

EUROPEAN UNION FAQ

General Information

Q: What is the business model for It Works!® in the EU?

A: We are a U.S. based company registered for VAT in the EU and entering into certain markets in the UK/EU, with local supply from a fulfillment center located in Haddenham, England. Product success in the United States and Canada has had many of our independent distributors sharing It Works! innovative products with friends and acquaintances in countries overseas. As a result, It Works! has taken the necessary steps to begin market entry into the EU for those who wish to be early adopters of both these products and the accompanying direct sales opportunity.

Q: What countries can Distributors and Loyal Customers sign up in?

A: Currently, EU residents may sign up with It Works! in the United Kingdom, Belgium, Ireland, the Netherlands, and Sweden.

Q: Will the current Training Academy be offered and will it be country-specific?

A: Yes, the Training Academy is available and includes country specifics. The Training Academy content of other countries where It Works! is doing business is also available in your eSuite (your online office).

Q: What marketing material will be available for EU Distributors?

A: Market-specific marketing material is available for download and printing for the EU. Because there are many international laws and regulations it is important to use the EU specific materials provided in the International Document section of your eSuite. These materials will change often and It Works! will manage each country's content to keep in line with local laws and regulations.

Q: What type of identification is needed when new distributors apply in the EU?

A: EU residents must provide identification information to It Works! to be accepted as It Works! distributors. Such identification shall include a Citizen's ID, valid passport number, or valid driver's license number. The new distributor will also need to fill out and return an IRS W8BEN Form, which can be found on the application when enrolling online. If the Distributor calls Customer Service to enroll, they will be required to complete and either fax or email a copy of the W8BEN, which can be found in the International Document section of eSuite. This U.S. W8BEN Form will ensure distributors do not have U.S. taxes withheld on any commission payments received from It Works!. Any income taxes required to be reported to or paid to the home country of the distributor on commissions paid are wholly the responsibility of the distributor receiving such commissions and NOT the responsibility of It Works!.

Q: How does It Works! protect your privacy?

A: The security of your personal information is extremely important to us. We never sell or rent your personal information to any third parties under any circumstances. We're committed to protecting the security and privacy of any personal information you provide to us.

Please see the International Addendum to the It Works! Policies and Procedures located in your eSuite "Documents" tab for further information.

Product

Q: Which products will be available to the EU?

A: The entire It Works! skin care line is currently available and includes our signature product, the Ultimate Body Applicator™. This product tightens, tones, and firms the body to minimize cellulite and improve the skin's texture and tightness. The Ultimate Body Applicator's companion product, Defining Gel, which is used on a daily basis for continued results, and our Facial Applicator™ to firm and lift the skin are also offered. We will also offer FITworks!™, our web-based fitness program (www.fitworkscommunity.com) and the online Training Academy tool.

Q: Are EU distributors able to receive Applicator Rewards?

A: Applicator Rewards will be offered to Distributors in the European Union. To qualify for Applicator Rewards, you must personally enroll 2 loyal customers who do not share a ship-to address with you or your other Loyal Customers. By qualifying, you are eligible for one box of Ultimate Body Applicators or Facial Applicators at a discounted rate.

Q: Can I have the consumer try a product for a fee at a trade show, expo, or home party?

A: Yes.

Q: Can I give consumers their order directly at a trade show, expo, or home party?

A: Yes.

Q: What governing body has approved these products to be used as cosmetics and sold in the EU?

A: The European Union does not have an authority which approves cosmetics for placement on the market. The EU legislation related to cosmetics has been harmonized according to the Fair Trading Authority in the EU and the regulations call for the following:

1. Product ingredients to be acceptable according to EU cosing lists
2. Labeling to be compliant
3. Manufacturers to maintain safety and compliance files

It Works! complies with each of these areas for the products to be sold in the EU.

Distribution

Q: How will products be sold and distributed?

A: Products will be available to It Works! Independent Distributors via internet purchase from the U.S., and supply will be made locally via the fulfillment center in Haddenham, England. Customer Service will remain with It Works! in Bradenton, FL, U.S.A. until sales volumes reach sufficient levels to support localized offices.

Q: What if I need to return a product?

A: If it is necessary to return a product, please send to:

It Works!

Viking Industrial Estate

Hudson Road, Unit 2B

Bedford, MK41 0QB

Please send the return through a traceable delivery service; this will help expedite the crediting process.

