



**Consumer Benefits Network**

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## **TERMS & CONDITIONS**

STB Credit Clear Limited trading as the Consumer Benefits Network Limited, ("the Company" or "CBN" of 2<sup>nd</sup> Floor Station House, Stamford New Road, Altrincham, Cheshire, WA14 1EP) promotes this selling system in the United Kingdom. The services marketed by the Company are claims management services and associated products and services marketed by the Company from time to time ("the Services").<sup>1</sup> This agreement is made between you, the applicant and the Company, and the Company shall have the right in its sole discretion to reject any application [or any application to renew this Associate Agreement]. In consideration of the Company granting to you (including any joint Associate) the non exclusive right to promote and market the Services, you agree to the following terms and conditions:

1. On acceptance of this Associate Agreement by the Company, you are appointed as a CBN Associate ("Associate") for a period of 12 months after acceptance or such other date as the Company may in its discretion specify from time to time] and whilst you remain an Associate you are entitled to promote and market the Services in the United Kingdom<sup>2</sup> and to sponsor other persons to do the same. You are not entitled to any geographical exclusivity. You will be remunerated in accordance with the Marketing Plan. The Company reserves the right in its sole discretion to accept or reject an application to become an Associate. The Associate Agreement will renew annually on the expiration date set by the Company unless you give notice to the Company that you do not wish to renew the Associate Agreement. On renewal the Associate annual administration fee of £99.00 including VAT for the year 2010, (to include the Company's administration and processing of your renewal and the Company providing information, newsletters and support throughout the following year), (such amount to be subject to revision for subsequent years) is payable by [deduction from your credit or debit card].

2. You agree that you are a self employed Associate and an independent contractor and the Associate Agreement does not create a franchise or employed relationship, partnership or joint venture. You hereby acknowledge that you have no power or authority to bind the Company or to negotiate, make representations or warranties or incur any liability on its behalf. As an Associate you are responsible for all expenses you incur in running your business including income taxes, National Insurance Contributions and VAT and for filing all necessary returns and keeping such records as are necessary to ensure the proper assessment and payment of tax and you agree to indemnify the Company for any liability in this respect. In the event that the Company is required to pay VAT on any payments due to you under the Marketing Plan or otherwise the Company reserves the right or otherwise (subject to any necessary approvals) to self bill for such sums, in which event VAT shall only be paid to you if you are registered for VAT and provides the Company with a copy of your VAT registration certificate. If having been registered, you become de-registered for VAT voluntarily or due to your turnover falling below the VAT threshold applicable at the relevant time or otherwise, you must notify the Company in writing of the fact of such de-registration within fourteen (14) days of the de-registration taking effect. If the Company is obliged or liable to make any payment of VAT to the tax authorities as a result of your failure to notify the Company of de-registration for VAT then you hereby acknowledge and agree that the Company shall be entitled to recover from you the amount of such VAT by deduction from monies due to you under the Marketing Plan or by any other means available to the Company from time to time. Further as an Associate you agree to abide by any and all laws, rules and regulations and codes of conduct pertaining to this agreement and/or pertaining to the promotion of the Services (and in particular the Trading Schemes Regulations 1997, the Consumer Protection from Unfair Trading Regulations 2008, and in particular any codes of conduct issued by the Ministry of Justice in connection with the promotion or marketing of claims management services).

3. You agree that you will not under any circumstances make any payment or undertake to make any payment to or for the benefit of the Company exceeding £200 including VAT during the 7 day period after entering into the Associate Agreement.

4. The only financial obligation on you as an Associate is the purchase of your CBN website license. Except as stated in this clause 4 there is no other purchase or investment necessary to become an Associate and no other financial obligation following the acceptance of the Associate Agreement and the purchase of Services and promotional or marketing literature and tools is entirely optional. Attendance at training is optional except in the case of the induction training. If there is any subsequent change in an Associate's financial obligations under the Associate Agreement then the Company will give you at least 60 days advance notice thereof.

5. Only one Associate position is permitted per household. An Associate can only hold one position in the CBN marketing organisation whether held directly or indirectly as an individual, partnership or as an officer, manager or member of a limited company or other entity.

6. The Company will accept as Associates individual persons, partnerships or limited companies subject to the terms of the Associate Agreement. Associates may use a trading name for the conduct of their CBN business. Spouses and/or civil partners must hold one position as joint Associates. [Corporate applicants must complete a Business Entity Registration form.]

