

DIRECT SELLER AGREEMENT

1. Royalrex Online Marketing Private Limited, having its registered office at 401, Pocket-03, Sector-14, Dwarka, New Delhi-75, a company duly incorporated and registered under the Indian Companies Act, 2013, Direct Selling Entity, (hereinafter referred to as "the Company") is inter-alia engaged in the business of e-marketing, e-trading, direct selling, supplying, dealing and online marketing of the products either self-manufactured under its own trademark and also of other reputed branded companies, which are displayed on its website www.royalrexindia.com through online and offline channels at or below the MRP as mentioned on the packages of the products.

2. Whereas the Direct Seller who is already participating or intends to participate in the future in the direct selling network of the company for purchase/recommendation of the products mentioned thereof or the prospective Buyer/Direct Seller/Customer further intends to do the business activities of selling the products of the company, hereby agreed to do the same on the following terms and conditions which are to be complied by the existing as well as proposed Direct Seller.

3. **Now This Agreement Witnessed as Under:-**

(a) The Direct Seller and the Company shall undertake to comply with the guidelines issued vide F. No. 21/18/2014-IT (Vol-II) dated 9th September, 2016 by Department of Consumer Affairs (Ministry of Consumer Affairs, Food and Public Distribution, GOI) as Direct Selling Guidelines, 2016 and notified as G.S.R. 1013(E) dated 26th October 2016 with its true spirit and object.

(b) **Principal to Principal Relationship.** The Direct Seller hereby confirms that he/she has entered into this agreement as a Direct Seller and nothing in this agreement shall establish an employer-employee relationship or principal-agent relationship between the Direct Seller and the Company and nothing shall establish the Direct Seller's position as Procurer, broker, commercial agent or other representative of the Company.

(c) The Direct Seller understands that he/she is working in the capacity of a Direct Seller only for marketing, distribution and sale of goods or providing services as a part of the network of direct selling and shall neither convey the impression or refer to himself/herself as employee, agent, manager or representative of the company nor use such terminology and shall hereby undertake to indemnify the company in respect of any costs or damages arising as a result of any such misrepresentation of his/her relationship with company.

(d) **Representations and Warranties.**

(i) The Direct Seller undertakes and is becoming the part of the business activities of the company on their own volition without any pressure, duress or undue influence and voluntarily electing to promote and promulgate the sales of the products offered by the company, fully understanding that it is an offer based venture, and only augment of product sells and successful marketing of the products offered by company, would fetch, remunerations and there being no automatic remunerations scheme or investment plan and the company does not indulge in any kind of financial investment or float any investment scheme or entrepreneurship or money circulation scheme.

(ii) The Direct Seller represents that he or she is of the age of majority and is otherwise competent to enter into this agreement and has executed an affidavit in that respect as displayed on the website of the company.

(iii) *The Company has provided accurate and complete information to the Direct Sellers concerning reasonable amount of remuneration opportunity and related rights and obligations and the Direct Seller has been informed regarding actual or potential sale or earnings during the interactions prior to execution of this agreement.*

(iv) *The representations made by the Company can be verified by the Direct Seller from its website and records kept at its office.*

(v) *The Direct Seller has been apprised by the Company in detail regarding the direct selling business or scheme, the remuneration system, goods and services being sold through direct selling business and the present agreement containing mutual warranties, rights and obligations.*

(vi) *The Direct Seller is entitled to a reasonable cooling off period of 30 days wherein such Direct Seller can return the goods purchased by him or her during the said cooling off period provided that there is no damage or alteration to the goods in a question.*

(vii) *The Company has not taken any entry or registration fee, cost of sales demonstration equipment and materials or other fees relating to participation from the participant.*

(viii) *The Direct Seller represents that he or she is in not an employee of the company or relative of the management or the vendor of the Company.*

(e) **Remuneration and No Incentive for only Enrolment of Subscribers.**

(i) *The Direct Seller shall not receive any remuneration or incentive or benefit, directly or indirectly from the company only for recruitment or enrolment of new participants or subscribers.*

(ii) *The Direct Seller shall be entitled to remuneration or other benefit which shall arise as a result of sale of goods or services by subscribers.*

(iii) *The Direct Seller shall be entitled for remuneration payable based on the sale of the goods or services by them. The Company may from time to time amend the methodology of computation of remuneration which would be communicated to the Direct Seller and in such a case, the amended methodology would form part of the amended agreement.*

