

## **INDEPENDENT AURETICS ADVISOR (DIRECT SELLER) E-CONTRACT AGREEMENT**

This agreement is agreed and accepted electronically & online by and between the executing parties (Hereinafter mentioned and referred to as Advisor (“Direct Seller” or “Independent Auretics Distributor”) and Auretics (“Direct Selling Entity” or “Company”) which expressions shall mean and include their respective legal heirs, assigns, successors, administrators and undertakers).

Be known that this Contract agreement is executed and entered into in accordance with the provisions of India Contract Act and Consumer Protection (Direct selling) Rules, 2021 (Hereinafter referred to as the Rules).

WHEREAS the Advisor has voluntarily out of his / her own accord, sweet will and without any coercion whatsoever, mental or physical, offered to join the Direct Selling business of the Direct Selling Entity named Auretics Limited, (registered under the Companies Act, 2013 having Registration No. CIN No: U74999DL2021PLC377346 and Registered Office at Plot 190 S/F, Block E, Mangal Bazar Road, Dilshad Garden, Shahdara, Near LIC Road, Delhi-110095, India.

AND WHEREAS the Direct selling entity (also referred as Auretics) is engaged in “Direct selling business” which means marketing, distribution and sale of goods or providing of services through a network of Direct Sellers at Multi-levels as per its prescribed Business / Compensation Plan (Which is to be read as part and parcel of this agreement as the same is not being reproduced here for the sake of brevity) not falling under the Pyramid or Money circulation scheme.

AND WHEREAS the Direct Seller (also referred as Advisor), after being explained all the provisions of the said Business/Compensation Plan, product details and the present E-contract Agreement in the vernacular language known to him, duly ascertained and satisfied by visiting Auretics’ website: [www.auretics.com](http://www.auretics.com), has voluntarily offered to join the Auretics and resolved to enter into this E-contract agreement, hence this deed.

## **NOW THEREFORE THIS DEED COVENANTS AS UNDER:**

### **1. Introduction to the Rules of Conduct for Auretics Advisors**

The Auretics Rules of Conduct define and establish certain principles to be followed in the development and maintenance of an Auretics distributorship and the rights, duties, and responsibilities of each Auretics Advisor.

The Rules are designed to preserve the benefits available to all the Advisors under Auretics Sales and Marketing Plan.

Auretics and its Advisors have a binding contractual relationship. The terms and conditions of this relationship are outlined in the Auretics Advisor Application Form, Orientation Guide, which includes Auretics Sales & Marketing Plan and Auretics Rules of Conduct as updated by Auretics from time to time.

From time to time, the contents of these may be amended by Auretics as per the needs of the business and in conjunction with the law of the land. Auretics will notify all such amendments to the Advisor by publication on its website [www.auretics.com](http://www.auretics.com).

### **2. Glossary of Definitions**

2.1. In these Rules, unless the context otherwise requires the following words and phrases shall mean what is given below:

**‘Auretics’** means Auretics Limited, a company registered under the Companies Act, 2013, having its registered office at Plot No. 190, Old Block, Near LIC Colony, Dilshad Garden, Delhi – 110095.

**‘Auretics Business’** means all obligations, requirements, restrictions, and opportunities connected with selling Auretics Products and servicing Customers.

**‘Auretics Advisor/Advisor’** means a person, partnership, or firm that has entered into a Contract with Auretics according to Section 1.

**‘Auretics Products’** means all goods and services including literature and other support materials made available by Auretics to Advisors.



**‘Auretics Sales and Marketing Plan’** means the plan provided in Auretics Plan containing Auretics Marketing Plan, sponsoring procedures and guidelines, requirements, procedures and policies regarding the presentation of Auretics Products, the Auretics business, and the management of Auretics organisation, as amended from time to time by Auretics, and which forms an integral part of the Advisor Contract.

**‘Advisor Contract’** means the agreement setting forth the rights and duties of an Advisor which, in accordance with Section 3, is entered into through acceptance by Auretics Advisor Application Form including the terms and conditions, all documents listed therein (such as these Rules of Conduct) and any related addendum or Entity Authorization Form concluded, all as may be amended from time to time, available as hard copy or online on the website.

**‘Business Group’** refers to that Advisor and his personally sponsored Advisors all those Advisors sponsored by his personally sponsored Advisors and so on down to and including those who have not sponsored anyone but excluding any qualified Director in the organization under him or any Advisors in the Business Group of such qualified Directors.

**‘Entity Authorization Form’** means the form required to be filled in by proprietorship concern, partnership, or a company desiring to become an Advisor, which provides information about the business entity and the authorized signatories thereof.

**‘Customer’** means a non-advisor who is an end-user of products and/or services offered through or by Auretics.

**‘Line of Sponsorship’ (LOS)** means a structural arrangement of Advisors established as a result of the contractual relationship that each Advisor has with Auretics that includes all information pertaining to all or part of the Line of Sponsorship including but not Limited to Advisors, Auretics Advisor numbers and other advisor business identification data, business performance data, personal contact information and all information generated or derived therefrom, in its past, present or future forms.

**‘Prospect’** means a potential Advisor.

**‘Rules of Conduct’ / ‘Rules’** shall mean these Code of Ethics & Rules of Conduct for Advisor that can be changed or modified by Auretics from time to time, as provided in these Rules.

**‘Sponsor’** means an Advisor who introduces an applicant to Auretics for joining as an Independent Advisor in compliance with all applicable requirements and who, in turn, is assigned by Auretics to support the recommended applicant, if the application is accepted by Auretics.

Everything that is in the singular shall include the plural, and whatever refers to the masculine shall include the feminine.

Auretics Plan and Terms and Conditions stated on Auretics Advisor Application form or any other published material of Auretics forms an integral part of the Advisors Contract.

**3. Disciplinary action on a violation of the Code of Ethics**

Auretics in its absolute discretion can take disciplinary action, up to and including termination, against any Advisor who discreetly or indiscreetly violates the Code of Ethics, confidentiality or any of the terms & conditions of the company.

- 4.** The Advisor here in assures that it has ascertained from the Business/Compensation Plan provided by Auretics (The same is to be read as part and parcel of this E-contract agreement as the same is not being reproduced here for the sake of brevity), the stipulated amount of any or all types of Incentives, rewards, etc. including financial and non-financial benefits payable to the Advisor are calculated only and only on the basis of effective sale, marketing and distribution of products and in no way on the basis of recruiting / sponsoring / introducing another Advisor (Direct Seller). The advisor here in understands & agrees that any recruitment / sponsoring / introduction of another advisor done by him to Auretics Business will be done primary for Retail of Auretics products.



## **5. Cooling Off Policy**

Auretics provides all advisors an exclusive right to reject/cancel this agreement within 7 days from the date of registration. The advisor shall give an intimation to the company about such decision within the specified period in written.

Such advisor will have the right to return any goods purchased during the cooling off period, but the purchased goods should be in saleable condition i.e., any seal/carton/protection on the goods is kept unbroken. The refund of the product shall be paid by the company within 30 days from the date of receipt of the product.

If such Advisor receives any consideration/compensation from the company during this cooling-off period then such advisor must pay the amount of such consideration to the company or authorize the company to set off the amount from the refund amount and the remaining amount shall be refunded.

## **6. Buy-back Policy:**

That Auretics allows or provides for a buy-back or repurchase policy for “currently marketable” products sold to the participant at the request of the participant, as per “Buy-back Mechanism” made by the company. The buy-back mechanism is to be read as part and parcel of the complete terms & conditions.

### **Buy-Back Mechanism**

The Company provides a Buy-Back Policy to the distributor who wishes to resign from his/her distributorship and return any Auretics products that are in good condition, unused, useable, resaleable, restock-able, unopened, unaltered and must have a shelf life of at least six months (All conditions must be fulfilled).

If the Distributor resigns within 7 days from the purchase of the products, Auretics shall provide a full refund for the products to the Distributor.

If the advisor resigns from his/her distributorship after the expiry of 7 days from the date of purchase of products from Auretics, then the amount refunded will be equal to

distributor cost of the products being returned, less total bonus paid out by the company on the original purchase, less 10% handling charge.

The distributor is advised to buy the products wisely. Company does not promote bulk buying or bulk stocking of its products.

7. That the Advisor here in agrees that Auretics has established a “Grievance Redressal Mechanism” for consumers and Advisors to redress their grievances and complaints, listed on Auretics’ website which is to be read as part and parcel of these covenants as the same is not being reproduced here for the sake of brevity.
8. The Direct selling entity herein declares and the Advisor herein accepts that the entity does not require, invite or solicit a Prospect or would be Advisor to invest money in any form whatsoever to participate in its Direct Selling business. The Advisor shall however be required to bear the cost of products purchased by him / her and does not include any provision that the Advisor herein will receive compensation for the recruitment of other participants to participate. That he / she will receive compensation derived only and only from the sale, marketing and distribution of products, in accordance with the business/Compensation Plan provided and prescribed by Auretics, to which the Advisor hereby agrees to whole of this covenant in letter and spirit.



### **Code of Ethics to be followed by Auretics Advisors:**

It is important that you read the Auretics Code of Ethics (the “Code”) and the Rules of Conduct (the “Rules”) below, as they form an integral part of the terms of the advisor application form. An Auretics advisor must comply with the Code and Rules and any amendments to them that have been published on the website or newsletter or otherwise communicated to the advisor. Auretics reserves the right to terminate at any time, and with immediate effect, the membership of any advisor who has provided false information on the advisor application form or who is violating the Code or the Rules. Terminated Auretics advisor lose all rights and privileges that accompany with the Auretics Distributorship, including their network, bonus, commissions and funds. The Code and Rules are there for the protection of advisor and to ensure that all fellow advisors maintain the same high standards. In line with Auretics ethical standards, all Auretics Advisors are expected to, and shall comply with any and all legal requirements of the country, even if certain obligations are not restated in the Code or the Rules.

