

Terms and Conditions of PM Wellness (M) Sdn. Bhd.

1. Sales, Delivery, Payment and Shipping.

- 1.1 Every Teampartner shall order directly from PM Wellness (M) Sdn. Bhd. or any of its authorized Direct Sales Center by stating his/her Teampartner number on each order.
- 1.2 There is no minimum purchasing quantity.
- 1.3 Shipping cost: Please refer to Customer Service or Warehouse/Logistic Department.
- 1.4 Legal ownership of products shall remain with PM Wellness (M) Sdn. Bhd., until full payment of purchase price are invoiced and received by PM Wellness (M) Sdn. Bhd.

2. Legal Position.

- 2.1 Every Teampartner operates his/her PM-International Business as a self-employed independent distributor on his/her own account; and not an employee or representative of PM Wellness (M) Sdn. Bhd. or PM-International or being entitled to make declarations in the name of PM.
- 2.2 In any case of death, the teampartnership can be transferred to a child or a parent if the transfer is requested in writing with the agreement of all heirs, the heir accepts the PM Teampartner Rules in the relevant version and agrees in writing. PM's agreement may only be refused for an important reason.
- 2.3 Only the official PM-International materials are allowed to be used as sales material. The use of own material or modified PM-International materials requires a prior written consent by PM-International and/or PM Wellness (M) Sdn. Bhd. The Teampartner has no exclusive rights whatsoever, with regard to geographical area to the products distributed or the customers.
- 2.4 Any Contracts, arrangements and/or agreements, which relates to the PM products or the distribution system, requires the prior written consent of PM-International and/or PM Wellness (M) Sdn. Bhd.
- 2.5 Any Publications in respect to: - advertisement showing the PM products, the use of the names "PM Cosmetics", "PM International", "Pierre Martin", "Liv Nilsson", "Fitline", "Skin Relax", "Laurent Cristanel" etc for print, visual or audio media as well as for any other existing or future media, the duplication, translation or use even in excerpts for seminar or lecture material and electronic systems or similar media published by PM in print, visual, or audio media as well as for any other existing or future media also requires written consent of PM- International and/or PM Wellness Sdn. Bhd. All copyrights are reserved by PM-International including point herein stated.
- 2.6 A Teampartner may make no changes to PM products or their packaging and also not allow third parties to make such changes. It is permissible to include an address label with address data of a Teampartner on label as long as no advertising or product information is covered by it.
- 2.7 Teampartner is responsible for taxation of income and to submit annual income report to: - The Inland Revenue Department-Malaysia.
- 2.8 The sale of PM-International Products is carried out solely and exclusively through network marketing, i.e. excluding stationary trade, retail outlets, markets, fairs/exhibitions, internet auctions and similar sales events. The Teampartner probably has to sell at least 70% of the products to end consumers. Any sales to other Teampartners outside his group are excluded. In selling PM International Products, the comparisons to products of competitors are not allowed, as this is unlawful and unethical.
- 2.9 In so far as PM is a member of national and international associations for direct marketing, Teampartners must strictly adhere to the standards of conduct specified by these associations for their members and their distribution representatives; PM will inform Teampartners without delay of appropriate standards of conduct which must be adhered to.
- 2.10 Subject to Clause 4 below every Teampartner can register only once.

