

Preliminary Agreement or Letter of Intent
by and between
NUALO
and

This Preliminary Agreement / Letter of Intent (hereinafter referred to as 'LOI') entered into on _____ ("Effective Date"), by and between **NUALO, a Utah LLC**, with its primary office located at **10808 S. Riverfront Pkwy ste 3061, South Jordan, Utah ("NUALO")** and _____, with its primary office located at _____, the "Potential Brand Partner" (hereinafter "PBP"), collectively known as the "Parties" for the purpose of establishing and achieving the various goals and objective relating to this LOI and the NUALO Brand Partner (hereinafter "BP") Program.

WHEREAS, the aforementioned Parties desire to enter into the herein described agreement in which they shall work together to accomplish the goals and objectives set forth;

AND WHEREAS, the Parties are desirous to enter an understanding, thus setting out all necessary working arrangements that both Parties agree shall be necessary to complete the business activities commensurate with completing a Final Agreement between ;

AND WHEREAS, the MISSION and PURPOSE of this agreement shall be the establishment services, provided by NUALO for an in behalf of the PBP, respective to NUALO's Community Influencer, Reseller and Customer selling and remuneration platform commensurate with the scope, purpose, design, tools, software, legal documents and other commensurate work performed by "Envex.com, LLC, DBA NUALO" as of the date of the signing of this LOI. The Parties intend for this LOI to provide the cornerstone and structure for any and all possibly impending binding contract(s) which may be related to this effort.

OBJECTIVES

The Parties shall endeavor to work together to the achievement and execution of a more formal Agreement for services rendered by the PBP to NUALO.

RESPONSIBILITIES AND OBLIGATIONS OF THE PARTIES

It is the desire and the wish of the aforementioned Parties to this LOI that this document should not and thus shall not establish nor create any form or manner of a formal agreement or indenture, but rather an agreement between the Parties to work together in such a manner that would promote a genuine atmosphere of collaboration.

TIMELINE and TERMS OF UNDERSTANDING

The above outlined scope and objective shall be contingent upon the Parties maintaining a favorable relationship and renewing this agreement or crafting a new agreement within 30 days of the signing of this LOI, which may be extended upon the written mutual agreement of both Parties. Responsibilities under this LOI may coincide with other future agreements between the Parties.

AMENDMENT OR CANCELLATION OF THIS LOI

This LOI may be amended or modified at any time in writing by mutual consent of both parties. In addition, the LOI may be canceled in writing by either party within 10 days of its endorsement, with the exception where cause for cancellation may include, but is not limited to, a material and significant breach of any of the provisions contained herein, when it may be canceled upon delivery of written notice to the other party.

GENERAL PROVISIONS

The Parties acknowledge and understand that they must be able to fulfill their responsibilities under this LOI in accordance with the provisions of the law and regulations that govern their activities. Nothing in the LOI is intended to negate or otherwise render ineffective any such provisions or operating procedures. The parties assume full responsibility for their performance under the terms of this LOI. If at any time either party is unable to perform their duties or responsibilities under this LOI consistent with such party's statutory and regulatory mandates, the affected party shall immediately provide written notice to the other party to establish a date for resolution of the matter.

LIMITATION OF LIABILITY

Except where outlined in this agreement, no obligations, rights, or limitation of rights shall arise or be assumed between the Parties as a result of the terms of this LOI.

ARBITRATION/MEDIATION DISPUTE RESOLUTION

The Parties to this LOI agree that should any dispute arise through any aspect of this relationship, including, but not limited to, any matters, disputes or claims, the parties shall confer in good faith to promptly resolve any dispute. In the event that the parties are unable to resolve the issue or dispute between them, then the matter shall be mediated followed, if necessary, by arbitration in the State of Utah in an attempt to resolve any and all issues between the parties. Furthermore, the parties agree that any claim or dispute that arises from for through this agreement, the relationship or obligations contemplated or outlined within this agreement, if not resolved through mediation, shall then go to and be resolved through final and binding arbitration in the State of Utah. Any decision reached by the Arbitrator shall be final and binding and, if required, may be entered as a judgment in any court having jurisdiction.

