

IMPORTANT NOTICE

EFFECTIVE JANUARY 1, 2007

Sales Tax Information for NHT Global Distributors

Sales taxes in the United States are very complex. Presently, there are over 7,800 sales taxes imposed. The rate of tax and taxability of products varies from state to state and even within a state. The States of Alaska, Delaware, Montana, New Hampshire and Oregon do not presently have a sales tax. Of these states, only Alaska has local sales taxes. The rates and taxability of products are subject to constant change. When our distributors sell our products, they are required to collect the sales tax based on their selling price.

To relieve our distributors of this complex burden, NHT Global entered into agreements with all states and local jurisdictions (except Alaska) that impose a sales tax to collect these taxes on behalf of all distributors. As a NHT Global independent distributor, you are required to comply with the terms of these agreements.

Effective January 1, 2007, these agreements require NHT Global to collect the applicable tax based on the suggested retail price of taxable products and ship-to-address. The amount subject to sales tax will include the shipping charge if the state to which the products are shipped requires sales tax be charged on this cost. All sales taxes collected will be remitted to the appropriate state and local jurisdiction as required by the law and terms of our agreements.

A distributor who sells a product for more than the suggested retail price or in a different location may have additional reporting and payment obligations for taxes imposed where the product is sold. Otherwise, the taxes that a distributor collects on retail sales will constitute reimbursement for the taxes collected by NHT Global and there will be no additional reporting or payment obligation.

Distributors are not required to have a sales tax license for their NHT Global business. However, if you have another business you may be required to have a sales tax license for that business.

These agreements are for sales tax only. Some states and local jurisdictions may require you to have a business license. You should consult with your accountant or tax preparer regarding other responsibilities you may have.

There are special requirements for distributors in the States of Hawaii, New Mexico and Washington. The Company has prepared a special bulletin for these states. Please call and request this bulletin. Distributors selling in the State of Alaska must obtain their own sales tax license, report and pay the sales taxes for those local jurisdictions where they are selling.

If you have any questions regarding this notice or need a special bulletin, please contact the Company by calling **972-241-6525** and ask to speak to a representative regarding sales taxes or write to us at **4514 Cole Avenue, Suite 1400, Dallas TX 75205**, Attention: Sales Tax.