3. Product Guarantee and Buy Back Policy.

- 3.1 The buy Back Policy serves as a guideline imposed upon the sponsor who is obliged to ensure that the sponsored distributor is buying the product wisely. Distributors are advised not to buy more products than they can reasonably sell and consume within 30 days period. Sponsor should advise, provide product and business trainings and guidelines to distributor to avoid any overload of products. It is also the responsibility of every Sponsor/Teampartner to educate his/her downlines/customers to handle, use and upkeep the products to avoid hardening and contamination. As product/s return in such conditions will not be entertained, including expired products (clause 3.5 applied).
- 3.2 PM-International and PM Wellness (M) Sdn. Bhd. will make a refund for product return to all distributors/retail customers or the distributors/retail customers may choose to exchange for other products of equivalent value or accept a credit note to purchase another product, **within 30 days from PM Wellness (M) Sdn. Bhd.'s invoice date**. However, the Teampartner must first interview the customer and complete the Product Claim Form duly sign by the customer and Teampartner, stating the reason/s for such claims or exchange and submit together with the original copy/copies of the company's invoice/s, which must be in the claimant/s name to the company's Customer Service Department for verification purposes. Such product returns, product exchange and issuing of credit note is made on a case-by-case basis and will be **based on the unused or unconsumed portion of the product**. (clause 3.5 applied)
- 3.3 The company provides a Buy-Back rule to distributors (Teampartners) who desire to terminate their distributorship and return any unsold products in saleable condition within 30 (thirty) days from PM Wellness (M) Sdn. Bhd.'s invoice date. (clause 3.5 applied)
- 3.4 When initiating such returns, the distributor/retail customer must first complete a Product Return Form and return all merchandise together with the original copy/copies of the company's invoice/s, which must be in the claimant/s name and submit to the company customer service department for verification purpose.
- 3.5 Upon approval, the distributor/retail customer will receive a refund cheque made payable to the claimant for the equivalent amount **less** the total bonus paid out by the company on their original purchase and an additional 10% (ten percent) of the purchase price of the product, being handling and administrative cost. The distributor/retail customer is responsible to deliver the product/s to the company's premises and pay for all delivery/freight and handling charges, if any.
- 3.6 Under the policy, the line of responsibility for implementing the guarantee is from customer to distributor to sponsor and to the company. When differences between parties cannot be resolved, the company shall maintain the rights to make the final decision.

4. Competition

- 4.1 Without the prior written agreement of PM Wellness (M) Sdn. Bhd., it is not permissible for a Teampartner to undertake activities for a competitor of PM. A competitor of PM is taken to be any company which offers goods or services through personal direct marketing or via a network marketing system as well as, independent of the means of distribution, all companies with products partially or fully in a position of competition to PM products.
- 4.2 A Teampartner is obliged to keep every permissible distribution activity for another company completely separate from the activity for PM and with PM products. It is not permissible to draw attention to activity for PM or the status as a PM Teampartner, or to offer goods and services of the other company together with PM products, or to cause other Teampartners of PM in any way whatsoever to purchase goods or services from the other company or to become active for the other company in addition to or instead of their activity for PM.

5. Line Protection

- 5.1 The principal of PM-International and PM Wellness (M) Sdn. Bhd. is to keep and protect the sponsor line. A Teampartner who has terminated his/her business partnership or who has been deleted from PM Wellness (M) Sdn. Bhd. records as being an inactive Teampartner (12 months without personal volume) can only be enlisted again as a Teampartner if he/she makes a new application and a) is sponsored by his former sponsor or the former upline, b) if he/she wishes to be sponsored by others, he/she can do so after twelve (12) months from the date of termination or deletion. Under such situation his/her entire downline group will be compressed upwards to the immediate upline Teampartner at that time and shall be attached to him/her from that date onwards and in this respect, you shall have no claims whatsoever in this respect against the company or the upline Teampartner.
- 5.2 This line protection also applies to customers of the Customer Subscription Program (see point 5.1).
- 5.3 Spouse can only be listed as direct first (1st) line under his/her spouse's Teampartner number. Teampartner and spouse may disqualify themselves from any incentive or promotion programs if any information provided them directly or indirectly are found to be false or misleading. PM Wellness (M) Sdn. Bhd. shall have the right to sight the Certificate of Marriage when deemed necessary. Children who are of business age can within the organization of their parents) also be registered exclusively in the organization of their parents or of one parent. Siblings, parents, grandparents and grandchildren can also be registered exclusively in the first line.

