

Moringo Organics Independent Distributor Agreement (Terms and Conditions)

An Independent Distributor (as defined here in below under the Definitions clause) of Moringo Organics Private Limited (hereinafter the "**Company**") is bound by the following terms & conditions and his relationship with the Company is subject to the compliance of the following terms and conditions:

1. Definitions

In this Moringo Organics India Independent Distributor Terms and Conditions the following capitalized terms shall have the following meanings:

- a. "**Act**" means the Consumer Protection Act, 1986 (68 of 1986)
- b. "**Agreement**" means the distributors terms and conditions on online registration form and duly signed physical distributor registration form.
- c. "**Company Business Volume**" means Company Business Volume means Sum of business volume assigned to Product units sold in a week.
- d. "**Company's Website**" means Company's Website means the website having the address www.moringoorganics.in
- e. "**Confidential Information**" means Confidential Information means Company's proprietary information, technical data, trade secrets or know-how, research methodology, services, customer lists and details of customers, inventions, processes, formulas, technology, designs, drawings, marketing, finances, market strategies and any other information disclosed to Independent Distributor either directly or indirectly, in writing or otherwise, or which may have come into Independent Distributor 's knowledge by reason of his/ her relationship with the Company.
- f. "**Cooling-off period**" means the duration of time counted from the date when the Independent Distributor and Company enter into an Agreement and ending with the date on which the contract is to be performed and within which the Independent Distributor may terminate the agreement without being subject to penalty for breach of contract.
- g. "**Direct Selling**" means marketing, distribution and sale of Products and Goods or providing of services as a part of network of Direct Selling other than under a pyramid scheme.
- h. "**Goods**" means goods defined in the Sale of Goods Act, 1930
- i. "**Independent Distributor**" means a person who has applied to the Company to sell the Products of the Company and thereafter has been appointed as an independent distributor and his name has been included in the database of the Company.
- j. "**Official Documents**" means Official Documents includes Company's Sales and Marketing Plan; Rules of Conduct; Compensation Plan; Privacy Policy; Company's Policies and Procedures etc., whether posted on the Company's website or available in hard copies at the request to the Company.
- k. "**Products**" shall means all the products of the Company including those provided/ sold/ supplied to the Independent Distributor.

l. **“Saleable”** shall mean with respect to Products or Goods, unused and marketable, which has minimum 2 months left for its expiry date, and which is not seasonal, discontinued or special promotion Products or Goods.

m. **“Sales Organization”** means a Independent Distributor’s sales team.

2. Eligibility

- 2.1. Anyone can apply to become an Independent Distributor of the Company, provided he or she is an Indian citizen, is of the age of 18 years or more and is capable of contracting as per the law.
- 2.2. No one can hold more than one Independent Distributorship in the Company or have any kind of interest, right, whatsoever in the Independent Distributorship of another person unless granted by the Company in writing or acquired as a beneficiary.

3. Commencement of Relationship

- 3.1. This Moringo Organics India Independent Distributor Terms and Conditions shall be binding on the Independent Distributor from the day the following are completed or achieved:
 - a. Company accepts the duly signed Independent Distributor’s physical application form; and
 - b. Distributor agrees to the terms and conditions on online distribution registration form.
 - c. Company adds his/ her name to its database and he/she is thereby appointed as the Independent Distributor of the Company
- 3.2. The Company shall appoint an applicant as the Independent Distributor only after he / she submits duly filled and signed physical registration form with his photographs affixed along with self attested copy of address proof, PAN card, bank passbook front page, and other requisite documents within 30 days from the date of Online Registration or after he/ she signed up online Distributor Registration Form. Notwithstanding anything contained herein, the Company reserves the right to reject the application for any reason, at its discretion, including if the application contains incomplete, inaccurate, false or misleading information.

4. Relationship between the Company and the Independent Distributor

- 4.1. Company may, on a non-exclusive basis, sell/ provide/ supply Company Products to the Independent Distributor to resell and market the same in an authorized territory in India. However, Independent Distributor’s relationship with the Company is of an exclusive nature.
- 4.2. Company is in no way liable for acts and omissions of Independent distributor, whatsoever. Distributor purchases the Company Products independently from the Company at his own free will and then sell the same to the customers in the market, acting in his/her own name, at his/her own responsibility and for his/her account and his business is in no way connected with the Company either as a franchise or dealership, etc.; and absolutely no entry fee or registration fee, whatsoever has been taken by the Company for authorizing him/ her to resell and market the Company Products.
- 4.3. There is no employment relationship between the Independent Distributor and the Company and nothing in this “Moringo Organics India Independent Distributor Terms and Conditions” or Official Documents or any other document or agreement entered into between the Independent Distributor and the Company shall be construed to establish an employment relationship, or any other labour

relationship between the Independent Distributor and the Company. Neither is the Independent Distributor a procurer, broker, partner, commercial agent, contracting representative or any other representative of the Company.