As the owner of Auretics Distributorship, the advisor agree to conduct Auretics business according to the following ethical guidelines:

- 1) The advisor will perform all their duties and maintain the highest standards of conduct. Auretics expects you to observe and strictly adhere to the issued guidelines at all times that apply to all Auretics Advisors.
- 2) The advisor will at all times follow the Code of Ethics and the Rules of Conduct in the letter as well as in spirit, and comply with and strictly adhere to the guidelines, systems, requirements, procedures, policies, terms and conditions mentioned in It.
- 3) The guiding principle for doing business with anyone the advisor meets in his capacity as an Auretics Advisor is to treat them as fairly as the advisor would like to be treated.
- 4) The advisor will not engage in activities that may bring disrepute to Auretics or any Auretics products/services and are detrimental to Auretics image/business.
- 5) The advisor will present Auretics Products, Auretics business opportunities, related trainings and other compensation, offers and benefits offered by Auretics to his/her customers and Advisors in an honest and truthful manner. Whether verbal or in writing,

s/he will make only such claims related to the product, earnings and other opportunities that are mentioned in the official Auretics literature.

- 6) The advisor will at all times make a fair and truthful presentation of Auretics products, plan, and shall make sure to present what is approved in official Auretics publications.
- 7) The advisor will be courteous and prompt in servicing and taking orders from the customers, as well as in the handling of complaints.
- 8) The advisor shall be courteous and prompt in the handling of any or all claims for exchange and return and follow the procedures prescribed by Auretics from time to time.
- 9) The advisor will always carry out the responsibilities of an Auretics Advisor and that of the sponsor as detailed in official Auretics publication and not indulge in any activity, which damages any Advisor's group or business.
- 10) The advisor will conduct in a civilized and courteous manner of the highest standard while representing Auretics to the world at large as this may have grave consequences for the Auretics Business.
- 11) The advisor will only use Auretics produced or Auretics Authorised Literature and publications to protect the Auretics Business.
- 12) The advisor will not promote the opportunity/product/services of other companies in direct or indirect competition to Auretics. Also, the advisor will not directly or indirectly deal with anyone from any competing companies.
- 13) The advisor will not covertly or overtly undermine any of the Company's initiatives or manipulate any Company Promotions, Overseas Trips, or any other activity, etc.
- 14) The advisor shall not in any circumstances use the Auretics network for marketing products other than those approved by Auretics.
- 15) The advisor will always follow the 3 Cardinal Rules of the Auretics Business:
  - a) S/he will never do anything for the first time without checking with their upline and with Auretics Team.
  - b) S/he will never disrespect anybody or his/her's Relative, Ego, or Money.
  - c) S/he will never pass any negative comments or do any activity that might damage his/her downlines and cross lines, thus putting the larger Auretics business at risk.



## **Rules of Business**

Auretics and its Advisors have a binding contractual relationship. The terms and conditions of this relationship are set forth in Auretics Advisor Application Form as well as on the Booklet that includes Sales & Marketing Plan, Code of Ethics, and Rules of Business as updated by Auretics from time-to-time (online or offline). These terms and conditions define and establish certain guidelines to be followed in the development and maintenance of the Auretics Business and the rights, duties, and responsibilities of each Auretics Advisor. You shall indemnify Auretics from and against all actions, claims, demands, prosecutions, penalties including costs thereof and not excluding Auretics legal costs which might be made or brought against Auretics in respect of or arising out of the breach, infringement, or infraction of any laws, regulations, and codes of practice arising out of the operation of Auretics Business. Auretics shall not have any liability to any Advisor in respect of any loss cost, damage or expense suffered directly or indirectly as a result of any act, omission, representation, or statement of any other Advisor.

Mentioned below are rules, regulations, policies, and processes concerning conducting Auretics Business (These rules are part of the E-Contract Agreement):

### **1. Registration & Activation as an Advisor**

Joining Auretics is free and you are not required to pay any amount for your registration as an Auretics Advisor (Independent Auretics Distributor). Auretics believes in equal opportunity for all. The Auretics distributorship is available to anyone regardless of race, sex, and religious or political beliefs. To become an Auretics Advisor you are required to submit a duly filled Advisor Application Form either offline or online at Auretics website [www.auretics.com](http://www.auretics.com) or Auretics App.

Without limiting Auretics rights, the following are requirements for becoming an Advisor with Auretics.

#### **1.1. An Advisor must:**

##### **1.1.1. Be at least 18 years of age.**

- 1.1.2. Be a citizen and resident of India.
  - 1.1.3. Provide correct PAN details to Auretics.
  - 1.1.4. Provide correct Bank Details to Auretics.
  - 1.1.5. Must not be in jail, have any criminal record, and/or confined to any correctional Institution of any kind.
  - 1.1.6. Must undertake to Auretics that there is no legal bar or limitations on his ability to meet the legal obligations of an Auretics Advisor.
  - 1.1.7. Must not have been suspended from his or her current profession or business by any professional association, society, or Institution.
  - 1.1.8. Must not be unable to manage his or her business due to mental or legal reasons.
- 1.2. There is no requirement to make any payment as a joining fee or in return for any information or assistance provided for becoming an Auretics Advisor or make any payment by way of security to become an Auretics Advisor.
  - 1.2.1. There is no requirement to maintain a specific minimum inventory.
  - 1.2.2. There is no compulsory requirement to Purchase tickets for and/or attend or participate in rallies, seminars, or other meetings.
  - 1.2.3. There is no requirement to purchase hardware or software for computers, establish a Website or subscribe to an Internet Service as a condition to become an Auretics Advisor or as a condition of receiving assistance in the development of the Auretics business from the person who has sponsored you.
- 1.3. Acceptance or Rejection of Application: Auretics reserves the right to accept or reject any application to be an Advisor at any-time, before or after his activation without having to give any explanation whatsoever.
- 1.4. Effective Date and Authorization for Ordering: An Application shall be considered accepted when either personal data of the Applicant(s) are entered on Auretics records or Auretics notifies to new Advisor accordingly in any manner whatsoever, normally by issuance of an SMS on registered mobile number, whichever is earlier.



The new Advisor may resell Auretics Products after receipt of confirmation as provided by Auretics.

Auretics business can be taken up in individual capacity as a sole proprietorship firm or partnership firm. The firm is required to comply with certain requirements and condition.

- 1.5. Registration in the name of Firm: A New Advisor can join Auretics and operate his or her Auretics business as a sole proprietary firm or registered partnership firm provided it complies with certain requirements and conditions:

1.5.1. Enrolment would be in the name of the Firm. The Firm, in addition to Application Form must file with Auretics Entity Authorization Form, duly signed by its Sole Proprietor or Partners as applicable. A copy of registration of Sole Proprietorship or Partnership Deed should be submitted along with the application form; acceptance of such registration is subject to due verification and approval by Company.

1.5.2. Any Change in the constitution of the firm or the terms between the partners shall be approved by Auretics otherwise the business association shall be terminated.

1.5.3. The liability of the partner would be joint and several.

1.5.4. Bonus payments would be made in the name of the firm.

1.5.5. All Partners are jointly and severally liable for adherence to the Code of Conduct & Rules of Business and to fulfil the obligations as set forth from time to time in official Auretics publications.

1.5.6. A firm may become an Advisor with the Company only for the sole purpose of doing the Auretics business. No other business can be conducted by such company.

1.5.7. No change of partnership of the partners will be allowed in case of partnerships.

1.5.8. No change in the number of shares issued, in the ownership of the shares or in the membership of the Board of Directors, may be made, and no agreement or arrangement affecting control of the company by the individuals conducting the

Distributorship business may be adopted, without application to, and the prior written approval by Auretics.

1.5.9. All partners, shareholders and Directors shall personally and irrevocably guarantee due performance by the partnership / company of all of its obligations and responsibility lies as an Advisor as outlined in the Code of Ethics and Rules of Conduct of Auretics.

**1.6. Invitations Limited to Two Persons:**

Invitations for seminars, leadership seminars and other events organised by Auretics will only be addressed to two Individuals per Auretics business who are registered with Auretics. In case of a sole proprietary concern / partnership / firm / limited liability company / trust, the authorised representatives indicated in the Corporate Authorisation Form will be the two individuals who will be eligible for such invitations.

**1.7. Husband and wife Distributorship:**

Auretics will deem husband's and wife's distributorship together. Even if one of them has not signed as an Applicant both are deemed to be Auretics Advisors automatically.

1.7.1. If both husband and wife wish to become Advisors, they must be sponsored together for a single Advisor Account Number. Husbands and wives may not be sponsored in different Lines of Sponsorship. Husbands and wives may not sponsor each other. If one spouse is already an Advisor the other spouse, upon electing to become an Advisor, must join the same account number (Auretics Registration Number via same Auretics Advisor Application Form) as his or her spouse.

1.7.2. A husband and wife shall operate their Auretics as a single entity regardless of whether both names are on the Distributorship. Therefore, each is held accountable for the actions of the other so far as the Auretics Business, Terms & Conditions and its Rules of Conduct are concerned.

1.7.3. If two Advisors, each of whom owns and operates a Distributorship in different lines of sponsorship get married to each other, then one & these Constants must



elect to surrender (by sale, transfer or abandonment) his or her distributorship and become a partner in his or her spouses Distributorship.

1.7.4. In case, both husband and wife has Auretics Distributorship, then it is the responsibility of both parties to inform the company about this and surrender any one of the distributorship. In case, either of the party fails to inform the company about the same or fails to inform the company about which distributorship to surrender, then it is at the discretion of the company to terminate any one of the distributorship without providing any explanation for the same. In such case, the terminated distributor is responsible to refund any past remuneration, incentive or bonus received from the company.

**1.8. Rule for Single Joining:**

Until & unless allowed by the company, an Advisor can operate only under one sponsor number. Advisor must not become co-applicant on another registration while being main applicant on one registration. Similarly, if you are a co-applicant on one registration, you must not join as an applicant/co-applicant on any other registrations.

**1.9. Rules for Informal Partnerships:**

In the case of an informal (unregistered) partnership, the Auretics Distributorship shall be only under the names of the individual partners and not under a business name that the partnership might use for other transactions.

**1.10. Rules for Trust Distributorships:**

If you wish to transfer your Auretics Business to your minor children or old parents who can no longer do the Auretics Business then this can be done during one's lifetime simply by creating a Trust following the laws of India.

One of the advantages of building an Auretics Distributorship is to have a business that can be generational in nature. The owner may pass it on to his or her heirs as part of his or her estate. To accomplish that objective, he or she may wish to transfer the Distributorship to an inter vivos trust during his or her lifetime or arrange for it to be transferred to a testamentary trust after his or her death. The latter may be particularly desirable where his or her surviving heirs may be minors who are disqualified by law

from operating the Distributorship until they reach their majority. The trustee must be an individual, and the trustee may also be an Auretics Advisor at the time the trust is created or takes effect.

