### Request for familiarisation and to press a button

## 1. Business partner legal status

- 1.1 The business partner autonomously and independently arranges distribution activities, the aim of which is acquiring products from the company PM-International. The business partner functions as an independent counterparty in all relationships including taxation and is not to be considered as an employee, legal agent or representative of PM-International. The business partner bears personal responsibility for all contracts. The company PM-International does not and cannot bear responsibility for commitments, actions or omissions of the business partner exercising this independent commercial activity.
- 1.2 In the context of distribution activity, the business partner sells PM company products to end consumers in his own name, purchases products directly from PM, performs mediatory activity (program of direct client service) and signs up new business partners.
- 1.3 The business partner is not constrained in his activity, meaning he is free to select place, means, time and volume of independent distribution activity without any instructions whatsoever imposed by PM. All costs in this connection are borne by the business partner. Functioning as an independent entrepreneur, the business partner bears personal responsibility for compliance with prescribed legislation covering the obligations inherent in commercial activity (registration of activity, payment of profits tax, VAT, social contributions and compliance with competition law provisions).
- 1.4 The business partner performs acquisition and distribution of PM products in the context of activity additional to his primary income. If income from sales exceeds primary income, he is required to inform PM of this.
- 1.5. The business partner undertakes to carry on his business in such a way as to promote an enhanced reputation of the PM company, its commercial trademarks and brands. The business partner is required to follow all established Russian Federation legislation governing commercial activity formalities.

## 2. Business partnership commencement and termination

- 2.1 Business partner registration requires him to complete (in full and in block letters) a business partner's declaration; his activity must be shown to be legally eligible and genuine for an adequate declaration to be accepted by PM. Evidence of deliveries by the business partner is not required in support of acceptance of his declaration, and PM will inform the business partner immediately of his admission and the acceptance of his declaration.
- 2.2 Without indicating any reasons and within 30 days from the day of confirmation of acceptance of his declaration the business partner is entitled to terminate the existing agreement by written statement addressed to PM.
- 2.3 A business partnership agreement is concluded for an indefinite period and may be terminated at any time, provided legally-established timing is observed. This condition does not affect the right to early cancellation of the contract for an important reason. PM shall have the right to terminate the present contract in cases of business partner infringement of obligations listed under points 4.1, 4.2 and 5.2 of the "business partner regulations".
- 2.4 If the business partner dies, the contract may be transferred to husband / wife, child or one of his parents, provided the transfer is formalised in writing with the consent of all successors, and on the condition that the inheritor accepts the current "business partner regulations" imposed by PM and informs PM thereof in writing. PM may withhold its agreement only given the existence of compelling reasons.
- 2.5. PM has the right exclusively at its discretion to immediately suspend or terminate business partner activity unilaterally, if they have reason to suspect the business partner is in violation of one of the contractual provisions, business ethics or Russian law.

# 3. Business partner entitlement to award of a bonus

- 3.1 For mediatory activity and signing up end consumers in the context of a programme of direct client service and also for training, instruction and consultation with new business partners the business partner acts as a sponsor and is entitled to award of a bonus. The conditions for award and extent of bonus are derived from the PM marketing plan in the version currently in force. PM may determine and amend the marketing plan version, and the version currently in force at any one time is applicable to all business partners in equal measure.
- 3.2 Calculation of bonus is on a monthly basis, and this is communicated by email.

## 4. Other distribution activity by the business partner

- 4.1 The business partner is forbidden to work with PM competitors without advance written agreement from PM.
- 4.2 The business partner is required to carry on any approved marketing activity involving other manufacturers' products completely separately from that concerning PM and PM product marketing. In this connection he is not allowed to make reference to his PM activity or his position as PM business partner, and he is not allowed to offer other companies' products and services together with PM products or in any way encourage other PM business partners to purchase products and services from another company, or to work with another company alongside PM.

