of YBTBN and shall not have the right to sell YBTBN'S products or services. A Travel Site Owner whose Travel Site Owner Agreement is canceled shall receive commissions and bonuses only for the last full pay period he or she was active prior to cancellation (less any amounts withheld during an investigation preceding an involuntary cancellation).

Travel services booked by an active Travel Site Owner prior to a voluntary or involuntary cancellation are the property of YBTBN and will not be transferred to any other travel agency.

11.2 - INVOLUNTARY CANCELLATION

A Travel Site Owner's violation of any of the terms of the Agreement, including any amendments that may be made by YBTBN at its sole discretion, may result in any of the sanctions listed in Section 10, including the involuntary cancellation of his or her Travel Site Owner Agreement. Cancellation shall be effective on the date on which written notice is mailed, faxed, or delivered to an express courier for delivery to the Travel Site Owner's last known address (or facsimile number).

YBTBN reserves the right to terminate all Travel Site Owner Agreements upon thirty (30) days written notice in the event it elects to: (i) cease business operations; (ii) dissolve as a corporate entity; (iii) merges or sells substantially all of its assets, and the successor desires to cease existing business operations; (iv) terminate distribution of its services; or (v) change its business model.

11.3 - VOLUNTARY CANCELLATION

A participant in Travel Site Owner business has a right to cancel at any time, regardless of reason. Cancellation must be made by calling (618)655-9477 Ext 2 (Customer Support) and make the request. Please have your billing address, Travel Site Owner number and the credit card number you used to sign up when calling.

SECTION 12

GLOSSARY OF TERMS

ACTIVE CUSTOMER

A Customer who purchases YBTBN'S travel services by or through a Travel Site Owner's Travel Site.

ACTIVE TRAVEL SITE OWNER

A Travel Site Owner who has continuously paid the \$49.95 monthly fee for the replicated Travel site and actively marketed travel through same.

AFFILIATE

Is an individual who first purchases a travel website, is able to personalize their website with a Travel site name (except in Canada). An Affiliate is allowed to book travel only on their website and receives 60% of the travel commissions paid to YTB Travel Network, Inc. for that travel.

AGREEMENT

The contract between YBTBN and each Travel Site Owner includes the Travel Site Owner Application and Agreement, YBTBN Policies and Procedures, YBTBN Commission Structure (for Travel Site Owners), and the Business Entity Registration Form (where appropriate), all in their current form and as amended by YBTBN as necessary and at its sole discretion. These documents are collectively referred to as the "Agreement."

CANCEL

The termination of an Travel Site Owner's business. Cancellation may be either voluntary or involuntary or result from non-payment.

COMMISSIONS AND BONUSES

All compensation paid to a qualified Travel Site Owner.

CUSTOMER

A retail customer of travel services who books travel either for themselves individually or on behalf of a company or other organization and can include groups, tours and cruises.

E-CAMPUS

On-line travel training modules for Travel Site Owners.

IMMEDIATE HOUSEHOLD

Heads of household and dependent family members residing in the same house.

ID NUMBER

The identification number assigned to a Travel Site Owner by YTB TN for all YTB TN identification purposes.

OFFICIAL MATERIAL

Literature, audio or video tapes, disks, and other materials developed, printed, published and distributed by YTB TN to Travel Site Owners.

REFERRING TRAVEL AGENT ('RTA')

Is an Affiliate who has paid for and attended a First Class Travel Training and is subsequently allowed to complete off-line and group travel bookings. RTAs receive 70% of the travel commissions paid to YTB Travel Network, Inc. for their customers' booked and completed travel.

RESALABLE

Any sales aid shall be deemed "Resalable" if each of the following elements is satisfied: (i) they are unopened and unused; (ii) packaging and labeling has not been altered or damaged; (iii) they are in a condition such that it is a commercially reasonable practice within the trade to sell the merchandise at full price; (iv) they are returned to YTB TN within one year from the date of purchase; and (v) the product contains current YTB TN labeling. Any merchandise that is clearly identified at the time of sale as nonreturnable, discontinued, or as a seasonal item, shall not be Resalable.

RETAIL CUSTOMER

An individual who purchases YTB TN travel services from a Travel Site Owner but who is not a participant in YTB Marketing and Compensation Plan or YTB TN Travel Site Owner Program. See the definition of "Customer" above.

TRAVEL AGENT

Is a Travel Site Owner who has completed all available "e-campus" training modules.