7. The person named as Sponsor on the application form is your original Sponsor. If that person ceases at any time to be an Associate your Sponsor will become the next person in your upline. If you wish to change your Sponsor you must resign, terminate the Associate Agreement and re-apply to become an Associate after waiting a period of at least 6 months after resigning. If you change your Sponsor after resigning and re-applying after a period of 6 months has elapsed your former team will remain in its original position and cannot be transferred to your new line of sponsorship.

8. You may sell or otherwise transfer your CBN business to another person(s) subject to the prior written consent of the Company and provided that the purchaser(s) or transferee(s) signs an Associate Agreement, has not been an Associate for at least 6 months prior to their purchase of the business and meets any other eligibility criteria in force from time to time to become a CBN Associate. Any such sale requires the Company's consent and must be on terms approved by the Company. The Company shall be a party to any sale agreement to the extent that its consent is required to the sale. The seller or transferor

of an Associate position must not re-apply to become an Associate or purchase another Associate position for a period of 6 months from the date of any such sale or transfer. The Company may in its sole discretion permit the sale or transfer of a CBN business but is not obliged to permit the same and shall be entitled to consent subject to any conditions that the Company shall in its sole discretion consider appropriate in the circumstances.

9. The Associate Agreement shall terminate on the death of an individual Associate unless the Company expressly agrees otherwise in writing with your duly appointed personal representatives and in which case the Company may in its sole discretion permit the beneficiaries of your estate either (i) to accept the Associate position on the terms and conditions of the Associate Agreement as if they were a party thereto or (ii) to require final payment of sums due (if any) under the Associate Agreement. The Company reserves the right to suspend the Associate position until receipt of documentation evidencing the entitlement of the beneficiary(ies) to your Associate position.

If you are incapacitated and unable to operate your CBN business your rights and responsibilities under the Associate Agreement can be assumed by your attorney who may handle your affairs as a CBN Associate even though he /she may him/herself hold a CBN Associate position. The Company reserves the right to suspend your Associate position until receipt of documentation evidencing the authority of the attorney.

10. The Company has the right to alter the price, range and specification of the Services at any time at its discretion.

11. The Company pays no commissions or bonuses whatsoever for merely introducing new Associates. The Company only pays commissions or bonuses on the introduction of customers for its Services. You agree to use your active and best efforts at all times to promote CBN Services and to promote the CBN business opportunity. CBN Associates are not guaranteed any specific amount of earnings and any earnings and success will depend upon the sale of CBN Services and the acquisition of customers for CBN Services and the acquisition of customers by other CBN Associates in the your team. The fulfilment of published Service sales and customer acquisition requirements set out in the Marketing Plan as amended from time to time as well as sponsor support responsibilities and compliance with the terms of the Associate Agreement is a condition of qualification for bonuses, commissions or rank advancements.

12. You are entitled to sponsor other persons as Associates if they are resident in the United Kingdom and meet any other applicable eligibility requirements specified by the Company from time to time. If you sponsor other Associates you agree to use your best efforts to provide, on an on-going basis, bona fide support and training to them, including but not limited to ongoing contact, communication, encouragement and support.

13. The Company may set off any amount due to it from you, from any amount due from the Company to you. During the term of the Associate Agreement the Company may require the repayment ("clawback") of any bonus or other payment received by you in the 120 days preceding the Company giving you notice of claw back in respect of refunds or services and goods which are subsequently returned, cancelled or refused to which such bonus or other payment relates. You will reimburse the Company any exceptional charges incurred in processing any payments received from you, including charges arising out of any need to re-present any cheque.

14. You agree to comply with the terms of the application form, these terms and conditions, [the Business Entity Registration Form if applicable] and the Marketing Plan, each such document as amended from time to time. The Company has the right to change the application form, these terms and conditions, [the Business Entity Registration Form] and the Marketing Plan at any time upon written notice to you (to be given in such manner as the Company may reasonable determine) and your continued engagement in promoting the Services and the business opportunity, or both, after notice of any such revisions, shall constitute your agreement to such revisions.