## 5. Purchase and marketing of PM-International products

- 5.1 The business partner is to order and purchase PM products exclusively through PM. Purchasing PM products from other business partners is forbidden.
- 5.2 The business partner sells PM products to end consumers exclusively in the context of personal direct sales. Marketing products through retail shops, markets, exhibitions, online auctions or similar means is forbidden.
- 5.3 The business partner is required to take back PM products sold to end consumers according to Russian law.
- 5.4 The business partner himself determines the quantity of PM products to be ordered, and PM does not impose any minimum order volume.
- 5.5 All business partner orders are arranged according to the current PM pricelist.

## 6. Other business partner obligations / penalties

- 6.1 The business partner carries on his independent businessman activity, without giving the impression he is an employee of PM-International. He does not have the right to make any statements whatsoever either directly or indirectly in the name of PM.
- 6.2 Where PM-International is a member of a domestic or international direct sales organisation or association, the business partner is required in the performance of his distribution activity to observe the code of ethics and norms of conduct applying to members thereof. PM immediately informs the business partner of relevant provisions in this regard.
- 6.3 All information and statements made by the business partner about PM-International and PM products must comply with PM regulations, in particular product catalogue, labels and other product information. The business partner is not allowed to attribute healing or therapeutic properties to PM products.
- 6.4 The business partner does not have the right to modify PM products, change their packaging or arrange for such changes to be effected by third parties.
- 6.5 When it comes to advertising PM products, the business partner is entitled to use only product information published by PM, advertising materials for marketing and, when advertising and selling products online, only information in the PM internet shop. The business partner is not allowed to refer in his own advertising materials and on his web pages either to PM-International or to PM products or indeed to use other protected rights of PM-International for his own purposes.
- 6.6 For every violation of the obligations listed under 4.1, 4.2, 5.1, 5.2, 6.3, 6.4 and 6.5 of the "business partner regulations" PM-International may impose on the business partner a fine, the amount of which is determined separately in each case in proportion to the magnitude of the violation and business partner income.
- 6.7 In performance of distribution activity by means of direct sales each business partner is required to respect and observe all applicable generally-accepted and legally established norms of conduct both in advertising campaigns and in campaigns aimed at new business partner registration. The business partner must not engage in mass spam mailings of advertising material or systematic poaching of marketing partners from other companies. Such violations are subject to prosecution by PM and attract appropriate consequences that may include termination of the present contract. In this connection the business partner is required to observe all norms of conduct maintained by PM, which can be viewed at: <a href="https://www.pminternational.ru">www.pminternational.ru</a>

### 7. Protection of the line

- 7.1 The main concern of PM-International is preservation and protection of its sponsorship line. Business partners with cancelled business partnership contracts may be readmitted as business partner by PM, if they make a new declaration and a) are sponsored by their previous sponsors, or b) if not less than 12 months have passed since termination of the business partnership contract. Business partners falling dormant (12 months without their own turnover) are deleted from the database, thereby exiting the structure, but may be re-registered through submission of a new declaration, which means registering under a sponsor of their choosing, and not necessarily through their previous sponsors.
- 7.2 Protection of the line also applies to clients served in the context of direct client service (as under 7.1).
- 7.3 Spouses (each of them) are entitled to their own business partner number, though one of them should be registered as straight (first) line of the other spouse.

# 8. Concluding provisions / contract amendments

- 8.1 Obligations of the parties arising from the present contract are governed by Russian Federation laws.
- 8.2 All disputes between the parties arising under the present contract are to be settled by order of the court.
- 8.3 The written form mandated by the contract is deemed fulfilled in fax and email.
- 8.4 PM will inform the business partner in writing about any amendments to the "business partner regulations". These changes are deemed accepted, if the business partner does not register any objection in writing within three weeks from being informed of them. Where the business partner is notified about changes. PM highlights the provisions concerned.
- 8.5 I agree to PM enquiring about my credit-worthiness. I agree to PM acquiring my personal data to be properly kept, processed and handled, provided this is required by the business partnership contract.