SECTION 13

TRAVEL SITE OWNER TERMS AND CONDITIONS

13.1 - TERMS AND CONDITIONS

The undersigned hereby represents, warrants, covenants and agrees with YTBTN as follows:

- a) The undersigned Travel Site Owner is of legal age in the state in which Travel Site Owner resides. Travel Site Owner will support the worldwide travel industry and YTBTN by promoting and making travel sales during the duration of the Agreement. Travel Site Owner has and will continue to pay all hosting fees (including the initial fee to become a Travel Site Owner) personally that are required by the Agreement. Travel Site Owner agrees that no other Independent Marketing Representative ("REP") of any YTBTN affiliated company, YTBTN Travel Site Owner or any other individual or entity has or will pay for the undersigned's hosting fees, and Travel Site Owner will not allow any such person to pay his or her hosting fees, including the initial fee to become a Travel Site Owner. Travel Site Owner hereby represents and warrants to YTBTN that (i) Travel Site Owner has no obligations to or relationships with other parties that would (a) present a conflict with carrying out the duties under the Agreement, (b) prevent Travel Site Owner from carrying out the duties under the Agreement, or (c) present a significant potential for disclosure of information to YTBTN that is not publicly known and that Travel Site Owner is obligated to a third party to keep confidential, (ii) Travel Site Owner's execution and performance of the Agreement does not and will not violate the legal or contractual rights of any third party, (iii) Travel Site Owner has the power and authority to execute, deliver and perform the Agreement and (iv) all information and materials submitted to YTBTN are true and correct, including but not limited to Travel Site Owner's Social Security Number and/or Federal Employee Identification Number.
- b) Travel Site Owner acknowledges and agrees that Travel Site Owner is not guaranteed any income, profits or success by virtue of Travel Site Owner's position with YTBTN, and Travel Site Owner certifies that no such representations or warranties have been made to Travel Site Owner. Travel Site Owner shall not make any false or misleading statements about the Travel Site Owner position.
- c) Travel Site Owner is authorized and licensed by YTBTN to act as a Travel Site Owner for YTBTN and shall receive Travel Site Owner's own personalized YTBTN travel website created and hosted by YTBTN. Travel Site Owner further acknowledges and agrees that YTBTN'S trademarks, service marks, trade names, patents and copyrighted materials are owned exclusively by YTBTN and/or its affiliated companies, and that use of such intellectual property by Travel Site Owner shall be in compliance with the Agreement.

****PLEASE NOTE: All items are subject to tax as applicable****

- d) Travel Site Owner understands that YBTBN does not provide a sales program or a marketing plan as regards to customer gathering or the selling of travel products, and that Travel Site Owner is responsible for determining his or her own customer gathering and travel product selling methods; provided, however, that at all times Travel Site Owner shall comply with the obligations and restrictions set forth in the immediately preceding Section of these Terms and Conditions and the Agreement.
- e) YBTBN shall pay to Travel Site Owner a share of the commissions received by YBTBN from third party vendors, in connection with travel and travel related sales booked through Travel Site Owner's website, in accordance with YBTBN commission structure, which is incorporated herein by this reference, as the same may be modified, changed or amended from time to time in YBTBN'S sole discretion. Travel Site Owner travel sales commissions are earned by Travel Site Owner and payable to Travel Site Owner only upon completion of online booked travel and, as to vendor direct bookings, the receipt by YBTBN of the Commission Claim Form from Travel Site Owner prior to the travel date of the Travel Site Owner referred travel order. Travel Site Owner may also become eligible for special travel opportunities and prices available to YBTBN Travel Site Owners from travel product vendors from time to time. Travel Site Owner understands that benefits offered by travel and tourism vendors to travel agents are discretionary privileges offered by travel vendors. YBTBN is not responsible for the availability, if at all, of such benefits and does not make any express or implied warranties with respect to such benefits.
- f) The Agreement will become binding and effective upon YBTBN'S acceptance at its home office in Wood River, Illinois.
- g) Travel customers deal exclusively with YBTBN except as expressly directed and authorized in advance to Travel Site Owner by YBTBN, and Travel Site Owner may not:
 - ✓ Receive travel customer payments in cash or charge a "booking" or "service" fee to any travel customer.
 - ✓ Issue travel tickets or documents for any travel customer.
 - ✓ Process travel customer refunds.
 - ✓ Engage in the promotion or sale of non-YBTBN provided travel and/or travel related services; provided, however, that a Travel Site Owner may be actively employed by a non-Internet based travel agency.
 - ✓ Act in any manner, or assist other Travel Site Owners in acting in any manner, to cause pending travel and travel related product and service orders to be cancelled or to be transferred to a travel agency other than YBTBN.
 - ✓ Receive or net out travel commissions from or with a travel vendor.