To assure that the transfer of a Distributorship to a trust may not result in unfavourable consequences, Auretics will require compliance with the following:

- 1.10.1. The creator of the trust must have been a duly qualified and authorised Advisor at the time (or, in the case of a deceased Advisor immediately prior to the time) that the Distributorship is transferred to the trust.
- 1.10.2. Frequently the beneficiary of the trust will be the spouse, child, grandchild, parent, or sibling of the Auretics Advisor or deceased advisor whose advisor is to be transferred. However, the beneficiary of a trust may be any individual who is eligible to become an authorised Auretics Advisor. A beneficiary cannot be a business entity, existing corporation, charitable organisation, non-profit organisation, a foundation, or any similar entity.
- 1.10.3. The trust instrument must not permit the beneficiaries to assign any beneficial interest in the trust.
- 1.10.4. The trustee (a co-trustees, if more than one) must sign the Auretics application and receive an Auretics Distributorship.
- 1.10.5. An original signed (or certified) copy of the trust instrument must accompany the Application and the trustee(s) must promptly inform Auretics of any amendments or any documents which may vary the terms of the trust.
- 1.10.6. A trustee must execute on its behalf an irrevocable guarantee that the trustee will perform all the obligations and responsibilities of an Advisor as outlined in the Code of Ethics and Rules of Conduct of Auretics.
- 1.10.7. The term of the trust shall not be perpetual and shall not continue beyond the date necessary to protect the interests of those trust beneficiaries who are unable to act for themselves legally, e.g.: - minor children or incompetent persons, or who, because of age or inexperience, require assistance in the conduct of business affairs.



- 1.10.8. The trust will conduct only the business of an Auretics Distributorship and can do no other business other than the business of Auretics.
- 1.10.9. The validity of Auretics business: The Company does not charge any renewal fee for Auretics business to remain active. However, Auretics business will be discontinued if the Advisor resigns and the resignation is accepted by the company or the Advisor is terminated by the Company.
- 1.10.10. Auretics can revoke any Advisors Distributorship if in its opinion, the Advisors activities have not been in accordance with the interests of Auretics and/or the Auretics distribution organisation, or if the Advisor did not comply with any of the Auretics Rules of Conduct during the tenure of being an Advisor of Auretics.

## **2. Responsibilities and obligations of Advisor**

### **2.1. Comply with all guidelines set by Auretics:**

You must, at a times, comply with and strictly adhere to the guidelines, systems, requirements, procedures, policies, and terms and conditions mentioned under Rules of Business and Code of Ethics in Auretics publications and any other kinds of literature or any amendment thereof effected by the company from time to time.

The Advisor shall keep records of the use of products consumed and resold separately and provide the same to Auretics upon request.

The Code of Ethics requires direct selling through personal interaction with consumers.

The use of alternative methods of selling - like retail or online sales is contrary to fundamental principles of Direct selling and disturbs the level playing field. Auretics is committed to providing equal opportunity to all Auretics Advisors and hence prohibits the sale or display of Auretics products and services at places where goods are sold.

### **2.2. Rules governing misrepresentation and indemnity: As an Auretics Advisor you shall not:**

2.2.1. Sell Auretics products at a price higher than the Maximum Retail Price (MRP).

2.2.2. Misrepresent in any way the price, quality, performance, or availability of Auretics products or services.

**2.2.3. Promote or misrepresent non-Auretics products as Auretics products.**

Advisors shall indemnify Auretics on account of any costs or damages that may arise from the breach of the above.

**2.3. Comply with Laws of land:**

The advisor must not engage in any deceptive or unlawful trade practice. The advisor shall be responsible for complying with Central, State or local laws, State Sales Tax, Value Added Tax (VAT), Goods and Services Tax (GST), Octroi, Toll taxes, Service Tax, and all other taxes/laws/regulations as may be applicable to him/her from time to time and may vary from State to State in India and also for obtaining all licenses and registrations as may be required for running his/her Auretics business from time to time. No Advisor may operate any illegal or unlawful business enterprise, engage or participate in any illegal or unlawful business activity, or be convicted of any illegal or unlawful activity. Auretics is not responsible for or concerned with the effort or expense required to comply with such laws and regulations or the consequences of default. The Advisor is representing Auretics and hence he must not do any act or activity or conduct himself in any such manner as to jeopardize the reputation of the company and the business.

**2.4. Rules regarding changing or modifying current packaging:**

Auretics prohibits you from deleting any material from, adding any material to, adding extra words, labels, or other materials on, and altering or detaching any label from the product/literature.

Auretics products must be sold in the form and packages provided by Auretics and must not be decanted, repacked, or otherwise altered from the said form and packages.

**2.5. Written Sales Receipt:**

At the time of reselling products, an Advisor shall issue a written and dated receipt to the Customer. This receipt shall contain Auretics 100% Satisfaction Promise including the product refund policy. This receipt must include:

- a) Product description



- b) Price
- c) Advisors reference and registration details

**2.6. Record-keeping and maintaining proper books of accounts:**

All Auretics Advisors must maintain a proper books of accounts including sales invoices, purchase invoices, sales return, purchase return, challans, stock variances, ledger, etc. The company is not required to maintain or provide any transaction related details after 15 days from the date of the transaction.

**2.7. Prospecting and presenting Sales and Marketing Plan:**

At all times Advisors are required to make a fair presentation on Auretics Products while presenting themselves in a courteous and well-behaved manner.

**2.7.1. Invitation:**

When an Auretics Advisor invites an individual to an Introductory Meeting, he/she should not:

- I. Convey an Impress on that t relates to an employment opportunity.
- II. Convey an Impress on that the invitation is social event or market survey.
- III. Promote the business opportunity as a business relationship with a person, company or organization other than Auretics.
- IV. Imply that the meeting is for the purpose other than presenting Auretics Plan.
- V. The advisor shall observe decorum while engaging with customers and shall ensure that they are not disturbed without prior intimation, it could be for the sale of Auretics products and/or services or it could be for introducing the Auretics business or both. The advisor shall never impose himself or herself upon his/her prospective customer and shall not indulge in high-pressure selling.

**2.7.2. Presentation:**

On the first personal contact, the person should make himself or herself known in the appropriate fashion that he is an Auretics Advisor.

An Auretics Advisor shall never impose himself or herself upon his/her prospective customer. He should give his name, address, contact number as well as information on Auretics.

In the course of the presentation of the Auretics Sales and Marketing Plan, an Advisor should:

- I. Emphasize that income and bonuses can be achieved only on the basis of continuous sales and business building.
- II. Not represent that a person can benefit by recommending others to be Advisors.
- III. Not claim that an Advisor may achieve success with little or no investment by way of effort or time.
- IV. Not exaggerate or overstate the kind of potential earnings that can be generated by Auretics business.
- V. Show the sample of products if so desired by the Customer.
- VI. Guide Customers to use the product as per directions and cautions for the products.
- VII. Inform that, all forms of compensation given by Auretics Limited are for sale of Auretics products.
- VIII. Inform that, it is unlawful to be engaged to a scheme where primary motive is on recruiting new participants.
- IX. Inform that, the prospect must not get misled by claims/promises that high earnings are/can be easily achieved.
- X. Inform about all the rules of Auretics Business.

#### 2.8. Handling Customer Complaints:

Whenever there is any Customer complaint the Advisor shall notify Auretics along with all correspondences they have had with the customer regarding the complaint while also guiding the customer for replacing products as per Auretics 100% Satisfaction Guarantee.



Advisors shall indemnify Auretics for any claim, legal actions, etc. (including Auretics legal fees) originating because of any failure by the Advisor to observe this rule.

2.9. Relationship of Advisor with Auretics:

As an Auretics Independent Advisor, you are operating your own business; you are not an employee/agent of Auretics. You shall not convey the impression or refer to yourself as an employee, agent, manager, or representative of Auretics nor use such terminology or descriptive phrase on your stationery or any other printed matter.

Nothing in this arrangement shall be deemed to be an employer-employee relationship between the company and the Advisor.

2.10. Rules regarding the sale of non-Auretics products and services:

Auretics Advisor must not use Auretics Advisors or activities organized specially to promote Auretics Products or Auretics events, to promote his non-Auretics business/profession nor will induce another Auretics Advisor to participate in any other non-Auretics Business activity.

Auretics shall in its absolute discretion terminate an Advisor if he/she is an Advisor with a company in direct/indirect competition with Auretics products and/or services that may neglect or detrimentally affect the sales of Auretics products.

2.11. Line of joining is sacrosanct:

The line of joining is sacrosanct. The company prohibits an Auretics Advisor from directly or indirectly soliciting, interfering with, or trying to entice another Auretics Advisor away from his line of joining.

The advisor must not directly or indirectly, induce/entice other Auretics Advisor to change their line of sponsorship, poach or solicit re-registration of existing Advisor from other lines of sponsorship eg. inducing an Auretics Advisor to start a new business in the name of any other family member under a different sponsor without complying with 12-month inactivity rule.

Transfers of Advisors from one Sponsor to another are only granted at the sole discretion of Auretics.

Cross-Group Selling: An Auretics Advisor in one Line of joining must buy company products and literature supplies directly from the company or his/her Sponsor.

A sponsor should encourage his/her Sponsored Advisors to place orders independently; in the event Advisor/Sponsor is placing orders in the name of any other Advisor he/she should do so with the Advisor's prior written approval and he/she will remain responsible for the orders placed and hence they need to be cautious to safeguard their business interest.

#### 2.12. Privacy and Confidentiality:

Information on Line of Sponsorship, report on Sponsored Advisor, sales organization information, special terms & conditions, special benefits, income & bonuses, etc. is proprietary and confidential to the company and is made available to the Advisors at the sole discretion of the Company in strict and complete confidence, if made available, such privileged information shall be used for Advisor's use only and must not be disclosed to any third party.

All Advisors are required to strictly abide by the above policy.

Auretics may keep a track of your personal details, IP addresses, device information, cookies, history & other data shared by you or your device and keep it with itself in a reasonably manner with restricted access.

Company may ask for financial details from the direct seller and get all the details of the direct seller and keep it with itself.