(iv) *The Direct Seller accepts that it is the prerogative of the management of the company to alter, amend or reduce the amount of commission/remuneration to the independent advisor without prior notice.*

4. **Restrictions as to Price and Quantity.**

(a) *The Direct Seller shall not require a participant or subscriber to purchase goods or services at a price higher than the price for which the goods or services can be expected to be sold or resold to the consumers.*

(b) **Notwithstanding Anything Contained in Clause.**

(i) *The Direct Seller shall not require a participant or subscriber to pay any amount in the form of any entry fee or registration fee or cost of sales demonstration equipment or materials or any other fees relating to participation apart from the sale price of the goods or services.*

(ii) *The Direct Seller shall not require a participant to purchase goods or services where quantity of sold goods or services exceeds an amount which is expected to be sold or resold or consumed by the customers within a stipulated time.*

(iii) *It is understood and made clear in unequivocal words that the company or the Direct Seller do not participate in any money circulation scheme or promote/engaged in a pyramid scheme and company/Direct Seller shall not require from a participant to pay any entry/registration fee, cost of sales, demonstrations equipment's and material or other fees relating to participation.*

5. **Rights of Direct Seller.**

(a) *The Direct Seller shall be paid his share of earned remuneration, commission, bonus or any other applicable financial dues within such period of time as mutually agreed between the parties subject to withholding of any amounts to ensure compliance of this agreement.*

(b) *The Direct Seller is entitled to full refund or a buy-back guarantee from the Company against return of goods purchased within a period of 30 days from the date of sale or distribution of goods to the Direct Seller provided that there is no damage or alteration to the goods in a question.*

(c) *The Company shall provide to the Direct Seller, periodic accounts or information concerning his or her sales, purchases, details of earnings, commission, bonus and any other relevant information as mutually agreed between the parties.*

6. **Obligations of Direct Seller.**

(a) *The Direct Seller shall carry the Identity Card as provided by the Company at all times and not visit the premises of a customer or potential customer without prior appointment or approval.*

(b) *The Direct Seller shall behave in a courteous manner with the potential participants and shall not misbehave in any manner or bring any disrepute to the name of the Company.*

(c) *The Direct Seller shall voluntarily and without request, truthfully and clearly, at the initiation of a sales representation, identify themselves, the identity of the Company, the nature of the goods or services sold and the purpose of the solicitation to the prospective consumer.*

(d) *The Direct Seller shall not indulge in any misleading, deceptive or unfair trade practice or adopt any false, deceptive or unfair means to recruit prospective Direct Sellers.*

- (e) *The Direct Seller shall inform the participant of the company policy not to take any entry/registration fee, cost of sales demonstration equipment and materials or other fees relating to participation from the participant and further shall provide a written contract describing the “material terms” of participation to the participant.*
- (f) *The Direct Seller shall clearly inform the participant that the business scheme of the company or the Direct Sellers not to participate in any money circulation scheme or promote or are engaged in a pyramid scheme and company/Direct Seller shall not require from a participant to pay any entry.*
- (g) *The Direct Seller shall not make any false promises of payment of any incentives or remuneration to the prospective customer for any recruitment or enrolment, except from the sale of goods or services.*
- (h) *The Direct Seller shall not charge any money from the Company by way of minimum monthly subscription or renewal charges from the prospective customer.*
- (j) *The Direct Seller shall not require a participant or subscriber to purchase goods or services at a price higher than the price for which the goods or services can be expected to be sold or resold to the consumers.*
- (k) *The Direct Seller shall not require a participant or subscriber to pay any amount in the form of any entry fee or registration fee or cost of sales demonstration equipment or materials or any other fees relating to participation apart from the sale price of the goods or services.*
- (l) *The Direct Seller shall not require a participant to purchase goods or services where quantity of sold goods or services exceeds an amount which is expected to be sold or resold or consumed by the customers within a stipulated time.*
- (m) *The Direct Seller shall provide accurate and complete information to the participants concerning reasonable amount of remuneration opportunity and related rights and obligations and the participant has been informed regarding actual or potential sale or earnings.*
- (n) *The representations made by the Direct Seller can be verified by the participants from the company website and records kept at office of the company.*
- (o) *The Direct Seller shall provide the participant with the details regarding the direct selling business or scheme, the remuneration system, goods and services being sold through direct selling business and the agreement between the Direct Seller and the participant containing mutual warranties, rights and obligations.*
- (p) *The Direct Seller undertakes that he or she shall not provide any literature or training material not restricted to collateral issued by the Company to participant which has not been approved by Company.*
- (q) *The Direct Seller shall not require any prospective or existing participant to purchase any literature or training material or sales demonstration equipment.*