In the event that any court having jurisdiction should determine that any portion of this Agreement to be invalid or unenforceable, only that portion shall be deemed invalid and not effective, while the balance of this Agreement shall remain in full effect and enforceable. This Agreement shall be interpreted and governed by and in accordance with the Federal Arbitration Act 9 U.S.C. §1-16.

NOTICE

Any notice or communication required or permitted under this LOI shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such address as one may have furnished to the other in writing.

GOVERNING LAW

This LOI shall be governed by and construed in accordance with the laws of the State of Utah.

SEVERABILITY CLAUSE

In the event that any provision of this LOI shall be deemed to be severable or invalid, and if any term, condition, phrase or portion of this LOI shall be determined to be unlawful or otherwise unenforceable, the remainder of the LOI shall remain in full force and effect, so long as the clause severed does not affect the intent of the parties. If a court should find that any provision of this LOI to be invalid or unenforceable, but that by limiting said provision it would become valid and enforceable, then said provision shall be deemed to be written, construed and enforced as so limited.

ASSIGNMENT

Neither party to this LOI may assign or transfer the responsibilities or agreement made herein without the prior written consent of the non-assigning party, which approval shall not be unreasonably withheld.

ENTIRE UNDERSTANDING

The herein contained LOI constitutes the entire understanding by and between the Parties pertaining to all matters contemplated hereunder at this time. The Parties signing this LOI desire or intend that any implementing contract, license, or other agreement entered into between the Parties subsequent hereto shall supersede and preempt any conflicting provision of this LOI whether written or oral.

SUMMARIZATION

FURTHERMORE, during the 30-day term of this LOI, in preparation for a more formal agreement and in consideration for any services that may be rendered by the PBP to NUALO, the Parties acknowledge and agree they will work together in a cooperative and coordinated effort, and in such a manner and fashion as to in Good Faith bring about the conclusion of a NUALO Brand Partner Agreement between NUALO and the PBP. This Agreement shall include, but is not necessarily limited to, defining the terms, responsibilities, obligations and relationships between the Parties, including that:

1. The term of the Agreement shall begin the day the Parties conclude a NUALO Brand Partner Agreement and shall continue until terminated as provided in the Agreement.
2. The Agreement shall begin with an initial, 90-day evaluation period, during which NUALO shall evaluate pricing, services and other elements of the relationship and agreement between the parties; after which further amendments to the Parties' Agreement may be required.
3. The PBP has currently secured, and shall maintain at all time during the business relationship between the Parties, an adequate, binding and legally valid Product Liability Insurance Policy in all markets the product is shipped to, issued by a reputable insurer, covering any and all products which may be sold under the Agreement.
4. The PBP shall at all times maintain accurate, regular reporting to NUALO as to the quantity and type of product inventory it has on hand and available. Where the PBP may not have sufficient product inventory on hand and available to fulfill a potential order the PBP must immediately notify NUALO. NUALO does not intend to allow back-orders to occur within its selling platform(s).
5. The NUALO Retail Sales Price of a product shall be the basis for determining NUALO fees and remuneration of the PBP.
 - a. The PBP shall retain the difference between (a) the NUALO Retail Sales Price; and (b) any NUALO Fees. This amount is referred to as the PBP's Gross Profit from NUALO before (i) the PBP's operating expenses; (ii) the PBP's production cost of goods sold; (iii) order fulfillment and shipping; and (iv) other related costs as may be specific to that PBP. This Gross Profit from NUALO shall be referred to as the "BP Share".
 - b. NUALO shall retain, as it's Gross Proceeds, a portion of the Retail Sales Price, as mutually agreed, which may include fees commensurate with elective NUALO Services (i.e., Fulfillment by NUALO) as desired and agreed to by the PBP. These Gross Proceeds to NUALO shall be referred to as the "Nualo Share"; and are calculated before the allocation of (a) NUALO's general operating expenses and other costs; and (b) commission(s) paid to Influencers (in aggregate amounts of up to 50% of the NUALO Retail Price) by NUALO on behalf of the PBP (as

calculated from the Commissionable Score value assigned to the product) in remuneration for their efforts in promoting the sale of Products.