We hold the right to add your name on our website under Active / Listed direct sellers list and also under Inactive / Delisted / Suspended / Terminated direct sellers list.

#### 2.13. Rules for Media activities and Spamming:

The advisor shall seek prior written consent on company's letter-head before publishing anything in online/offline media including social media relating to Auretics, its business, or Advisors. No Advisor shall make any press statement, release, briefing, presentation, etc. relating to Auretics, its business, or Advisors without the prior written consent of Auretics.



The advisor shall prospect only to his/her pre-existing personal or business relationships and shall not use unsolicited email/SMS/Whatsapp messages to any unknown person(s).

**2.14. Manipulation of Auretics Sales and Marketing plan:**

Auretics Advisor shall not influence any reward/award or bonuses by manipulating Auretics plan, their Sales Volume, or by creating an artificial structure in Auretics network.

**2.15. Territory and prohibition on exports:**

The business is confined to the territory of India and the Export of Auretics products, or knowingly selling to others who export, is not permitted. Only Auretics reserves the right to export its products at its discretion as to the customer and price.

**2.16. In case of technical issues/glitches or mathematical errors:**

Auretics Advisor must inform corporate office/customer care about all/any technical glitches or mathematical errors that they come through while working within 15 days from the date of such transaction. Advisor shall use written means to communicate these issues.

**3. Responsibilities and obligations of Sponsor**

As a sponsor Advisors have certain responsibilities and obligations. Advisor should:

**3.1. Train, motivate and support Sponsored Advisors and endeavour to get them to attend Auretics meetings and functions in cases the Sponsor's responsible and accountable for ensuring that compliant training and motivation are made available to his or her sponsored Advisors.**

**3.1.1. The advisor shall abide by the Code of Ethics and Rules of Business, and shall not indulge himself/herself in any wrongful activity, which could have any adverse effect upon the Auretics business of another Advisor.**

**3.1.2. Ensure that all Advisors in his/her group comply with all the provisions of the Code of Ethics and Rules of Business in letter and spirit.**

- 3.1.3. Counsel the Sponsored Advisors in case notices non-compliance with the Code of Ethics/Rules of Business; Report any violations of Code of Ethics/Rules of Business to the company.
- 3.1.4. Guide on promotions and other activities, media, etc to assure that Sponsored Advisors conform to Auretics approved procedures and rules.
- 3.1.5. Encourage Sponsored Advisors to place their orders independently.
- 3.1.6. Must neither hard sell Auretics Products/services to other Auretics Advisors nor engage in high-pressure selling.
- 3.1.7. Inform all his Advisors that there are no exclusive territories available under the Auretics Sales and Marketing Plan within India.
- 3.1.8. Not represent that there is an employment or agency relationship between himself and the Advisors which he sponsors.

3.2. Sponsoring Guidelines:

Auretics Plan must not be presented as an opportunity to make quick and easy money with little or no investment of money and time as if there is no requirement to resell Auretics products while prospecting, a sponsor must only use Auretics products/authorized literature and may cite lifestyle examples, e.g. travel, automobile, homes of successful Advisors, accrued as of the result of building a successful Auretics Business.

4. **Payment of Bonus**

Plan related bonuses are payable by the second week of the following month. In cases where an Advisor also has a co-applicant, Auretics will deal exclusively with the First Applicant only as per details provided in the Advisor Application form and shall make payments on account of Commissions, discounts, Returns, and refund, etc. in favour of the First Applicant only.

Bonus will be calculated and paid only to those advisors whose KYC & Bank Details are correct and verified on the date on which bonus is calculated (i.e. closing day).



If bonus is calculated & Advisor has not shared his KYC and Bank Details with Auretics or if any details are incomplete then payment will be kept on hold until the Advisor informs the company in written that he has updated his details. Auretics will hold commission for a maximum of 30 days after which such commission will be forfeited. Advisor has to make sure that his details with Auretics are correct at all times. In case the advisor has provided incorrect details and the payment of bonus is made by the company to someone else's bank account or is kept on hold by the bank or remains in the suspense account then Advisor will be held fully responsible for it.

The bank account details are shown in the business dashboard. It is the complete responsibility of the advisor that the bank account detail / PAN detail is always correct in the system at all times. In case the Advisor is unable to find the bank account detail / PAN Number then he must contact Auretics Support Immediately.

Any taxes levied by the government (TDS, GST, etc.) will be deducted from the payment amount.

Auretics is required to keep your bonus data for 15 days from the closing date only. Auretics may keep the data for time exceeding 15 days also, but in that case Auretics will not be responsible to share that data to the advisor. Advisors must keep their bonus record themselves for future reference.

In case of any discrepancy in calculation of bonus, the advisor must inform Customer Care in written within 15 days, after which it will be assumed that the advisor is satisfied with the bonus calculated.

In case of any discrepancy in payment of bonus (payout), the advisor must inform Customer Care in written within 15 days, after which it will be assumed that the advisor is satisfied with the bonus paid to them.

In case you owe Auretics any money, Auretics may exercise legal rights and remedies to adjust such sums from any amount/bonuses payable to you.

## **5. Resignation**

The advisor may submit a letter in writing at our Head Office to resign as an Auretics Advisor citing the reason for the same.

In the event of Resignation, Advisor shall cease to have contractual liabilities with Auretics or his/her sponsor, except for liabilities:

- 5.1. On account of indemnities in respect of costs or damages legal or otherwise, arising as a result of any misrepresentation, infringement of any laws or violation of Auretics Terms & Conditions and Policies, etc. while the Advisor was part of the Auretics Business.
- 5.2. On account of infringements of the Rules of Business as occurred before, on or after the effective date of Resignation.

If the resigning Advisor has some Auretics products to return at the time of resignation and if they are in a good, sealed, properly packed, unused and saleable condition (to be decided by Auretics) and returned within 30 days of their purchase, s/he will receive a refund. The amount refunded will be equal to the price paid after adjusting all benefits availed by the Advisor and/or bonus paid to the Advisor as a result of the purchase of such products, plus applicable handling fees. The Advisor will have to present a copy of the related invoice.

Payment for the product return will be made to the Advisor within 30 days.

## **6. Re-registration of a former Advisor**

An Advisor who has resigned can re-join the business after the expiry of 12 months of dormancy/inactivity period from the date of resignation. The inactivity period starts from the date when Auretics receives and accepts the Resignation letter. To apply for a new Auretics business under this Rule, Advisor must submit a new Advisor Application Form specifying the following on the Advisor Application Form:

- I. Earlier Registration Number
- II. Declaration of dormancy



If any Advisor opposes or has reservation against any former Advisor re-joining the business, he/she can file an objection with the Company submitting a clear proof of activity of this former Advisor in the last 12 months period. If valid evidence of activity during the twelve months is received, Auretics will reject the application. However, the Company reserves the right to take the final decision on each and every case on a case-to-case basis. Applicants can not apply under this rule to become a partner in an already existing Auretics business.

**6.1. Meaning of the Term Dormant:**

Term 'Dormant' means that an Advisor who (any of the one):

- 6.1.1. Did not conduct field activities & did not hold meetings.
- 6.1.2. Did not attend any meetings, training, and conventions of Auretics Advisors or any Auretics company-sponsored meetings.
- 6.1.3. Did not purchase/sell Auretics products as an Advisor, not done sponsoring of prospects, and shall not have presented the Auretics Sales and Marketing Plan to any prospect.
- 6.1.4. Did not participate in any Auretics activity under another 'Auretics Advisor' in the name of parents, siblings, or others.

When either a husband or wife is an Advisor, both must fulfill the twelve-month inactivity requirements before one or both can be registered as an Advisor.

An Advisor re-registering, under the provisions of this rule, is not allowed to be sponsored by anyone who was previously above or below him/her in his/her previous Line of Sponsorship unless 12 months have elapsed since the termination of his/her original Auretics Business. After moving to a new group, an Advisor cannot poach persons from his old group except for Advisors who were inactive for at least 12 months.

**6.2. Corrective Action:** If the above provisions are violated, Auretics may take corrective action. Auretics, at its discretion, may transfer the Business Group and the business volume generated during the period of violation to the original Line of Sponsorship.

### 6.3. Re-registration of Terminated Advisor:

Auretics prohibits re-registration of an Advisor and his or her spouse who has been terminated by Auretics. Such persons will be allowed to re-join only at the company's discretion.

Advisors, intending to sponsor any such person, would be required to take permission in writing from Company Management before sponsoring.

## 7. **Customer Satisfaction Program**

We observe a satisfaction promise on our products, wherever specified. This assures that consumers of Auretics products will be satisfied with their purchases.

According to this,

- I. If a Customer is not completely satisfied, he/she may return the product to the Auretics Advisor for a refund for the product within 30 days of the original purchase. The customer must provide a valid reason for return of such products.
- II. An Auretics Advisor has to intimate the company immediately and return such products to the company within 7 days after receipt of the products. The Product Refund Policy is applicable to sealed, unused and saleable products only.

Auretics Advisor shall advise Auretics of any customer complaint and provide copies of all correspondence and details of all conversations regarding the complaint. Auretics Advisors are not authorized to make any type of offer or compromise or render Auretics liable for any complaint or product return.

Whenever there is a request from a customer for honouring the Company Satisfaction Promise, the Auretics Advisor shall offer to the customer the choice of:

- Refund of the purchase price paid, or
- Exchange with the same or another product of equivalent value.

Auretics Advisors are required to identify Auretics for any claim, legal actions, suits, etc. (including Auretics legal fees) which are filled or which originate because of any failure by the Auretics Advisor to observe this rule.



Depending on case to case basis and as decided by the company, a restock fee of 10% will be applicable on all the orders. Over and above that, bonus paid will be deducted from the refund and maximum refund will be capped as per the amount decided by the company.

Free products or products given under offer will not be applicable for refunds. Further, all refund are subject to acceptance by the company.

#### 7.1. Product Return Procedure:

The company will accept the return of products along with relevant Customer Order Receipt, Product Return Form, and related invoice within 30 days of its purchase.

In case Auretics Advisor returns product under satisfaction promise, s/he will have the option to take Credit note (through which the Advisor can buy same or another product of the same value) or Bank Transfer under which the refund will be issued in his/her registered bank account. Handling charges, Business Volume (BV) and bonus paid will be deducted from the refund amount.

