



# Memorandum

Friday, October 10, 2018

Reference No.: 20181005-001

TO : All Office Staff, Members, Mobile Stores and Mega Centers  
FROM : The House of Herbs Board of Directors  
SUBJECT : Single Account Policy

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In preparation to the upcoming House of Herbs System called the House of Herbs Web Version 2.0, several memos will be implemented and set in place so that every needful thing required for this transition will be in order.

#### **PURPOSE:**

1. In order to be compliant to SECTION 1. Title I, Article 4, paragraph (k) of Republic Act No. 7394 known as "THE CONSUMER ACT OF THE PHILIPPINES, PROHIBITING PYRAMID SALES SCHEME", the House of Herbs Trading/House of Herbs Trader Corp. will consolidate or retain only the main account of all multiple accounts into a single account with provisions that the members are dealt fairly. This will prevent both front inventory loading and unjust claims of unusually large returns on investments or get-rich-quick promises assuring members that the House of Herbs is purely a Multi-level Marketing company (MLM)
2. In the quest of the House of Herbs to expand globally, a single account will also be compliant with the laws and guidelines of other countries since they consider MLMs with multiple accounts as scams. The House of Herbs would be compliant with the laws of both in the Philippines and in the world.

#### **ACCOUNT DEFINITION:**

1. A single account in the House of Herbs means that only one live person would have one account in the system. Each account is subject for one-time verification before a member can claim his or her income. Verification time should be less than or equal to 3 days from the date when the member completed all of the requirements
2. All group accounts or known as "Corpo" accounts should first be duly approved by a House of Herbs authorized representative based on the guidelines below:
  - a. Members could only join one group account.
  - b. Cross lining of members within the group is prohibited.
  - c. Members should designate an authorized personnel from their group to claim incomes
  - d. The House of Herbs shall not be liable to any damages arising from violation of agreements of any individual/s within the group.
  - e. The House of Herbs reserves all the rights and privileges to terminate Corpo accounts that violate ethical and moral standards, involving in cases of deceit, fraud or misdemeanor, after a proper review process.

Application forms will be provided by a customer care agent and an approval process will be followed before each group account is created. Unauthorized groups that have been created will be terminated accordingly.

#### **DETAILS:**

Upon implementation of a "SINGLE ACCOUNT POLICY", starting **October 13, 2018**, just after the system cut-off deadline (please see the House of Herbs Memo with Reference No.: 20181005-002), the following provisions will be in effect:

1. Member accounts will be converted to a single account with the following conditions:
  - a. All existing accounts of the members will be added and converted into amounts that can **ONLY** be used to purchase a higher package.

- b. The unmatched points accumulated within each of the accounts will also be consolidated and can be added to the amount that the member can use.
- c. If the total points are lower than the desired package, corresponding payments for the difference are required based on the guidelines that the House of Herbs has set. Equivalent product/s will be provided based on the amount paid. This guideline will be available on **October 13, 2018**. A customer care agent will facilitate this activity to satisfy all the questions that the member would ask and he or she should sign an agreement form for this purpose.
- d. A special privilege will be given to members to get the packages at **50% DISCOUNT** if they convert their accounts and pay the difference on or before **November 8, 2018**. Below are the discounted packages:
  - i. Entrepreneur Package (Original Price – P9,600), pay only P4,800
  - ii. Executive Package (Original Price – P11,200), pay only P5,600
  - iii. Elite Package (Original Price – P56,000), pay only P28,000
- e. Members who have unclaimed incomes has an option to also use them to enjoy the benefits of a higher package and maximize their income. However, this is **NOT MANDATORY**.

Should the member retain a portion or all their incomes and not use it for this purpose, they should wait for the implementation of the member verification system to claim their incomes.

Estimated time that the said verification system should be ready is on November 19, 2018, or later. An official SMS announcement will be provided for confirmation and all unclaimed incomes will be released individually based on the House of Herbs fund release schedule

- f. The amounts coming from the consolidated packages and points will not provide incomes to uplines or sponsors since the products and incomes had already been given prior to the consolidation activities
- g. If the combination of additional accounts and points are greater than the packages that the member wished to purchase, he or she can assign it to one of his or her immediate member of the family as long as they are 18 years or older. For situations that require a member to give this account other than his or her immediate family member that is not a member of the House of Herbs, the member needed to sign a waiver and create a new registration form for this non-member. The waiver would be available on the House of Herbs website FAQ section starting **October 13, 2018**.
- h. For those members who will not signify or who fails to communicate regarding the package they would like to get on or before the cut off date, their accounts will be automatically consolidated to the highest possible package that their main and additional accounts, as well as their points, can reach will be used a reference as indicated above

The House of Herbs reserves all the rights and privileges to implement all the necessary provisions of this memo to achieve its purpose as explained.

For your reference and guide.

Thank you,

The House of Herbs

*This memo has been duly approved in agreement with the House of Herbs Board of Directors last **October 10, 2018** and will be in effect on **October 13, 2018**.*