(r) *The Direct Seller shall represent company products or services and its Sales and Marketing Plan to all prospective users or customers in a truthful and honest manner, and he or she will ensure to represent only what is approved in official company publications and on its website.*

(s) *The Direct Seller shall not sell/market the products of other Companies except the Company mentioned hereinabove and its published material authorized by the Company.*

(t) *The Direct Seller shall not in any event directly approach the dealers and other Direct Sellers of the Company or share the details with anyone, for carrying out business competing with the Company in any manner whatsoever during subsistence and even after the termination of this Direct Selling Agreement.*

(u) *The Direct Seller shall not use the business plan or Company material or any technical known how or intellectual property or any confidential information and/or data of the Company during subsistence and even after the termination of this Direct Selling Agreement for carrying out business competing with the Company in any manner whatsoever.*

(v) *The Direct Seller shall not while inviting a prospective customers/users directly or indirectly induce them during their meeting with impression that the invitation extended to them by he/she are for participation in some 'social event' or to disguise the invitation as market survey; or to imply that it is other than a business event; and shall not emphasize more on the potential earning through the Marketing Plan of company than the utility of the products/services of the company; or represent that a person can benefit solely by referring to others or by obtaining products/services for personal use at his own costs; or claim that one may achieve success or benefit with little or no investment by way of effort or time.*

(w) *The Direct Seller shall emphasize that income by way of commission/remuneration can be achieved only by way of continuous augment of product sells / activities and effort in that direction to the perspective user and shall not exaggerate or overstate the kind of potential earnings that can be generated by the company business and communicate. Only true and actual earnings shall be projected him/her.*

(x) *The Direct Seller undertakes to observe all laws, policy, rules and/or regulations, central or local as may be applicable from time to time and shall keep the company indemnified against all actions, claims, demands, prosecution, penalties including costs thereof and not excluding Company legal costs which might be made or brought against the company in respect of any of or arising out of any breach, infringement or infraction of any laws, regulations and code of practice, by me, arising out of the operation of the Company business.*

(y) *The Direct Seller shall not engage in any activities, which may bring disrepute to the Company or any products/services of the Company and undertake to indemnify the Company on account of any costs or damages that may arise due to any such activities.*

(z) *The Direct Seller shall comply with all requirements, guidelines, which are issued from time to time by the company or any competent authorities including the Govt. of India or the State Governments and any in disciplinary action performed by me, may result in termination.*

(aa) *The Direct Seller with his/her own volition, without any duress, coercion or undue influence agreed to opt for the marketing plan/work of the Company and fully understand that it is an effort based plan where you, the Direct Seller achieve remuneration/ commission only by way of continuous augment of product sells/activities and by effort based activity to refer/market/sell the products/services offered by the company, (there being no automatic rewards scheme or investment plan).*

(ab) *The Direct Seller understands that if he/she ceases to be Direct Seller for any reason, they will automatically lose all/any rights under this Agreement. And understood and are not under any illusion/wrong impression as to the kind of potential earnings that can be generated by the company business.*

(ac) *The Direct Seller shall be responsible for complying with all laws, policies, rules or regulations, taxes, levies, central or local, as may be applicable from time to time and Direct Seller shall deposit the requisite taxes as applicable against him/her to the authorities concerned without any default and Direct Seller shall be under obligation to obtain all licenses and/or registration as may be required from time to time.*

(ad) *It is specifically pleased to be noted that in case the Direct Seller are employed by any Central Government/State Government Agency, Indian Armed Forces or any such establishment that disallows you to work part time/full time/earn remuneration/commissions, in that situation, you will not be able to enter into this agreement.*

7. **Obligations of the Company.**

(a) *The Company shall be responsible for constitution of a Grievance Redressal Committee for addressing the complaints made by any member of the general public against a Direct Seller of the Company, an employee or any other officer of the Company. The Grievance Redressal Committee shall consist of at least three officers of the Company. The Company shall address such complaints and inform complainants of the action taken.*

(b) *The Company undertakes to provide full refund or a buy-back guarantee to every Direct Seller for return of goods purchased within a period of 30 days from the date of sale or distribution of goods to the Direct Seller provided that there is no damage or alteration to the goods in a question.*