5. Moringo Organics, India Independent Distributor Terms and Conditions’ and Official Documents

- 5.1. Relation between the Company and the Independent Distributor shall be governed, in addition to this Moringo Organics India Independent Distributor Terms and Conditions, by the rules, terms & conditions, etc. contained in the Official Documents and the Independent Distributor is bound by the contents of such Official Documents.
- 5.2. It is the Independent Distributor’s responsibility to obtain a copy of the Official Documents or to regularly check them at the Company’s Website, if posted therein and keep himself/ herself abreast and updated of such terms and conditions thereof.
- 5.3. The Company may amend from time to time, any of the terms and conditions of the Official Documents. If the Independent Distributor does not agree to be bound by such amendment he/she may terminate his relationship with the Company within a period of 45 days of such publication by giving a written notice to the Company to that effect. However, a failure to provide such a notice by the Independent Distributor to the Company shall be deemed as an affirmative acknowledgment by the Independent Distributor of such amendment and a willingness to remain bound by this “Moringo Organics India Independent Distributor Terms and Conditions” and Official Documents.
- 5.4. If at any time, any clause or point or portion of this Moringo Organics India Independent Distributor Terms and Conditions and those of Official Documents shall become illegal, invalid or unenforceable in any respect under the law of any jurisdiction, then neither the legality, validity or enforceability of the remaining portions thereof nor the legality, validity or enforceability of such portions under the law of any other jurisdiction shall in any way be thereby affected or impaired.
- 5.5. The Independent Distributors are also required to strictly abide and follow the obligations of direct sellers mentioned under clause 5 of the New Direct Selling Guidelines, 2016, dated 9th September, issued by the Ministry of Consumer Affairs. The same obligations are added under clause 21 of this Agreement under the heading Rules of conduct.

6. Term of Relationship

The term of the Independent Distributor’s relationship with the Company will continue until and unless there has been a breach of terms and conditions and it shall continue until and unless the Independent distributor becomes inactive for continuous period of 6 months.

7. Purchase of Company Products

- 7.1. It is Company’s policy to strictly prohibit the purchase of Company Products in large quantities solely for the purpose of qualifying for bonuses or advancements offered by the Company. The Independent Distributor must not unnecessarily purchase huge volume of Products or Goods nor encourage other Independent Distributors to do the same.
- 7.2. An Independent Distributor must only resell and market Company Products, as provided by the Company to him/ her from time to time.

8. Buy-back of Company Products

Independent distributors may return the First order products in Saleable condition purchased during the Registration/Enrolment or Recurring orders placed within 30 days from the date of order. On return of such order, Company shall refund the full amount of order value after deduction of 10% handling charges. If Distributor returns the First order products purchased during the registration /Enrolment, then Company shall cancel the order, terminate the independent distributorship & deduct the commission amount if he or she earned from the Invoice amount of returned products. Also in case of First order or Recurring order, the Company shall deduct the Personal sales volume assigned for the Invoice order number & this will decrease the Group sales volume of all distributors above him or her.

9. Repackaging and Altering Packages

Independent Distributor should not in any manner alter the packaging of Company Products and should not repack the Company Products before selling it to the customers.

10. Advertising

- 10.1. For promoting Company Products an Independent Distributor must only use the literature, pamphlets, etc. provided to him by the Company for such purpose.
- 10.2. The Independent Distributor must get the material, articles, information, content, etc. that he/ she intends to use on any personal websites, blog spot, social media network, etc. with respect to the Company Products before posting or using the same.
- 10.3. The Independent Distributor shall not provide any literature and/ or training material not restricted to collateral issued by the Company, to a prospective and / or existing Independent Distributor both within and outside the Company, which has not been approved by the Company.
- 10.4. The Independent Distributor must only use materials provided to him/her by the Company for promotion or he/ she shall get the material that he intends to use approved by the Company before using the same, weather the material is in whatever form such as digital, audio, video, written, oral etc, weather intended to be used on internet or otherwise

11. Compensation Plan

- 11.1. The Independent Distributor must fulfill all the requirements of Compensation Plan to qualify for commissions, bonuses, and advancements.
- 11.2. The total sales commission earned by all Independent Distributors in respect of legitimate sales of Company Products shall not exceed 50% of the Company Business Volume in a week period. If the compensation plan is paying out more than 50%, commissions will be capped on a pro-rated basis on all distributor commission to bring the compensation plan to a maximum 50% payout
- 11.3. Independent Distributor is entitled to earn bonuses and other rewards as per the Compensation Plan only in respect of legitimate sales volume and not for merely introducing new Independent Distributors to Company.
- 11.4. Independent Distributor is entitled to earn net bonus weekly as per the Compensation Plan after deduction of TDS & 5% handling charges.