#### 7.2. Product Return- Other guidelines/notes:

This policy will apply on offer invoiced as well as free product received under offer as follows:

Auretics Advisor returning products purchased under this offer may take replacement of invoiced products or offer products with same or any other product/s of same value provided offer conditions are not affected otherwise Advisor will seize to get the benefit under the offer.

CONDITION	PERIOD	PAYMENT
Saleable Product	Within 30 days of purchase with an invoice	Distributor Price less BV
	Within 30 days of purchase Without an invoice	Distributor Price less BV & Taxes
Unsaleable	Within 30 days of purchase	Distributor Price

	With or without the invoice	less BV, Taxes & 10% handling charges.
Excessive stock	Within 30 days of purchase	Distributor Price
Return	with an invoice	less BV & 10% handling charges.
	Within 30 days of purchase	Distributor Price
	without an invoice	less BV, Taxes & 10% handling charges.

### **Product Return Conditions**

1. The Advisor must return the product(s) to Auretics Head Office.
2. The period of return for products is calculated as the number of days from the invoice date, to the date of receipt at the Auretics Head Office.
3. Condition refers to the condition in which the stock is received back from the Auretics Advisor as a return. The product can be 'marketable' or 'unmarketable' depending on the condition of the returned stock as assessed by the Returns executive at the Auretics Office.
4. PV/BV adjustment of Products returned shall be processed in the same month. Total PV/BV of the returned products will be deducted from the returning Advisor's account.
5. If unsold products return is greater than or equal than 5 in number on a single invoice, 10% extra handling charges will be deducted.
6. The product satisfaction promise does not apply to open packs of literature, promotional items, videos or other sales aids.
7. Total returns cannot exceed the quantity appearing on the invoice.
8. If products are returned by customers directly to Auretics, PV/BV shall be deducted from the Advisor's account & any excess amount paid shall be recoverable from the Advisor.
9. Taxes means all direct and indirect taxes applicable, including but not limited to sales tax, central tax, entry tax, VAT, GST, etc.
10. Saleable refers to products that are unopened and sealed.



- 11. Unsaleable refers to products that are opened and unsealed.
- 12. Excess stock refers to products greater than or equal to five in number.

## **8. Guidelines regarding sales of rights/interests**

- 8.1. An Advisor can sell his/her Auretics business only after he/she has attained and qualified as an Associate Director or above.

8.1.1. If an Advisor wants to sell his/her business, it must first be offered to his/her immediate sponsor. If the immediate Sponsor does not accept the offer, then the offer must be made to all Crown Diamond Directors and above in that order in the same line of joining. If the above declines the offer, the same can then be offered to all/her frontlines.

8.1.2. In case the Advisor wants to vary the terms of the offer of his 'Auretics business', then it must be offered again with the modified terms in the order of priority set out above.

8.1.3. Once the sale is through, all bonuses, which the business will be entitled to, shall be paid to the new owners, it is however clarified that Bonuses or Recognition awarded before the sales cannot be transferred. Only activities are undertaken after the sale can be taken into consideration for conferring distinctions and recognition on the buyer.

8.1.4. No sale shall be final until approved in writing by Auretics.

8.1.5. The purchased business shall remain separate from the buyer's other Auretics business and the lines of Sponsorship shall not be altered in any way as a result of the same.

## **9. Rules regarding Death or Dissolution of partnerships**

Auretics has a pre-determined set of rules that are to be followed in the event of the death of an Advisor and the dissolution of a partnership.

## **A. Death**

### **9.1. In the case of the death of an Advisor, where there is no co-applicant:**

9.1.1. The business shall pass to the Executor of the deceased Advisor and the Executor shall receive all or part of the Commissions and privileges earned by the Auretics business that he represents, for the period during which he manages it. If Auretics is not notified of the appointment of an Executor within 60 days of the death of the Advisor, Auretics can dispose of business in accordance with this agreement (Disposition of Terminated, De-sponsored, or Non-Renewed Businesses).

9.1.2. The Executor of the deceased Advisor's Business shall as soon as possible following the death of the Advisor(s), do the following:

- a. Sell the Auretics Business in accordance with this agreement,
- b. If he is or becomes an Advisor, take charge of the deceased Advisor's Auretics Business.

### **9.2. If an Auretics Business belongs to two unmarried persons, and if one of them dies, the following provisions shall apply:**

9.2.1. Upon the death of either of the Advisors intestate, the surviving Advisor will become the owner of the business.

9.2.2. The legal heir of the deceased Advisor can apply to the Company with all original documents validating his claim, for replacing the deceased name by his name within 60 days from the date of the death of the deceased Advisor along with the consent of the surviving co-applicant Advisor. In the event, the Company does not receive any consent from both the parties within the stipulated period, the Company shall dispose of the said business as per Rules mentioned in this agreement or the Surviving Advisor shall obtain (by will or sale) the Interest of the deceased Advisor.



## **B. Dissolution of Partnership**

Divorce, Separation, or Other Dissolution:

Terms of divorce or dissolution of the partnership should spell out clearly how the business is to be split so that the functioning of the company or the line of sponsorship is not adversely affected.

When there is a dissolution of the partnership, the bonus will be divided equally between the Advisors or as decreed by the court. Where dissolution is pending, the company prohibits any of the parties from managing and developing either alone or jointly any other Auretics business without Auretics approval.

## **10. Company ownership of the copyright**

10.1. Auretics has a copyright with regards to all its printed material.

10.1.1. Auretics forbids reproduction in whole or in parts except with its written permission of any Auretics printed material such as text, pictures, diagrams, charts, maps, designs as well as other materials Like audio cassettes, video, audio, images and film recordings. This includes information of its management or its employees or any asset belonging or leased by Auretics.

10.1.2. In any such reproduction by Advisors a statement as follows should be appended. "Reproduced with the permission of Auretics."

10.1.3. All rights in the Auretics name, trademarks, or other intellectual property are the property of Auretics and/or its associated companies.

The advisor shall use only printed material received from Auretics and is prohibited from printing or disseminating any material with any change in the wording.

Upon Resignation, Advisor shall stop using Company name, its logo and copyright.

10.2. Guidelines regarding the use and representation of the Auretics name by Advisors.

Auretics forbids the use of its name, logo, any trade names, trademarks, service marks or other Intellectual property that is the property of Auretics or any of the associated

companies without prior written consent Auretics reserves the right to withdraw its consent at its absolute discretion.

Auretics also forbids an Advisor from producing or procuring from a source other than Auretics, any item bearing the Auretics name or logo, or any Auretics trademarks or trade names or service marks.

#### 10.3. Office Signage:

Auretics Advisor operating an office if desires to display Auretics Name or logo that it is visible to the public, he/she must first obtain prior approval from Auretics in writing while describing proposed signs. Its size, location, and type/method of installation.

Auretics reserves the right at all times to terminate the Association and withdraw permission to use the Auretics name if an ethical operation is not carried out, the decision of Auretics in this regard shall be final.

#### 10.4. Vehicle Sign:

10.4.1. Auretics Advisor must obtain explicit prior written approval from Auretics for using a Trade name. Trademark, logotype design, or symbol on any vehicle.

10.4.2. Auretics reserves the right to withdraw permission to use the Auretics name on any vehicle if the owner fails to comply with the specified rules and requirements, permits his vehicle to fall into disrepair, violates the Code of Ethics and Rules of Conduct, or is guilty of any conduct prejudicial to the interest of Auretics, of which Auretics shall be the sole judge.

10.4.3. The Auretics name and logotype must be completely removed at the time of selling the vehicle.

10.5. Charitable Events: Auretics Advisors shall not use Auretics products and services, in conjunction with any charitable activity while soliciting with any purchase of Auretics products/services on the representation that all or a part of benefits, profits, gains generated by such sale will benefit a particular cause/group/organization.

#### 10.6. Stationary. Promotional, Literature, etc.:

Auretics Advisors must take prior approval in writing or printing stationary bearing Auretics Logotype, trade name, or trademark by sending an exact copy to be used for



printing before pricing is done. After the approval, there shall be no deviation from the approved copy.

**10.7. Business Support Material:**

Business Support Material may not infringe in any way on Auretics copyrights, trademarks, or other intellectual property rights or provisions of any other applicable laws, rules, or regulations. Advisors promoting, distributing, offering for sale, or selling Business Support Material must obtain appropriate written authorization from Auretics to use or any trademarks, copyrighted material, or other intellectual property of Auretics in Business Support Material. Additionally, Business Support Material must not infringe the trademarks, copyrights, or Intellectual property rights of other Certified Training Providers, other Advisors, or any third parties.

**10.8. Principles regarding advertising:**

Auretics prohibits its advisors from the use of mass and/or broadcast communication methods such as mass mailing, telemarketing, national or international, advertising, television merchandising channels, computer networks including the internet, or any other means by which personal contact with the prospects is not there, to secure Auretics customers. However, Advisors may use digital media or maintain an Internet Website for use with prospects, provided the contents of such media or Website meets the requirements set within the Advisor Guidelines and complies with the Terms and Conditions of Auretics Business, after obtaining explicit consent and authorization from Auretics. Any mass communication, if required, will be done directly by Auretics.

**10.9. Penalties for Violators: In case any Advisor violates any clauses of the code of ethics his Association shall be terminated, forthwith:**

10.9.1. He shall be prohibited from representing as an Advisor of Auretics, and

10.9.2. He cannot use the trademarks and trade name of Auretics.

10.9.3. In case he continues to do so then he shall be liable for infringement and a suit for damages and injunction shall be filed at his risk and cost.

## **11. Business Development Aids / Business Support Materials (BSM)**

### **11.1. Definition:**

Business Development Aids means all products and services (including but not limited to business tools, books, magazines, flip charts, and any other printed material, online literature, internet websites, audio, video or digital media, rallies, meetings, and seminars (inclusive of tickets for the same), and other types of materials and services) that:

- (i) Incorporate or use one or more of Auretics trademarks, service marks, or copyrighted works; or
- (ii) Are designed to solicit and/or educate Prospects, prospective customers, or Customers of Auretics products or services, or to support, train, motivate and/or educate Advisors;
- (iii) Are otherwise offered with an explicit or implied sense of affiliation, connection, or association with Auretics.