(c) *The Company shall provide information to the consumer upon purchase of goods or services which shall comprise of the name of the purchaser and seller, the delivery date of goods or services, procedures for returning the goods and warranty of the goods and exchange/replacement of goods in case of defect.*

8. **Breach and Termination.**

(a) *The Company can terminate the present agreement by issuing a written notice of 15 days' to the Direct Seller on violation of any of the terms and conditions of the present agreement.*

(b) *The Company can forthwith terminate the instant agreement if the Direct Seller furnish incomplete, inaccurate, false or misleading information at the time of entering into this agreement.*

(c) **Upon Issuance of the Notice of Termination as Contained in the Clause.**

(i) 8 (a) & 8 (b) above, the Direct Seller shall be personally liable for any consequences thereof including those for any false representation, omission or any act committed by him/her, contrary to the guidelines issued by the Government of India as mentioned hereinabove or the Code of Conduct or affidavit and important notice as depicted in the website of the Company Royalrex.

(ii) The Company is further at liberty to forthwith terminate the contract by issuing a written notice in the event the Direct Seller is found to have made no sales of goods for a period of (2) two years since the day of inception of contract or since the day of last sale made by him or anything wrongly/falsely made by the Direct Seller to the prospective customer to sell the product contrary to the rules and regulations of the Company.

(iii) The identification card issued to the Direct Seller is and shall remain the property of the Company and the Direct Seller shall return the same to the Company without any delay upon terminate or expiration of this agreement.

9. **Arbitration Clause and Jurisdiction.**

(a) The construction, performance and validity of this Agreement, and any matter connected thereto, shall in all respects be governed by the laws of India.

(b) The parties shall try to resolve any dispute arising out of or in connection with this Agreement through mutual negotiation.

(c) In the event that the disputes cannot be settled through negotiation, all disputes arising out of and in relation to this Agreement shall be subject to the exclusive jurisdiction of the courts in New Delhi, India.

(d) In the event of failure of the parties to settle their disputes mutually through negotiation, all disputes arising out of and in relation to this Agreement shall be decided by Arbitration conducted under the provisions of the Arbitration & Conciliation Act, 1996 (as amended) to be conducted by a Sole Arbitrator appointed by parties by mutual consent. The seat of Arbitration shall be New Delhi, India.

(e) Either party can initiate the Arbitration on failure of the parties to settle their disputes mutually through mediation, by sending a written notice invoking Arbitration and proposing names of five (5) prospective candidates to be appointed as the Sole Arbitrator. In the event of failure of the parties to mutually agree on a name for the purpose of appointment of Sole Arbitrator, the Sole Arbitrator to adjudicate the disputes under the instant Clause shall be appointed through the concerned Court of law.

10. **Miscellaneous.**

(a) Any alteration or amendment of this Agreement shall be valid and operative only if made in writing and executed by duly authorised representatives of the Parties.

(b) *If any provision of the Agreement is determined to be illegal, invalid or unenforceable, it shall be severed if the remaining provision of this Agreement can reasonably and fairly be given effect without affecting the legal and economic substance of this Agreement.*

(c) *If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision was so excluded and shall be enforceable in accordance with its terms.*

(d) *This Agreement and the documents referred to herein constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior oral and written agreements, representations, statements, negotiations, understandings, proposals and undertakings.*

(e) *No forbearance, indulgence, relaxation or inaction by any Party at any time to require performance of any of the provisions of this Agreement shall in any way affect, diminish or prejudice the right of such Party to require performance of that provision. Any waiver or acquiescence by any Party of any breach of any of the provisions of this Agreement shall not be construed as a waiver or acquiescence of any continuing or succeeding breach of such provisions or a waiver of any other right under or arising out of this Agreement.*

(f) *The rights, powers and remedies provided in this Agreement are cumulative with and not exclusive of the rights, powers and remedies provided by law independently of this Agreement.*

(g) *Each Party shall co-operate with the other Party and execute and deliver to the Party such instruments and documents and take such other actions as may be reasonably requested from time to time to give effect to the provisions of this Agreement.*

(h) *The Direct Seller has clearly understood and read the contents of document under the heading of Legal Document as available and displayed on the website of the company i.e. www.royalrexindia.com and undertake to abide all the stipulations as envisaged in the said Legal Document.*

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the day and year first above written.

ROYALREX ONLINE MARKETING PRIVATE LIMITED through its authorised representative WITNESSES: 1. 2. DIRECT SELLER