PLEASE NOTE: All items are subject to tax as applicable

- h) The Agreement shall be binding upon the parties and their respective heirs and permitted successors and assigns.
- i) Travel Site Owner agrees to indemnify and hold harmless YTBTN, its parents, subsidiaries and affiliates, and their shareholders, officers, agents, employees and directors, from and against any and all claims, demands, liabilities, losses, damages, costs or expenses, including but not limited to, court costs and attorneys' fees, asserted against, or suffered or incurred by, any of them by reason of, arising out of, resulting from or in any way connected with, directly or indirectly, Travel Site Owner's (1) activities as a Travel Site Owner, including without limitation, any unauthorized representations made by Travel Site Owner or any errors or omissions made by Travel Site Owner in connection with Travel Site Owner's business, (2) breach of the terms of the Agreement or (3) violation of or failure to comply with any applicable federal, state or local law or regulation, whether or not litigation is commenced. YTBTN shall have the right to offset any amounts owed to Travel Site Owner hereunder against the amount of any commissions, bonuses or other amounts owed to Travel Site Owner from YTBTN.
- j) As an inducement for YTBTN to enter into the Agreement and in consideration of the mutual covenants herein contained, Travel Site Owner agrees that during the term of the Agreement and for a period of one year thereafter, Travel Site Owner shall not, directly or indirectly, on Travel Site Owner's own behalf or on the behalf of any other person or entity, solicit, induce or hire or attempt to solicit, induce or hire any REP, Travel Site Owner, distributor, employee, member, customer, supplier or vendor of YTBTN or any of its affiliated companies (1) to enter into any business relationship with any other direct sales or network marketing company or (2) to terminate or alter his or her business or contractual relationship with YTBTN or any of its affiliated companies. In addition, Travel Site Owner agrees that during the term of these Terms and Conditions, Travel Site Owner shall not, directly or indirectly, on Travel Site Owner's own behalf or on the behalf of any other person or entity, engage in selling travel or travel related products on behalf of another network marketing or direct sales company.
- k) Credit card chargebacks, if initiated by Travel Site Owner to obtain a refund on his or her initial and first month hosting fee, will be honored by YTBTN only when received by YTBTN from the credit card issuing bank (usually several weeks after chargeback is sought), and will result in a \$25.00 administrative expense surcharge to Travel Site Owner if received by YTBTN after five (5) days following the applicable payment.

- l) TRAVEL SITE OWNER HEREBY ACKNOWLEDGES AND AGREES THAT IN NO EVENT WILL YBTBN OR ANY OF ITS AFFILIATED COMPANIES BE LIABLE UNDER THESE TERMS AND CONDITIONS, THE POLICIES AND PROCEDURES, THE COMMISSIONS PLAN OR THE AGREEMENT, UNDER ANY THEORY OF LIABILITY, FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR SIMILAR DAMAGES, EVEN IF YBTBN HAS BEEN ADVISED OF THE POSSIBILITY THEREOF.
- m) Except as more fully set forth in the Policies and Procedures, Travel Site Owner is eligible to receive a refund for products, services (except actual travel booked) and literature purchased by Travel Site Owner, less a 10% handling fee, if Travel Site Owner chooses to terminate the Agreement and return the products and services in resalable currently marketable condition within twelve (12) months of purchase.
- n) Travel Site Owner agrees that upon breach of the Agreement YBTBN will be immediately and irreparably harmed and cannot be made whole solely by monetary damages. Travel Site Owner agrees that the remedy at law for any breach of any provision of the Agreement shall be inadequate and that, in addition to any other remedies at law or in equity that it may have, YBTBN shall be entitled, without the necessity of proving actual damages or posting bond, to temporary or permanent injunctive relief to prevent the breach of any provision of the Agreement, and/or to compel specific performance of the Agreement.
- o) YBTBN shall be entitled to its costs and expenses, including reasonable attorneys' fees, in enforcing its rights under the Agreement.
- p) If under any applicable law or rule of any applicable jurisdiction, any provision of the Agreement is held to be invalid or unenforceable, the remainder of the Agreement will be interpreted as best to effect the intent of the parties hereto. The remaining provisions of the Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from the Agreement. In addition to any other provision set forth in the Policies and Procedures that survive termination or expiration of the Agreement, the provisions of Section 13 Subsections (a), (h), (i), (m), (o), (p), (r) and (s) of these Terms and Conditions shall survive the expiration or termination hereof.

- q) The Agreement may be signed and transmitted by facsimile machine and, if so, is intended to and will be treated as an original document with original signatures and considered to have the same binding effect as an original document with original signatures.
- r) The Agreement constitutes the entire agreement between Travel Site Owner as a Travel Site Owner and YTBTN, supersedes all prior agreements and no other promises, representations, guarantees or agreements of any kind shall be valid unless in writing and signed by both parties.
- s) Notwithstanding anything herein to the contrary, Louisiana residents may bring an action against YTBTN with jurisdiction and venue as provided by Louisiana law, and a Montana resident may cancel within 15 days from the date of enrollment and may receive a full refund of all amounts paid to YTBTN.

TRAVEL SITE OWNER'S SIGNATURE BELOW INDICATES THAT TRAVEL SITE OWNER HAS READ, UNDERSTANDS AND AGREES TO THESE TERMS AND CONDITIONS AND POLICIES AND PROCEDURES CONTAINED IN THIS AND THE PREVIOUS 48 PAGES.

Signature: _____ Date: _____

Primary Applicant Printed Name: _____

ID Number: _____

Signature: _____ Date: _____

Secondary Applicant Printed Name, if applicable: _____

ID Number: _____