Q: How long will it take for an order to arrive to the consumer?

A: Products will be sent directly from the UK warehouse to customer and distributor addresses. Consumers should allow 3-7 business days for delivery from the time the order ships from the fulfillment center.

Q: How can I get up-to-date tracking information?

A: Please note, your It Works! orders will generally display as 'Printed' online despite having shipped. For questions strictly regarding tracking of parcels, please submit a ticket under 'Shipping and Returns-Order Tracking.'

Customer Service

Q: What Distributor and Loyal Customer support will the EU have?

A: All support will be coordinated through our US corporate headquarters during U.S. hours of operation:

Monday – Friday: 1:00 am – 8:00 pm CT

Saturday - Sunday: 8:30 am – 5:00 pm CT

Q: Can EU distributors and customers use It Works! customer service?

A: Yes. EU distributors and customers are encouraged to call in or email their questions to the It Works! International Customer Service Team.

UK Toll-free: 0-(800) 098-8925

Ireland Toll-free: 1-(800) 816-026

Belgium Local: +32-78480292

Sweden Local: (77) +46-770791808

Netherlands Local: +31-858880101

Fax: 00 1 888 711 3760

Regulations/Restrictions

Q: Are there any marketing restrictions for the business opportunity in the EU?

A: No. Unlike an NFR model, large scale business opportunity meetings at places such as hotels are allowed under the licensing agreement. If someone wishes to purchase the product after your demonstrations, they may, or you can refer them to your It Works! Independent Distributor personalized website for ordering.

Q: What is my personalized website/eSuite?

A: When purchasing a new Business Builder Kit, the new Distributor receives a personalized website free for 30 days plus full access to their online business tools in eSuite. After 30 days, a \$20 USD monthly charge applies. The personal website will follow the format

<http://sitename.myitworks.com>, and excludes the prefix 'www.'

Q: When I sign up a new EU customer or distributor, which laws are used?

A: EU residents who sign up as Distributors with It Works! are doing so under EU Law and Venue. Sales are made in USD over the internet in the United States, with supply being made from a local UK fulfillment center. It Works! is registered for VAT in the EU, and all forms are modified to be compliant with EU Direct Selling and consumer protection regulations.

Q: Can an EU It Works! Distributor sign up U.S., Australian and/or Canadian distributors and customers?

A: Yes. Unlike most companies we have the necessary software in place to allow for a cross-market genealogy where you do not have to maintain country specific legs.

Q: Are there any order restrictions for EU orders?

A: Yes. EU residents are limited to £200 worth of orders in their first seven (7) days of signing up. After the first seven days there are no restrictions. There may be other Trading Restrictions related to your presentation of the business opportunity and business you conduct.

Q: Do I need a work visa while abroad for sponsoring Distributors and/or Loyal customers?

A: In general, you are NOT working in the EU (no firm is paying you or employing you) but visiting for business meetings from the U.S. and Canada and as a result, in most cases work visas are not needed for up to 90 days in a single trip. However, depending upon your personal circumstance (citizenship, residency, etc) you should seek your own personal guidance via visa and passport requirements for the EU for those countries rules and how it applies to them individually. See the following websites for guidance: <http://www.ukvisas.gov.uk/en/doineedvisa/>

Q: Can I bring product and promotional material with me when travelling to the EU?

A: You should NOT bring U.S. product or U.S. promotional material with you while traveling abroad as it does not have International labeling and country specific verbiage. However, you may need to bring very limited quantities as personal property. You assume all risk of bringing product into the EU. Also, do not declare any product as samples, otherwise you may find yourselves held up by customs and paying duties. Distributors and Loyal Customers will be supplied from their respective international warehouses. It Works! will have the necessary international forms and letters and other promotional materials available in your eSuite.

Social Media

Q: Can I make claims about products on Facebook and other social media sites?

A: No. All distributors, including residents of the European Union, are not allowed to make any statements or claims about It Works! products or the opportunity unless it comes directly from It Works! official company literature and marketing materials. Thus, no statements about inch loss or the income opportunity is allowed.

You can obtain EU specific requirements by reviewing the International Addendum to the It Works! Distributor Policies and Procedures.

Public Relations/Personal Marketing

Q: Can I promote my business in magazines, newspapers, or on new stations/television?