6. General Validity

- 6.1 A Teampartnership requires a completely, legibly filled out application by a Teampartner; it becomes a legal agreement as soon as the application has been accepted by PM. It is not legally necessary for a Teampartner to receive a declaration of acceptance, PM will, however, inform a Teampartner of the acceptance of the application without delay.
- 6.2 A Teampartnership exists for an indefinite period it can be ordinarily terminated at any time adhering to the legal notice period. A right to extraordinary notice for an important reason remains unaffected. If a Teampartner is in breach of obligations according to 2.8, 4.1 and 4.2 of the Teampartner Rules, PM routinely sees this as an important reason for giving notice.
- 6.3 The aim and objective of the PM-International distribution system is to sell PM-International products to end consumers who purchase their PM products directly from PM and referring end customers to PM (Customer Direct Program) and referring new Teampartners to PM as a sponsor. It is thus expected from every Teampartner to look after and service his/her customers actively and regularly.
- 6.4 Teampartners freely stipulate their own place, type, time and amount of activity, on their own responsibility and without any instructions. Teampartners must themselves bear all of the costs incurred relating to the business. Each, as an entrepreneur, is responsible for the fulfillment of all legal obligations resulting from the business (registering a company, income tax, sales tax, social insurance, competition law).
- 6.5 A Teampartner has the right to a bonus for the referral of end consumers on the Customer Direct Program and also for introducing, training and supporting new Teampartners referred as a Sponsor. Requirements for, and the amounts of, the bonus can be taken from the PM Marketing Plan in the form valid at the time of referral; PM has a right of stipulation in so far as the Marketing Plan valid at any given time applies in the same way for all Teampartners.
- 6.6 Payments of bonuses and/or provisions on all paid actual volume are paid on the following month from the bonus closing month. The closing of each month's bonusable sales volume is on the last day of that month
- 6.7 Every Teampartner has the duty to train, to give instructions and to motivate continually the business partners sponsored by him/her. These are done either by himself/herself or together as a group organized by the respective peers who shall take responsibility to organize such events, with the training aids and materials from PM Wellness (M) Sdn. Bhd. and PM-International. Should the Teampartner elect to use his/her own training aids, materials and methods PM Wellness (M) Sdn. Bhd. must first approve such training aids, materials and methods.
- 6.8 The organizer/s must inform PM Wellness (M) Sdn. Bhd. of any such group seminars or trainings other than those done amongst their own group. For such group seminars and training the organizers has the right to charge a fee for each participant, provided such fee serves only to cover the cost and expense incurred. Carrying out such seminars and trainings, etc. to achieve a profit is against the PM-International company ethics and is not permissible.
- 6.9 Everything a Teampartner says about PM and PM's products must be in accordance with PM's stipulations, especially those in the product catalog, on the product labels and in other product information. On no account may a Teampartner attribute therapeutic or healing properties to PM products.
- 6.10 Every distributor has to acknowledge and adhere to the binding statutory regulations and to the generally recognized rules of behavior of direct marketing both in general advertising measures and in attracting new distributors. This leads in particular to an express prohibition of any form of 'spamming' and of the systematic head hunting of distribution partners from other companies. Violation of this will be strictly followed up by PM, even down to termination of the partnership. PM additionally specifies general rules of behavior which must be strictly adhered to at all times. This is available under www.pm-international.com.
- 6.11 For every violation of obligations under No's. 1.1, 2.4, 2.6, 2.8, 4.1, 4.2 and 6.8 of the Teampartner Rules, a Teampartner will pay a contractual penalty, the amount of which will be stipulated by PM in each individual case taking into account the significance of the violation and the income of the Teampartner, whereby the contractual penalty will be a minimum of €500 (or the equivalent in a Teampartner's country's currency) and a maximum of €10,000. Further claims, especially for an injunction and damages will not be affected by claiming a contractual penalty.

7. Termination

In the event any Teampartner breaches, violates and/or fails to comply in any of the Terms and conditions herein or if the Teampartner acts to the detriment of PM Wellness (M) Sdn. Bhd. and/or PM-International, then either company has the right to terminate the contract with such Teampartner without notice and/or reason/s for termination.

8. Subsidiary Agreements

- 8.1 No subsidiary agreements are made to this contract. PM Wellness (M) Sdn. Bhd. and/or PM-International shall be entitled at anytime and from time to time to make any changes, additions modifications variations and/or deletions to this agreement, which they deem fit and appropriate, without any reference to the Teampartners and customers. However, due announcement/s will be made known and written notice/s will be circulated to all parties concerned.
- 8.2 I agree to PM running a credit check about me. I agree to personal data which affect our business cooperation, being collected, stored, processed and used by PM using automatic and other procedures.