11.5 If the Independent Distributor fails to submit the duly signed application form along with KYC documents within 30 days from the date of registration/ enrolment. After 30 days, qualified commission will be calculated every week as zero (0) until Distributor submits the Distributor application form and KYC documents with complete, accurate & true information.

12. Products

12.1. Independent Distributor shall not sell, display or promote any of the Moringo organics Products in shops, market/store, mini market, supermarket, shopping complex, departmental store clubs (private or otherwise), or in any e-commerce shopping carts like flipkart, amazon etc., or in any places open to the public or a section of the public and the Independent Distributor is prohibited from placing advertisement in newspapers/magazines or other publications, promoting himself/herself or promoting Moringo organics Products.

12.2. Independent Distributor shall not sell or distribute any of the Moringo organics Products at any price or terms other than that stipulated and agreed upon by the Company and shall not provide any gifts, discounts or other promotional gimmicks in the sales and distribution of any of the Company's Products other than that approved by the Company. An Independent Distributor must issue receipts to the buyer of any Moringo organics Products and the bill receipt must state clearly the product, price, Independent Distributor's Name, Code Number, Address & Contact Number and must be signed by the Independent Distributor. The Distributor must use only the bill receipt format approved by the Company available at the distributor back office.

13. Supervision by Independent Distributor

13.1. An Independent Distributor who enrolls and/or sponsors other new Independent Distributors must fulfill the obligation of providing support and supervising such new Independent Distributors in their training and in the course of their functions of sale, distributing and delivery of Company Products to the ultimate consumers.

13.2. An Independent Distributor must have ongoing contact, communication and management supervision with his or her Sales Organization. Examples of such supervision include, but are not limited to product presentation, newsletters, written correspondence, personal meetings, telephone contact, voice mail, electronic mail, training sessions etc.

14. Taxes

Independent Distributor is solely responsible to pay or bear taxes (such as Income Tax, Service Tax, etc.), as the case may be, with respect to the income, commissions, etc. earned by him as an independent distributor by selling/ distributing Company Products. Commission earned by Independent Distributor is inclusive of all the taxes applicable on the same. TDS on commission shall be applicable as per the Income Tax Act, 1961.

15. Confidential Information

Independent Distributor shall not disclose to any third party any Confidential Information and shall make all bona fide efforts to safeguard and protect the same.

16. Intellectual Property Rights

Independent Distributor shall not use the Company's trade name, trademarks, logos, labels, Official Documents any other intellectual property, whether registered or not; any data, any information, any material, any Official Documents, in whatever form in any manner, except as authorized by the Company. All such intellectual property, Official Documents, literature, etc., is the exclusive property of the Company.

17. Termination

- 17.1. The Independent Distributor may terminate his relationship with the Company at any time by giving a written notice to the Company and similarly the Company may terminate its relationship with the Independent Distributor at any time by giving a written notice to the Independent Distributor.
- 17.2. The Company is at liberty to cancel or terminate or end the relationship with the Independent Distributor under the following circumstances:
- a. If the Independent Distributor above builder rank is engaging in similar services or relationship with other companies/ business entities, of whatsoever nature;
 - b. If the Independent Distributor is engaging in unethical activities like cross sponsoring with other Independent Distributors or bribing the other Independent Distributors to effect Co-Distributors prospects;
 - c. If the Independent Distributor is trying to or convincing, enticing or inviting Co- Distributors to join other similar companies or business entities.
 - d. If the Independent Distributor is found non-complying any obligation under the New Direct selling Guidelines, dated 9th September, 2016, issued by Ministry of Consumer Affairs.
- 17.3. In case an Independent Distributor remains inactive for 6 consecutive months, the Company reserves the right, at its complete discretion, to terminate the Independent Distributor from the Company's database and terminate its relationship with him thereof.
- 17.4. No fraudulent means or manipulations should be used by any Independent Distributor to sponsor individuals into his / her group so as to reach a particular ranking or receive monetary benefit or incentives. Should this be the case and the company is reasonably satisfied this to be the case, Independent Distributorship is liable to be terminated and all benefits accrued will be forfeited.
- 17.5. Once the Agreement is terminated the Independent Distributor's right with respect to earning bonuses, rewards, right to resell & market Company Products will cease to exist.
- 17.6. The independent Distributor shall face termination & legal proceedings if he is found to be indulging in cheating by not letting a interested person become an Independent distributor of the Company.
- 17.7. Independent Distributor shall face termination if he is found to be spreading the lies or negative information about the Company or its Products and business through any social media like facebook, twitter etc.