15. You agree to conduct your business in a lawful and ethical manner and to do nothing that will reflect adversely on the goodwill and good reputation of the Company or the Services or other Associates. Further you agree to abide by any and all laws, rules, codes of conduct and regulations, pertaining to the Associate Agreement (and in particular the Trading Schemes Regulations 1997 and the Consumer Protection from Unfair Trading Regulations 2008) and/or pertaining to the promotion of CBN Services. You may not make any unauthorised claims, whether verbal or written, about the Services nor any exaggerated, misleading or false claims about the Services or the business opportunity or describe them in terms different from those set out in the Company's literature. You agree not to use misleading, unfair or deceptive practices when promoting the Services or recruiting other Associates. As a CBN Associate you are liable for all statements you may make which deviate from such information issued by the Company and hereby indemnify the Company from any loss, damages, claims, costs including legal fees or court costs or fines arising from unauthorised representations made by you.

16. You may not advertise in any media, use any of the Company's trade marks, names, slogans, symbols, colour schemes or brands (except when distributing literature provided by the Company) or produce any material for your own use or the use of other Associates without the Company's prior written consent.

17. You may terminate the Associate Agreement, at any time without penalty, simply by giving not less than fourteen days written notice to the Company to that effect. The Company may terminate the Associate Agreement without notice at any time if you breach its terms and may terminate it otherwise with or without cause by giving you not less than 14 days written notice.

18.(a) If in accordance with Clause 17 above within 14 days of entering into the Associate Agreement you cancel it by giving written notice to the Company you have the right:

- i. To recover all monies paid to or for the benefit of the Company; and
- ii. To return to the Company at its address stated on the application form any goods which you have purchased from the Company within that period and which remain unsold, provided that such unsold goods remain in the condition in which they were at the time of purchase (except their external wrappings may have been broken), and to recover any monies paid in respect of such goods and to require the Company to refund to you an amount equal to 100% of any monies paid in respect of such goods; and
- iii. To cancel any Services which you have ordered within that period from the Company and to recover any monies paid in respect of such services not yet supplied to you.

(b) In order to recover any monies under Clause 18(a) (i) or (iii) you must give written notice requesting the repayment of such monies to the Company at its address as stated overleaf within 14 days of entering into this Associate Agreement and the Company shall repay you such monies as you may be legally entitled to recover after the date of receipt of such notice.

c. In order to recover any monies paid for goods under Clause 18(a) (ii) you must deliver the goods to the Company within 21 days of giving notice to terminate this Associate Agreement to the Company's address as stated overleaf. You shall bear the cost of such delivery. The monies paid in respect of those goods is payable to you on delivery of the goods or forthwith if the goods have not yet been delivered to you.

d. The Company does not make a handling charge in respect of goods returned under Clause 18 (a) (ii) or in respect of Services cancelled under Clause 18(a) (iii)

(e) If the Company terminates the Associate Agreement at any time or if you terminate it more than 14 days after entering into it, then you have the following rights;

(i) You shall have the right to return to the Company any goods which you have purchased from the Company within a period of 90 days prior to such termination and which remain unsold and to recover from the Company:

(ii). Where you have terminated the Associate Agreement, the price (inclusive of VAT) which you paid from them less (1) in the case of any goods the condition of which have deteriorated due to an act or default on your part, an amount equal to the diminution in their value resulting from such deterioration; and less (2) a reasonable handling charge.

(iii). Where the Company has terminated the Associate Agreement the price (inclusive of VAT), which you paid for them together with any cost incurred by you for returning the goods to the Company Associate.

e. The amount recoverable by you under this Clause 18(e) is payable by the Company upon proof of purchase and the delivery of the goods to the Company or, if the goods are already held by the Company, forthwith.

f. If you wish to exercise your rights under this Clause 18(e) you must deliver any goods (not already held by the Company) which you wish to return within 21 days of such termination to the Company's address as stated on the application form.

g. On termination of the Associate Agreement for whatever reason you shall be entitled to retain any commission paid to you in accordance with the Associate Agreement unless:

i. The commission was paid in respect of goods returned to the Company;

and

ii. The Company has refunded any monies due to you in accordance with the termination provisions of the Associate Agreement set out above; and

iii. Repayment is claimed by the Company within 120 days of the commission having been paid in which case you shall repay the commission to the Company forthwith on demand and the Company may set-off the amount of such commission against any amount due from the Company to you.

h. Except where the obligation on you is specified to apply after termination in respect of non-competition in accordance with the Associate Agreement, you will be released from all future contractual liabilities towards the Company on termination of the Associate Agreement.