### **11.2. General Rules on Business Development Aids:**

11.2.1. No Advisor shall be authorized to create, produce, promote, distribute Business Development Aids (as applicable) to promote their Auretics Business.

11.2.2. Business Support Material shall at all times be entirely optional. Auretics Advisors shall not promote any training or support material as a condition under Auretics joining process or explicitly or implicitly present as necessary for success in Auretics Business.

11.2.3. Advisors may neither give to nor receive compensation, remuneration or remunerates or other financial incentives from other Advisors for the promotions, distribution, offering for sale, or sale of Business Support Material.

11.2.4. Business Support Material may not infringe in any way on Auretics copyrights, trademarks, or other intellectual property rights, or provisions of any other applicable laws, rules, or regulations, Advisors promoting, distributing, offering for sale, or selling Business Support Material must obtain appropriate written



authorization from Auretics under Section 10 to use or affix any trademarks, copyrighted materials or other intellectual property of Auretics in Business Support Material. Additionally, Business Support Material must not infringe the trademarks, copyrights, or intellectual property rights of other Certified Training Providers, other Advisors, or any third parties. All approved Business Support Material must carry the 'Auretics Advisor' name and MCA number.

- 11.2.5. For Business Support Material in the form of a presentation offered by Auretics, no Advisor may record the same without the express written consent of Auretics.
- 11.2.6. No Advisor may use the photo of any person within the management of Auretics, its employees, its ambassador, or any other distributor without prior written approval from Auretics.
- 11.2.7. Any claim relating to the use, characteristics, and/or performance of Auretics Products must be reproduced verbatim from official Auretics sources, without alteration or modification. No other third-party claim for the same shall be authorized in any Business Support Material. Advisors may, with prior Auretics approval, incorporate into their communications or include in presentations reduced to fixed medium-full and exact reproduction(s) of materials outlined in Auretics-produced literature, Auretics magazines or Auretics-produced labels.

## **12. Standard Policies related to Offers / Bonanzas**

Unless otherwise expressly specified, the following terms are applied in addition to terms written in the creative in case of all offers, bonanzas, rewards or any form of compensation or benefit given by the company:

- 12.1. One advisor will get maximum one benefit, even if they qualify using multiple criteria.

- 12.2. The offer period or benefit validity will be mentioned in the creative. In case the creative does not contain the time duration, the advisor must get time duration details in writing from the customer care of the company.
- 12.3. Benefit will be given only after end of the period.
- 12.4. Company reserves the right to extend and/or shorten the period of the benefit.
- 12.5. Benefit will be available for order placed both online and to our Distributor Center.
- 12.6. Benefit will be available for new advisors also.
- 12.7. Benefit will be only given to Advisor's who KYC is complete.
- 12.8. Benefit will be given to 1 physical person only.
- 12.9. Benefit will not be given to behalf of anyone.
- 12.10. No cash / cash equivalent will be provided in lieu of the benefit.
- 12.11. Any Taxes, Fee, Out of Pocket Expenses, Transit Charges, etc. shall be payable by the Advisor and no reimbursement will be provided for the same.
- 12.12. Management reserves the right to cancel, deny, discontinue, withdraw, modify and alter the benefit without prior notice.
- 12.13. Creatives of the benefits shown are for representation purpose only. Actual benefit might be different from the images shown. Few accessories, area, landscapes, etc. might be shown for beautification purpose or to add ornamental value and may not be part for the final benefit.
- 12.14. In case the advisor resigns, give-up his distributorship, is suspended or terminated, than the offer/bonanza will stand cancelled and the company will not be required to provide the benefit of the offer/bonanza to the advisor.

### **13. Social Media Policy**

#### **13.1. Definition of Social Media Policy:**

The Policy is intended to help Advisors to apply necessary rules and principles to social media interactions. Advisors desiring to use Social Media for their Auretics Business should review all Code of Ethics & Rules of Business and adhere to the same while using



Social Media such as websites, online tools like blogs, microblogs, message boards, podcasts, video and photo sharing sites, online communities, wikis, etc. That is used to connect and interact online with other people and share any content and information.

### 13.2. Appropriate Conduct.

- 13.2.1. Connect with Auretics online, join official websites to share posts, videos, and photos posted by Auretics with your teams, customers, and prospects.
- 13.2.2. Maintain privacy settings while connecting with friends or friends of friends, there Sponsored Advisors, and Sponsor as appropriate.
- 13.2.3. Self-disclose your affiliation with Auretics if you intend to discuss the business on your page. Be truthful and accurate at all times considering your comments reflect upon your and Auretics reputation.
- 13.2.4. Share positive experiences about Auretics products and the Auretics business.
- 13.2.5. Offer participation, support, and feedback. When approaching others or entering the conversation interact positively, be relevant, and credible.
- 13.2.6. Refer questions or other users with questions to Auretics.
- 13.2.7. Remember to abide by the Code of Ethics & Rules of Business for Auretics Advisors.

Only some of the applicable rules are listed here for ready reference. Advisors may clarify any other doubts from Auretics.

### 13.3. Forbidden Conduct:

- 13.3.1. Do not create pages, websites, accounts, or other online sites to sell products.
- 13.3.2. If someone contacts you online and expresses a desire to buy a product or learn more about the business, contact them privately through chats, messages, or email.
- 13.3.3. Do not offer discounts or special promotions not offered by Auretics.

- 13.3.4. Do not create fake Auretics or product brand identities. When It comes to naming your page, you are not allowed to use Auretics trademarks or trade names.
  - 13.3.5. Do not use Auretics logos, Auretics Product logos, brand images, photographs, and copyrighted text including product literature or Auretics Business Support Materials without prior permission from Auretics or misrepresent Auretics in any way.
  - 13.3.6. Do not make claims about Auretics products that are false, misleading, or incorrect.
  - 13.3.7. Do not upload photographs/videos/content related to Auretics Business, events, or products that are not authorized by Auretics, false, misleading, or incorrect.
  - 13.3.8. Do not upload Business Support Materials of other Advisors or your Business Support Materials that have not been approved by Auretics.
- \* Auretics conduct and activities while using the Social media for their Auretics Business is governed by the Code of Ethics & Rules of Business and the above policy, which are subject to change from time to time. Violation of the Rules and/or this policy may invite action against your Auretics Business.

#### **14. Use of Advisor Details**

For promotional purposes, Auretics reserves the right to use advisor's name, location and photograph & videos captured during Auretics meetings, events, seminars or during meeting setup by Auretics Advisors or shared by advisors to Auretics online or offline or on Auretics Portal to any private, public or social media platform without prior intimation. In case an advisor wants to remove his details shared by Auretics than he/she must give written request for such removal.



## **15. Correction of name**

- 15.1. Only spellings corrections will be allowed for applicant and/or co-applicant's name, if the error has occurred on part of the Advisor while filling the form, an application from the Advisor is required requesting the rectification and enclosing a copy of a valid KYC document containing his/her signature like Passport, license, PAN card, or signature attested by Bank.
- 15.2. Applicant can enrol anyone as co-applicant. In case there was no co-applicant at the time of enrolment, an application from the applicant requesting the addition of a co-applicant must be submitted along with a "No Objection" letter from the person joining as co-applicant.
- 15.3. Interchange of names between the applicant and the co-applicant can be allowed after receiving an application from the applicant requesting the same and a "No Objection" letter from the co-applicant attached along with. However, it is allowed only if the applicant and co-applicant are spouses or blood relatives, proof of relationship will be required at the time of name interchange along with Valid KYC documents of both parties containing their signature.
- 15.4. Change of address and phone number:  

Address change to be accepted only upon a written request from the concerned Advisor along with proof of valid address such as a copy of, bank account statement, electricity or telephone bill, passport, voter I-card, Aadhar Card, etc. Address proof must be in the name of the main applicant and must have the same address as requested for the charge.

A phone number will be changed upon receipt of an application from the concerned Advisor requesting the same along with a valid proof i.e., copy of the telephone bill.

## **16. Disposition of Advisor's Business**

In the event that Auretics determines that it is necessary to terminate Auretics business, or Auretics determines that it is necessary to terminate the Advisor's Auretics business, or if an Advisor resigns from his Business or dies without leaving heirs who will assume the operation of the Auretics Business, the disposition of the business of such Business will be determined by Auretics in its sole discretion. In exercising its prerogative to determine the disposition of such business, Auretics may elect to employ one of the following methods:

### **16.1. Sale/Assignment of Business -**

If Auretics elects to sell/assign the business, and subject to the provisions of all applicable laws and regulations, the following will be observed:

- 16.1.1. The business will be offered for sale/assignment as per the priority set out in these rule.
- 16.1.2. The terms of the sale will be outlined in a written contract executed between Auretics and the purchaser.
- 16.1.3. The business will remain in its current position in the Line of Sponsorship and will be made a No.2 business of the purchaser.

### **16.2. No Limitation on Auretics:**

Auretics right is in no way limited to any of the above methods of disposition of a business and Auretics may exercise complete discretion as to methods and/or timing of disposition.

## **17. Adherence to Law**

An Advisor must strictly adhere to the laws of the land. The Advisor must not engage in any unlawful trade practice as defined by any Central, State, or local law or regulation.

If Auretics determines that any Auretics Advisors is engaged in or operating or participating in an illegal or unlawful activity or enterprise and even upon notification and request by Auretics does not refuse or fails to terminate his or her relationship



with such illegal or unlawful enterprise or activity, then Auretics shall terminate such Auretics Business, whereupon the advisor shall lose all the right and privileges of an Auretics Advisor.

## **18. Enforcement of the Auretics Rules of Conduct - Suspension/Termination**

Violation of Auretics Rule of Business and Code of Ethics is completely unacceptable under any circumstances. Auretics in its absolute discretion can take disciplinary action, up to and including termination, against any Advisor who discreetly or indiscreetly violates Code of Ethics and Rules of Business and/or any other guidelines or instructions given in Auretics official publications. Depending upon the nature and magnitude of the violation, company reserves the right to provide time in the show cause notice or take actions immediately. Auretics decision in this respect shall be final and binding to all parties concerned.

18.1. In case any violation is observed, Auretics Advisor must report the same to Auretics following the below-specified complaint procedure:

18.1.1. Violation must be notified to Auretics along with all facts and documentary or other evidence connected with it. Additional information may be requested from any party by Auretics concerning the complaint.