18. Assignment

Independent Distributor cannot transfer, assign, and sell his / her Distributor Identification cards or relationship with the Company and the rights and obligations thereto to any third person.

19. Indemnification

The Independent Distributor is fully responsible for all the statements or representations, whether verbal and written, made by him with respect to the Company or Company Product or Compensation plan and Official Documents and any other information related to the Company. He/ She is bound to indemnify the Company and its parent company, affiliates, directors, officers, employees, and agents, and hold them harmless from any and all liability including judgments, civil penalties, refunds, attorney fees, court costs, or lost business incurred by the Company as a result of the Independent Distributor's unauthorized representations/ actions, negligent acts and any breach of his obligations under this Moringo Organics India Independent Distributor Terms and Conditions and other Official Documents. In the event the Independent Distributor makes any false, other misinterpretation with regard to the description of the Products, its usage, effects and efficacy to any persons, he shall keep the Company indemnified against any claims of loss and damage suffered by Company in this regard by any third parties.

20. No false claims and Release from Liability

- 20.1 An Independent Distributor shall not make any false claims or representations regarding Company Products and Company in any form or manner, whatsoever.
- 20.2 Independent Distributor is bound to release the Company, its parent or affiliated companies, directors, officers, shareholders, employees, assigns, and agents from all claims or cause of action relating to his relationship with the Company.
- 20.3 He /she is also bound to release the Company, its parent company and affiliates from all liability arising from or relating to the promotion or operation of his business/ activities relating to his relationship with the Company and indemnifies the Company against any liability, damages, fines, penalties, or other awards arising from any unauthorized conduct that he/ she undertakes in operating his/ her business.

21. Rules of Conduct for Independent distributor

The Independent Distributor shall at all times abide and follow the rules of conduct as mentioned below;

- a. Independent Distributor should carry their identity card and not visit the customer premises without prior appointment/ approval
- b. Independent Distributor shall at initiation of a sales representation, without request, truthfully and clearly identify themselves, the identity of the Company, the nature of the Goods and services sold and the purpose of the solicitation to the prospective consumer.
- c. Independent distributor shall offer a prospective consumer accurate and complete explanations and demonstrations of goods and services, prices, credit terms, terms of payment, return policies, terms of guarantee, after-sales service
- d. Independent Distributor shall provide the following information to the prospect/ consumers at the time of sale, namely:
 - I. Name, address, registration number or enrollment number, identity proof and telephone number of the direct seller and details of Company;
 - II. A description of the Goods and services to be supplied;
 - III. Explain to the consumer about the goods return policy of the Company in the details before the transaction;
 - IV. The Order date, the total amount to be paid by the consumer along with the bill and receipt;
 - V. Time and place for inspection of the sample and delivery of Goods;
 - VI. Information of his/ her rights to cancel the order and / or to return the product in Saleable condition and avail refund of sums paid as per the refund policy;
 - VII. Details regarding the complaint redressal mechanism;

- e. Independent Distributor shall keep proper book of accounts stating the details of the products, price, tax and the quantity and such other details in respect of the Goods sold by the Independent Distributor, in such form as per applicable law.
- f. Independent Distributor shall take appropriate steps to ensure the protection of all private information provided by the consumer;
- g. Independent Distributor shall not indulge in following;
 - I. Using misleading, deceptive and / or unfair trade practices;
 - II. Using misleading, false, deceptive, and / or unfair recruiting practices, including misrepresentation of actual or potential sales or earnings and advantages of Direct Selling to any prospective Independent Distributor, in their interaction with prospective Independent Distributor;
 - III. Making any factual representation to a prospective Independent Distributor that cannot be verified or make any promises that cannot be fulfilled;
 - IV. Present any advantages of Direct Selling to any prospective Independent Distributor in a false and / or a deceptive manner;
 - V. Knowingly make, omit, engage, or cause, or permit to be made, any representation related to the Direct Selling operation, including remuneration system and agreement between the Company and the Independent Distributor, or the Goods and / or services being sold by such Independent Distributor which is false and / or misleading;
 - VI. Requiring or encouraging Independent Distributors recruited by the first mentioned Independent distributor to purchase Goods in unreasonable large amounts;
 - VII. Requiring prospective or existing Independent distributor to purchase any literature or training materials or sales demonstration equipment.
- h. Independent Distributor shall be guided by the provision of the Consumer Protection Act, 1986.

22. Dispute Resolution

Any dispute between the Independent Distributor and the Company shall be referred to the arbitration as per the Arbitration & Conciliation Act 1996 and the sole arbitration must be appointed by the Company. The place of arbitration shall be Bangalore and the arbitration award must be final and binding.