19. You agree that payments of refunds (under this or any other provision) will be made in the same form as the original payment.

20. You agree that during this Associate Agreement and for a period of 90 days following its termination you will not:

a. Encourage, persuade, sponsor or recruit any person who is a Associate [(who was not personally sponsored by you in the CBN business)] into any other claims management business opportunity or any other business opportunity offering competing products and or services to those offered by the Company from time to time or encourage any such Associate to cease to be an Associate or to be a less active Associate;

b. Encourage or persuade any customer of the Company at the time of your termination and introduced by you to cease to become a customer of the Company;

c. Take or encourage any action the purpose or effect of which would be to circumvent, breach, interfere with or diminish the value or benefit of the Company's contractual relationship with any other CBN Associate; or

d. Participate in any other claims management or network marketing opportunity promoting products or services in direct competition with the Company.

21. You agree that the information which you give the Company (including information in relation to you, your address and other details) will be retained and processed by the Company as data controller on a computer database and or manually and will be used by the Company for purposes including the marketing commissions payable and performance of the CBN business and contact from your team upline. You agree that the Company may disclose and transfer this information to other CBN Associates and affiliated or associated entities of the CBN group of companies which are situated inside and outside of the EEA and to other persons for the purposes of the CBN business and you hereby consent to the Company retaining, processing and disclosing this information for the purposes set out in this Clause 21.

22. In order to protect the integrity of the Company's Associate organisation and the business environment in which the Company operates, if you discover or suspect a violation of the Associate Agreement by a CBN Associate you should first discuss the problem with the other Associate. If this does not resolve the problem it should be reported to his/her upline team to resolve the issue. If the matter cannot be resolved, it should be reported in writing to the Company including details of the date, location and nature of the violation and the identity of the Associate alleged to be in breach. An Associate alleged to have breached the Associate Agreement will be suspended in accordance with Section 24 and required by the Company in writing, to respond to the allegations within a period of ten (10) days. On receipt of the Associate's response, the Company will investigate, will review the submissions and determine what action is appropriate to be taken. Where violations are proven or are not refuted by the Associate in question, this may result in a written warning, suspension or termination of the Associate Agreement. The Company shall notify the Associate in writing of any determination. The Associate will then be allowed twenty one (21) days from the date of the notice of determination in which to appeal the action in writing to the Company. Appeals should be made to the Appeals Committee which shall hear any such appeals once per calendar month.

23. The right of a terminated Associate to receive compensation from the Company ceases immediately from the date of the termination. Furthermore, a terminated Associate must stop sponsoring the Company Associates, using the Company promotional materials, trademarks, trade names, service marks, logos and colour schemes representing himself/herself as a CBN Associate or act in any way which may be adverse to the business of the Company or its Associates. On termination of the Associate Agreement the existing team of the Associate moves up.

24. The Company shall be entitled to place an Associate on suspension, for a period of up to ninety (90) days. The Company reserves the right in its sole discretion to determine the period of suspension. The right of a suspended Associate to receive compensation from the Company ceases immediately from the date of suspension through to the end of the suspension period. A suspended Associate must cease selling the Company products, promoting CBN Services, sponsoring the Company Associates, using the Company promotional materials, trademarks, trade names, service marks, logos and colour schemes, representing himself/herself as a Associate or act in any way which may be adverse to the business of the Company or its Associates. At the expiry of the suspension period the Associate shall be reinstated to good standing with the Company or where the suspension is for breach of the Associate Agreement, it may be terminated.

25. The Company's Team Summaries (being the information held by the Company relating to its Associates, which at the Company's option may include but are not limited to its relationships with each of its Associates, the sponsorship of each Associate, the Associate's Support team and historical purchasing information for each Associate) contain confidential information which is highly sensitive and valuable to the Company's business and which shall at all times remain the property of the Company. In the event that the Company shall agree to disclose details of any of its Team Summaries to you as an Associate:

- (a) you will (to the extent such details are not publicly available other than by breach of the Associate Agreement) at all times and without limit in time treat such details as confidential information in the nature of a trade secret and shall not use or disclose or permit the use or disclosure of such details to any other person (and shall take all reasonable steps to protect and maintain the security of the information) and shall use the details solely for the benefit of your CBN business and of the Company and for the stated purpose for which they were provided; and
- (b) you will return copies of any such information to the Company forthwith upon the termination of the Associate Agreement for whatever reason.