18.1.2. On receiving a complaint, Auretics will issue show-cause notice to the concerned Advisor to seek an immediate response. The letter shall be issued and sent by Registered Mail to the last mailing address while stating the Rule(s) violated by the Advisor.

Auretics may initiate termination or suspension of an Advisor's business even in the absence of a formal complaint.

18.2. Suspension of an Auretics business;

Auretics may employ various actions and procedures to encourage proper Auretics business conduct

18.2.1. Block access to Online Portal and Business Status reports.

- 18.2.2. Hold or cancel payment of commissions, bonus, incentive, award money, or other additional benefits payable to the Advisor.
- 18.2.3. Hold or cancel payment of various Funds allocated by the company.
- 18.2.4. Not allow him/her to attend Company sponsored seminars, events, meetings, training sessions, home presentations, etc.
- 18.2.5. Prevent him/her from participating in Company-sponsored trips.
- 18.2.6. Prevent him/her from placing orders on the Company's website or sharing opportunities.
- 18.2.7. In case the advisor is also a distributor, Auretics may block access to Distributor Panel.
- 18.2.8. In case the advisor is also a C&F, Auretics may block access to C&F Panel.
- 18.3. Upon termination of his or her authorization as an Auretics Advisor for any cause whatsoever, the Advisor shall forthwith:
  - 18.3.1. Cease to identify himself as an Auretics Advisor and shall cease to have all rights as an Auretics Advisor, and
  - 18.3.2. Cease to use all trademarks, trade names, insignia, or other industrial property used in or related to the Auretics business.
- 18.4. All income being generated after the date of termination/during the period of suspension.

In the event that Auretics terminates an Advisor business pursuant to the Code of Ethics and Rules of Business, the Advisor will have no claim against Auretics arising out of or in respect of the termination.

In case the advisor's distributorship is kept on suspension, the advisor will have no claim against the period at which his distributorship is kept terminated.

Auretics may terminate without affording to allow rectifying Advisor's improper conduct where the violation has been of such magnitude as to bring into serious question the right of such Advisor to continue to operate his business.



#### 18.5. Interim Managers:

Where Auretics thinks that the interests of any Distributorship within a particular Line of Sponsorship are being adversely affected by the inability or unwillingness of an Advisor within the same Line of Sponsorship to properly carry out his/her responsibilities and obligations as an Advisor, Auretics may by notice in writing appoint an Interim Manager to run the business of the violating Advisor. Such appointment shall apply until the resolution of the situation and at the sole discretion of Auretics.

#### 19. **Zero Liability of Auretics Portal (Online Software)**

Auretics provides access of Auretics Online Portal to all the Advisors. Although all Advisors are required to keep track of their business on their own, still for their convenience, without any liability to Auretics, this access is provided free of charge, and there is no warranty for the program, except when otherwise stated in the access to online portal is provided on "as is" basis without warranty of any kind, either expressed or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. The entire risk as to the quality and performance of the program is with the advisor. Should the information provided in the portal is proved defective, the Advisor assume the cost of all necessary servicing, repair or correction.

Auretics reserves the right to make alterations, modifications and version change in the portal at its own discretion without any announcement.

#### 20. **Allowed actions on Online Auretics Portal**

Advisor is allowed to make a new purchase on Auretics Portal and view their business. Advisor is not allowed to view business of anyone apart from his own or his downline. Advisor must refrain himself from viewing business that does not belong to him or crossline, etc. Advisor is not allowed to extract from the portal or share anyone's contact details or other personal details also. An attempt to view anyone else's business or contact details or sharing the same would lead to disciplinary actions

against the Advisor. Auretics reserves the complete right to track, keep and maintain IP addresses, access locations, and other device information for this purpose also.

**21. Perception of Purchases by Advisors**

Auretics advises that an Advisor must make purchases only after they have taken all the product training or have gained knowledge about Auretics products from reliable sources and are also confident that they can re-sale the products to consumers or can self-consume the products and are sincere about the purchases/self-sale done by them. Therefore, Auretics will assume that all purchases/self-sale done by advisors are well-planned and within saleable limits and the decision of purchase/self-sale done by them is cautiously taken and no purchase/self-sale will be considered bulk buying or bulk stocking.

**22. Zero Tolerance Policy**

This policy is to emphasize that Auretics will not overlook any violation of Rules of Business and Code of Ethics defined and printed in any of Auretics Publications. No leniency shall be shown in dealing with an Advisor who is found indulging in adverse conduct or to violation of the Rules.

In addition, Auretics can hold the Advisor responsible for any cost or damages incurred by the Company and/or any other Auretics Advisors if the activities of the Advisor have the effect of derogating, diminishing or damaging the reputation of Auretics or its products and/or services.

**23. Modifications in the Rules of Business**

Auretics may at its absolute discretion, change, rectify, or amend any of Rules of Business & Code of Ethics, terms & conditions of Auretics plan and policies or any other document comprising the Advisor's Contract from time to time. Any such amendment in policy/procedures/new schemes/Company's initiatives shall be communicated



through Auretics website [www.auretics.com](http://www.auretics.com), Magazine/Posters displayed at Auretics Offices or any other published material.

When company changes the compensation plan or terms & conditions then Advisor will have 30 days to object in the same in writing from his registered email-id to [support@auretics.com](mailto:support@auretics.com) and get his objection resolved.

In case of dis-satisfaction or other-wise, the Advisor also has the option to terminate the contract forthwith if the Advisor does not accept the terms and conditions. In such a case he will be required to send a written communication to Auretics. If he continues business after the communication of amendment of Rules of Business it shall be presumed that the Advisor has accepted the amendments and is bound by them.

#### **24. Applicability with Additional Terms & Conditions**

Auretics provides another agreement for distributors, carry and forwarding agents, and special terms with advisors, etc. In all such cases, if the distributor has signed up with Auretics as an advisor then this agreement will also remain in force alongside the other agreement and all the terms in this agreement must be followed by the advisor.

#### **25. Retailing**

Auretics does not permit Advisors to display/sell its products/ literature through retail stores.

25.1. No Advisor shall permit Auretics Products or services to be sold or displayed in retail stores, schools, fairs, ships or military stores, nor shall he or she permit any Auretics product to appear in such locations even if the Auretics product or services themselves are not for sale.

25.1.1. No Auretics point of sale material, literature shall be displayed in retail establishments.

25.1.2. An Advisor who works in or owns a retail store must operate his or her Auretics business separate and apart from the retail store. Such Advisors must secure customers and deliver products to them in the same manner as Auretics

Advisors who have no connection with a store. Other types of retail establishments, which are not technically stores, such as barbershops, beauty shops, etc. likewise, may not be used to display Auretics Products, information about Auretics services, or Auretics literature.

Advisor must not display any product where the usage clearly states that it must be used under the supervision of a medical practitioner, without presence and consent of a registered medical practitioner.

Further, Advisors may not use mass communication methods such as television merchandising channels, computer networks, national or international advertising, etc, to secure Auretics customers.

## 25.2. Exception to above Rule

### 25.2.1. For Beauty salons, health clubs, doctors, hospitals, clinics:

Display and sale of health, beauty, and sports nutrition product are permitted in health and beauty establishment under the following conditions:

- The primary focus of the business's service and retail sale of the product is incidental to the service provided (e.g., Beauty salons, health clubs, Doctor's clinic)
- Only Auretics products directly related to the service provided by an establishment will be allowed. For example, a Beauty establishment could display, use and sell only beauty products and related personal care products like shampoo and conditioner. A Health establishment i.e., Gym could only display, use and sell wellness products.

### 25.2.2. When advisors are conducting health camps:

Display of only the product which is directly related to health camp can be done provided a person of technical qualification of that product is accompanying during that camp. e.g.: An advisor may display a healthcare product inside the premises of a registered medical practitioner in his presence, after taking prior approval from the medical practitioner.



## **26. Prohibition from Spamming**

### **26.1. Unsolicited e-mail messages:**

No Advisor shall send, transmit, or otherwise communicate any unsolicited e-mail messages to persons with whom the Advisor does not have a pre-existing personal or business relationship. (This includes, but is not limited to, sending e-mails through newsgroups, purchased mailing lists, "safe lists", or other lists of individuals or entities with which the Advisor does not have a relationship).

### **26.2. Employment Postings:**

If an Advisor responds to an employment posting for someone seeking an employment opportunity, they shall clearly state within the first paragraph of the response that they are offering a business opportunity. Any materials used with a prospect must be approved by the Corporation in accordance with the Rule of conduct and business herein.

## **27. Termination and De-sponsorship:**

De-sponsorship means the removal of an Advisor from his position as a Sponsor in the Line of Sponsorship.

De-sponsorship or "de-sponsored from one's Business Group" means the removal of an Advisor from his position as a Sponsor in the Line of Sponsorship (including, at the absolute discretion of Auretics, the removal of the Advisor's right to ever sponsor again in his current Line of Sponsorship or any other Line of Sponsorship), such removal being affected by written notice from Auretics to the relevant Advisor and becoming effective on the date stated in such notice or on the date of the breach committed whichever is earlier.

Termination and De-sponsorship:

Auretics can terminate/de-sponsor the Distributorship of an Advisor if he/she:

27.1. Gives wrong Information in the application form.

27.2. Misrepresents Auretics and or its Business.

- 27.3. Breaches any of the Rules of Conduct.
- 27.4. Is convicted of an offense punishable by going to Jail.
- 27.5. Is declared bankrupt.
- 27.6. Is not mentally sound to handle the business
- 27.7. If the Advisor breaches any of these Rules of Conduct and fails to rectify such breach within the period specified by Auretics in its written show-cause notice to the Advisor.
- 27.8. If the Advisor commits repeated breaches of any of these Rules of Conduct.
- 27.9. If the Advisor (or, if the business comprises two or more individuals, any of those persons) is convicted of an offense punishable by going to Jail.
- 27.10. If the Advisor (or, if the business comprises two or more individuals, any of those persons) is suspended or disbarred from practicing his usual trade or profession by any association, institute, or professional society.
- 27.11. In the event that an Advisor dies without either an executor or an heir appointed by the executor who wishes to assume responsibility for continuing the deceased's business.
- 27.12. If the Advisor commits a breach of terms and conditions of availing of any value-added service including any payment thereof and/or fails to make payment of any products/services provided by Auretics.
- 27.13. Does any activity of another company in competition to the business of Auretics directly or indirectly.
- 27.14. Defames the company and or any of its employees.
- 27.15. Uses the copyright data, information about downlines, conniving with others to harm the Auretics Business.
- 27.16. Makes his own organization to promote the Auretics Business under its banner.
- 27.17. Mis-appropriates funds of customer, fellow direct sellers, advisors or company.
- 27.18. Violates the provisions of the Code of Ethics.
- 27.19. Does not perform the sales of Auretics products and services from time to time.
- 27.20. Breaches any provision of this agreement or Auretics policies.