6. NUALO will remit the BP Share, as described above, on a regular basis, which the PBP will accept as payment in full. This remittance amount shall be net of any fees or limitations described in the Agreement (i.e., any taxes that NUALO may automatically calculate, collect and remit to a tax authority according to applicable law and/or minimum balance.
7. Unless mutually agreed to in writing between both parties, the PBP shall grant NUALO (a) a worldwide, royalty-free, non-exclusive selling license for the products specified in the Agreement; (b) derivative rights for the duration of the Agreement; and (c) an irrevocable guarantee that the price at which the PBP specifies its product(s) should be sold by NUALO (Minimum Advertised Price or MAP pricing) shall be equal to or lower than the price at which the same (or their equivalent) is sold via any other marketplace or other selling method.
8. Except as may be provided under specific terms of a separate service agreement, the PBP shall be required to disclose to NUALO (a) the true and actual manufacturing cost of goods sold for its products and will be responsible for the manufacture, warehousing, care, condition, quality, fulfillment, delivery, marketing collateral (i.e., company logos, style guides, brand images, product images and support data, flyers, FAQs, videos, content, and all other collateral necessary to efficiently and effectively market and sell the PBP's products); (b) finished product details, including labels, applicable Harmonized Tariff Codes, finished product dimensions & weights, multi-pack configurations and details; (c) any known international product licenses or registrations, duties, tariffs and/or taxes respective to its product as offered on any NUALO platform; (d) any FDA, Health Canada, EC, TGA or other regulatory body approvals commensurate to the PBP's products; and (e) a list, and description of the respective circumstances, under which the PBP's product are or may--within the next 6 months--be made available for sale outside the United States through means other than Nualo's platform.
9. Unless a Fulfillment by Nualo Service agreement is concluded between the PBP and NUALO, the PBP is required to accommodate actual or anticipated returns.
10. NUALO shall provide for Merchant Payment & Processing Services, consumer gamification & rewards, Influencer commission and bonus calculation, tracking and payment, Sales Tax calculation and assessment, a software based selling platform (and commensurate API, APP and Ecommerce solutions), customer support services, and online tools and training.
11. It is not NUALO's intent to bill or otherwise charge any consumer, or remunerate the PBP, for the fulfillment or delivery cost of any product sold through its platform. In some circumstances, however, it may be necessary to collect from the customer a fee (or fees) for international duties, tariffs and/or taxes; in which case NUALO may collect from the customer an international delivery surcharge. Where an international delivery surcharge is so assessed, NUALO will (a) notify the PBP; and (b) remit (through NUALO's BP payments portal) an international shipping subsidy as shall be disclosed in writing by NUALO to the PBP.
12. It is not the intent of this LOI to restrict the Parties to this Agreement from their involvement or participation with any other public or private individuals, agencies or organizations.
13. The Parties to this LOI shall mutually, and in Good Faith, contribute and take part in finalizing a NUALO Brand Partner Agreement; and shall participate in any and all requisite discussions and deliberations to the fullest extent possible.
14. Except as outlined in this LOI, it is not the intent or purpose of this LOI to create any rights, benefits and/or trust responsibilities by or between the parties.
15. The LOI shall in no way hold or obligate either Party to supply or transfer funds to maintain and/or sustain the other Party.

- 16. The Parties to this LOI have the right to individually or jointly terminate their participation in this Agreement provided that advanced written notice is delivered to the other party.
- 17. Upon the signing of this LOI by both Parties, this Agreement shall be in full force and effect.

AUTHORIZATION AND EXECUTION

The signing of this LOI does not constitute a formal undertaking, and as such it simply intends that the signatories shall strive to reach, to the best of their abilities, the goals and objectives stated in this MOU.

This Agreement shall be signed by Mel Atwood for NUALO, LLC and

_____, and shall be effective as of the date first written above.

Signature: _____
(Mel Atwood for NUALO)

Date: _____

Signature: _____
(_____ for the PBP)

Date: _____

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