26. No failure by the Company to exercise, or delay by the Company in exercising, any right under this Associate Agreement shall operate as a waiver thereof.

27. The terms and provisions of this Associate Agreement are governed by English law and any dispute arising thereunder shall be governed by English law and the parties hereby submit to the exclusive jurisdiction of the English courts.

28. If at any time any term or provision in this Associate Agreement shall be held to be illegal, invalid or unenforceable in whole or in part under any rule of law or enactment such term or provision or part shall to that extent be deemed not to form part of this Associate Agreement but the enforceability of the remainder of this Associate Agreement shall not be affected.

29. Any notice or other communication required to be given under the Associate Agreement, shall be in writing and shall be delivered personally, or sent by pre-paid first-class post or recorded delivery or by commercial courier, to each party required to receive the notice or communication at the address set out on the application form or as otherwise specified by the relevant party by notice in writing to each other party. Any notice or other communication shall be deemed to have been duly received:

- (a) if delivered personally, when left at the address and for the contact referred to in this clause; or
- (b) if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second Business Day after posting; or
- (c) if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed. [A notice or other communication required to be given under the Associate Agreement shall not be validly given if sent by e-mail.] The provisions of this clause shall not apply to the service of any proceedings or other documents.

30. The Contract (Rights of Third Parties) Act 1999 are hereby excluded and shall not apply to this Associate Agreement.

31. This Associate Agreement, including the application form, these terms and conditions, [the Business Entity Registration Form, if applicable] and the Marketing Plan (as amended from time to time) constitute the entire agreement between you and the Company and no other additional promises, representations, warranties or agreements of any kind shall be valid unless in writing and issued by the Company.

32. On or prior to making a referral, as a CBN Associate and customer introducer you will in respect of the relevant application for Services ("Claim"):

- (a) Provide all documentation reasonably required from time to time by the Company to initiate the Claim assessment process; summary of the customer's Claim.
- (b) Provide comprehensive contact details for the customer, including but not limited to:

Full Name;

Address (to include Post Code);

Home Telephone Number or Mobile Telephone Number;

Best Time to contact;

Email address (where possible).

(c) Advise the customer of any further supporting documents which may be required by the Company and which the customer may be required to forward as soon as possible.

(d) Supply the Company such other information as the Company may reasonably request from time to time in order to enable the Company to comply with the requirements of the professional and ethical regulations of any relevant regulator including but not limited to the Ministry of Justice, its agencies and/or any other professional body.

33. The Company will only notify you as the introducer of acceptance of a particular Claim after completion of the initial audit and on the basis that the assessment made is that the circumstances of the customer will be reasonably resolved by the undertaking of a particular financial claim, and that the Company believes that it will be able to successfully make the necessary arrangements to take the case forward. The Company will further notify you once the claim has been accepted by a member of the Company's legal panel following full legal audit.

34. From the date of acceptance and in respect of each Claim accepted:

(a) The Company will and will use all reasonable endeavours to ensure that any[affiliated and associated entities act on behalf of the customer without unreasonable delay to carry out all work required to secure a successful Claim.

(b) The Company agrees to be reasonably accessible to the Customer during normal business hours for consultation regarding any aspect of their Claim while work is in progress.

(c) The Company will provide the Services having regard to appropriate legislation and professional standards and ensure that all appropriate registrations and licenses are held, a copy of which will be available on request.

(d) In the event of an additional claim arising from the review process which is otherwise unknown to the Company, the Company will inform you as the introducer of any such additional Claim which shall be treated in accordance with the terms of this Associate Agreement.

35. The Company agrees to maintain an up-to-date record of the progress of each Claim. In the event of a failure of a Claim, either by the Claim being considered unviable by the Company or its affiliated or associated entities on further investigation, the Company will explain to the Customer the reasons for the failure. In the event of a failure of a Claim in the circumstance described above the Company agrees not to enter into any alternative arrangement either directly or indirectly with the customer or refer or introduce the customer to any other individual, individuals or companies in order to enter into any other arrangement, without your express written consent.

36. The Company provides induction training to all new Associates in order to ensure the highest standards of customer care and service; no commissions will be payable unless and until you have completed such induction training. Where appropriate the Company will endeavour to provide suitable follow up training to assist you in your role as the introducer and to enhance your provision of services to customers and potential customers.