A: Yes. However, your advertisement and/or script must be approved first by our Compliance Team. Please submit it to compliance@itworksglobal.com.

Pricing/Commissions

Q: Will pricing be in local currency?

A: At this time for international residents, It Works! pricing for products is in U.S. Dollars and commissions are also paid in U.S. Dollars. The EU website will have its own pricing displayed in USD. For your understanding, this policy has been formulated for a number of reasons including logistics, legal and practical reasons, as well as to minimize price changes due to fluctuations in foreign exchange markets. It Works! recognizes this may be an inconvenience for some individuals and may be modified in select countries in the future as sales volumes warrant or local offices are established. All orders will be processed by credit card only.

Q: Why are the products currently priced in U.S. dollars (USD) rather than our currency?

A: This allows for an established set price (in USD); whereas if it were priced in local currency, the price would change/adjust regularly based on currency fluctuations. Being priced in U.S. currency also allows the distributor to benefit from favorable currency swings, which in most parts of the world today is favorable versus the USD.

Q: How will my credit card be billed?

A: All pricing is shown in U.S. Dollars and the price appears as U.S. Dollars on your invoice as we process all of our payments in USD. When you pay via credit card, the currency conversion is handled at that time by the credit card processor or by your card issuer at a rate that is not set by It Works! and you can expect that exchange rates will vary. The amount in your local currency and the conversion rate will be shown on your payment account statement. Please contact your card issuer to verify the applicable rates.

Q: How do I figure in taxes on product sales?

A: Applicable UK VAT will be itemized on your invoice. The shipping service is also taxable.

Q: When signing up someone in Belgium, Sweden, Ireland, Northern Ireland, or Netherlands what VAT is applied?

A: Since order fulfillment and shipments are occurring out of the UK, the UK VAT is applied.

Q: Why might I experience a declined transaction?

A: Due to international fraud protection regulations, a user may experience a declined transaction. To remedy this, the user may need to contact their credit card company or bank to authorize a transaction from It Works!.

Q: How will returns/refunds be processed?

A: Any unwanted/unused items must be returned within 30 days of the purchase date to be eligible for a refund. Refunds will be processed and issued to the same credit card used to purchase the order within 30 days of receipt. Current world exchange rates apply and may attribute to the fluctuation in price differences. It Works! does not determine these rates. As a European Union Distributor you are agreeing to conduct business on the basis of USD, not EUR or GBP.

Q: When will I get my commission check or Fast Start Bonus?

A: Monthly commissions are paid by 5PM EST (GMT-5) on the 15th of the month and are in USD. If the 15th falls on a US Federal holiday or weekend, commissions will be paid on the previous business day. Weekly Fast Start bonuses are paid by 5PM EST (GMT-5) on Friday for bonuses earned the previous week. If Friday is a US federal holiday, bonuses will be paid the previous business day. With the Paylution account, distributors will be able to convert their funds to local currency and transfer them to their bank accounts whenever they choose or they can schedule an automatic transfer. Commission statements may show different amounts from their actual commission received due to USD vs GBP and/or EUR currency differentiation.

Q: What are the commission payment methods and how do they work?

A: We have two payment methods for commissions:

Paylution is the default method and is an eWallet account. A Paylution account is created for distributors the first time we send them a commission or bonus payment and there is nothing the distributor needs to do prior to being paid to have this account set up. The distributor will receive an activation email for their account once we have sent the payment. This account will allow the distributor to convert the funds to other currencies, manually transfer the funds at any time to a bank account in or outside the US, and set up an automatic transfer so commissions are automatically transferred to a bank account as soon as they arrive in the Paylution account.

Payoneer is a Prepaid Mastercard that the distributor can apply for through their eSuite. This card is available in all countries that we currently do business in. There is a feature that allows Payoneer Card to Payoneer Card transfers. For international distributors, funds will be converted to local currency when the payment is loaded on the card.

Q: Why are there two commission payment options? Which method should I choose?

A: We offer two commission payment options to better serve both US and international distributors. Paylution offers all distributors the ability to transfer their funds to their bank accounts but currently offers only a USD prepaid card option at this time. Payoneer offers an international prepaid card that will be loaded in local currency. This card would not have foreign transaction charges on any POS transactions but transferring funds to your bank account is only an option for US distributors. If international distributors would rather have the Payoneer card, they may apply for this through their eSuite.