

POLICY AMENDMENT – REINSTATEMENT OF MEMBERSHIP

May 4, 2005

To All Our Valued Distributors:

Referring to our previous circular dated January 1, 2004, membership would be lapse if distributor fails to have one (1) personal purchase transaction with PV in any consecutive twelve (12) months period; and those whose membership is lapse and re-registers as a new distributor is not entitled to his/her former network. In order to have smoother transition of this change of policy, the Company has decided to update its procedure on re-registration of membership. Henceforth, the following procedure will apply:

For distributors whose membership were lapse in / before April 2005 and had re-registered themselves by the date of this circular, they would be entitled to reinstate their membership and former network provided:

1. they have re-registered under the same sponsor**; and
2. they maintain their minimum Personal PV (PPV)* under the former membership in any month for the period of May, June and July 2005; and
3. their reinstatement of former membership is endorsed by Executive Diamond Committee.

In this scenario, the new membership code would be disabled upon reinstatement of old membership and any sponsoring under the new code would be transferred to old code.

For distributors whose membership were lapse in / before April 2005 and had not re-registered themselves by the date of this circular, they would be entitled to reinstate their membership and former network provided:

1. they maintain their minimum PPV* in any month for the period of May, June and July 2005; and
2. their reinstatement of former membership is endorsed by Executive Diamond Committee.

For those whose membership lapsing in / after May 2005, they may reinstate their membership and former network provided:

1. they maintain their minimum PPV* in any of three months subsequent to the lapse of membership; and
2. their reinstatement of former membership is endorsed by Executive Diamond Committee.

In either scenario of the above, the reinstatement would be effective upon due approval from the management. In other words, the reinstatement would not be backdated. Purchases, if any, made after lapse of membership would be accumulated and encoded according to marketing plan in the month of reinstatement.

Distributors who fail to reinstate their membership within the above-said grace period may not be entitled to reinstate their former network upon their re-registration after the grace period.

Note:

* minimum PPV refers to the Personal PV to be maintained per month for entitlement of bonus; i.e. 30 PPV

** for those who have re-registered themselves under different sponsor, this policy does not apply.

THE MANAGEMENT



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