- 27.21. Breaches Direct Selling guidelines/laws/rules etc., published by the Government of India or any State Government, as amended from time to time.
- 27.22. Misrepresentation to any consumer or prospective advisor.
- 27.23. Does not purchase Auretics products for more than 12 months.
- 27.24. Does not complete his KYC, i.e. add his PAN & Bank details in the Auretics portal.
- 27.25. Due to legal, regulatory or other developments that require material operational changes within the Territory, in which case Auretics may, if regulatory conditions allow, endeavour to restructure the contractual relationship with the advisor on such terms and conditions as are then practical and legally permissible.

## **28. Termination**

- 28.1. Auretics may, at its discretion and by notice in writing to an Advisors, terminate the authorization to operate as an Advisor, or de-sponsor the Advisor from his Business Group, if one or more of the following occurs:
  - 28.1.1. If in Auretics opinion, the Advisor provided false information in his Advisor Application.
  - 28.1.2. If the Advisors makes a serious misrepresentation of Auretics or the Auretics business which, in Auretics opinion, is not likely to be satisfactorily remedied by corrective actions.
  - 28.1.3. If the Advisor breaches any of these Rules of Conduct and fails to rectify such breach within the time period specified by Auretics in its written notice to the Auretics.
  - 28.1.4. If the Advisor commits repeated breaches of any of these Rules of Conduct.
  - 28.1.5. If the Advisor (or, if the business comprises two or more individuals, any of those persons) is convicted of an offense punishable by a prison term.
  - 28.1.6. If the Advisor (or, if the business comprises two or more individuals, any of those persons) is suspended or disbarred from practicing his usual trade or profession by any association, institute, or professional society.

- 28.1.7. If the Advisor becomes the subject of bankruptcy or winding-up proceedings.
- 28.1.8. In the event that an Advisor dies without either an executor or an heir appointed by the executor who wishes to assume responsibility for continuing the deceased's business.
- 28.1.9. In the event that an Advisor is incapable of managing his affairs by reason of mental condition.
- 28.1.10. If the Advisor commits a breach of terms and conditions of availing of any value-added service including any payment thereof and/or fails to make payment of any products/services provided by Auretics.
- 28.1.11. If the advisor promotes any company involved in direct selling business, other than Auretics Business.
- 28.1.12. If the advisor promotes any company involved in any business which is prohibited by law.
- 28.1.13. If the advisor promotes any business (including Auretics Business) in a way that is in contravention with any rules/law.
- 28.1.14. If the advisor spreads any mis-information about Auretics Business, its management, Auretics staff/employees, Auretics Products, fellow advisors, his sponsors or customers to anyone.
- 28.1.15. If the advisor sends inappropriate & threatening messages to fellow Auretics advisors or his sponsors or customers to anyone.
- 28.1.16. If the advisor shows abusive or rude behavior to fellow Auretics advisors or his sponsors or to customers to anyone.
- 28.1.17. Defames, abuses, harasses, stalks, threatens or otherwise violate the legal rights of others.
- 28.1.18. Publishes, posts, uploads, distributes or disseminates any inappropriate, profane, defamatory, infringing, obscene, indecent or unlawful topic, name, material or information.
- 28.1.19. Conduct or forward surveys, contests, pyramid schemes or chain letters.



28.1.20. Violate any applicable laws or regulations for the time being in force in or outside India.

28.1.21. If the advisor violates the code of ethics of Auretics business.

28.2. The decision of Auretics regarding termination or de- sponsoring of an Advisor shall be final and binding on the Advisor.

28.3. Termination of an advisor means termination of:

- All rights as an Auretics Advisor.
- All income, commissions, incentives, bonuses, commissions, additional incentives, remuneration, benefits, special benefits, special terms & conditions, and promotions offered to any advisor and benefits of the sales and marketing plan being generated after the date of termination.

Termination of the Advisor's authorization to operate as an Auretics Advisor means the termination of all rights derived from said authorisation, and in conjunction therewith, the right to receive any further income from or generated by such business arising or accruing after the date of termination.

28.4. The Process of Termination or De-sponsorship:

The Advisor, whose authorization is to be cancelled who is to be de-sponsored, shall be given written notice of Auretics decision by Registered Mail. In addition to complying with the laws of India pertaining to such termination or De-sponsorship, the notice of termination, cancellation, or De-sponsorship shall:

28.4.1. Be mailed to the fast-mailing address of such parties as shown in Auretics records,

28.4.2. If applicable, state the Rule(s) violated by the Advisor,

28.4.3. State the date on which any such action shall become effective, and

28.4.4. If applicable, advise the Advisor of his opportunity to appeal Auretics decision to a Review.

28.5. In the event that Auretics terminates an Advisor's business or that an Advisor is de-sponsored of his Business Group by Auretics pursuant to these Rules of Conduct, the

Advisor will have no claim against Auretics arising out of or in respect of the termination or De-sponsorship.

In case of non-receipt of notice or if notice becomes un-deliverable due to any reason then all the notices will be added by the company to the company's notice board at corporate office of the company and the same will be assumed as service of notice.

**29. Termination, De-sponsorship, or Suspension by Auretics without Formal Complaint**

- 29.1. Auretics may initiate termination, De-sponsorship, or suspension of an Advisor's business even in the absence of a formal complaint. Auretics shall not, however, take action against the Advisor until Auretics has first offered the violating Advisor an opportunity to explain and/or justify his conduct.
- 29.2. Where the violation has been of such magnitude as to bring into serious question the right of such Advisor to continue to operate his business, Auretics may terminate without allowing the Advisor the opportunity to rectify his past improper conduct.
- 29.3. The Advisor shall have the right to request a review of the decision by Auretics.

**30. Disposition of Terminated, De-sponsored, or Non-Renewed Businesses**

**30.1. Process:**

In the event that Auretics determines that it is necessary to terminate, de-sponsor, or cancels the Advisor Agreement or the Advisor dies without leaving heirs who will assume the operation of the Distributorship, the disposition of the business of such Distributorship will be determined by Auretics in its sole discretion. In exercising its prerogative to determine the disposition of such business, Auretics may elect to employ one of the following methods:

- 30.1.1. Sale/Assignment of Business if Auretics elects to sell/assign the business, and subject to the provisions of the Foreign Exchange Management Act and other applicable laws and regulations, the following will be observed.



30.1.2. Dissolution of Business. If Auretics so elects, the business will merge with the business of the first qualified sponsor Upline in the Line of Sponsorship.

**30.2. No Limitation on Auretics:**

Auretics, however, is in no way limited to any of the above methods of disposition of a business and may exercise complete discretion as to methods and/or timing of disposition.

**31. Review by Auretics**

**31.1. Suspension of Authorisation Until Decision is Made:**

In the event that an Advisor makes use of his right to appeal to the Review Panel, the decision taken by Auretics may be suspended until a review has taken place and a final decision has been taken by the Review Panel. During this period of suspension:

31.1.1. The Advisor is not allowed to conduct any Auretics related activity,

31.1.2. The Advisor shall not represent himself as an Auretics Advisor,

31.1.3. Payment of any discounts, commissions, incentives, remuneration, offers, special benefits (if any) or other monies payable to the business are computed but are held in escrow by Auretics,

31.1.4. Whether the monthly Business Volume of the business is to be counted towards qualification for the senior executive director and above, one-time cash awards, Vehicle Fund, Shelter Fund, Vacation Fund, and any other Bonus Funds plus any other incentive will be determined by Auretics based on the recommendation of the review panel. Recognition at all levels may be withheld by Auretics at its discretion.

31.1.5. The Advisor will not be invited to attend any seminars, company-sponsored trip within India and Abroad, events, training, Seminars, etc. which may be held during this period, even though they may have qualified for such business seminars prior to the period of suspension.

31.1.6. All references of the Advisor in print and media of any kind will be removed until the decision of the suspension is taken.

In the event the decision of the Review Panel is rendered in favour of the Advisor, Auretics shall restore full rights and privileges and pay the balance of monies previously held In escrow to the Advisor. Any administrative costs incurred by Auretics during these proceedings may be calculated and deducted from the money which was held in escrow.

In the event of any other decision taken by the Review Panel, Auretics shall decide what will happen with the monies held in escrow.

**32. Procedure for Filling an Appeal for Review:**

The request for review must be in writing and may be accompanied by any documents supporting this request, the request must be led within the period specified in the decision letter and 's to be addressed to the CEO or head of the review panel. If the request is made after the time limit, the request will be denied and the Advisor will be notified that his request has been dismissed.

**33. Membership of Panel:**

The Review Panel shall consist of appropriate personnel from the corporate staff of Auretics Limited as may be determined at that time by the company.

**34. Review Panel Members Are Not Arbitrators**

The Review Panel provides an internal procedure for the review of the decision as to the termination, non-renewal, De-sponsorship, or suspension of an Advisor. Members of the Review Panel do not, however, act as arbitrators.

If the Advisor initiates litigation prior to the hearing by the Review Panel, the hearing shall be cancelled, and the opportunity for review withdrawn by Auretics.



**35. Procedures for Review by Panel:**

- 35.1. The parties may offer evidence and produce additional evidence independently or as the Panel requests. The Review Panel shall be the judge of the relevancy and materiality of the evidence offered. Strict conformity to legal rules of evidence will not be necessary.
- 35.2. Final Determination by the Review Panel:
- 35.2.1. The determination of the Review Panel will be communicated to all parties.
- 35.2.2. The Review Panel may affirm, reverse, or modify the decision of Auretics.
- 35.2.3. If the determination of the Review Panel upholds or calls for termination of an Advisor, such termination will be confirmed by Auretics Limited notifying the Advisor that:
- The termination of his business has been confirmed as effective from the date of termination previously notified to the Advisor by Auretics of his or her business has been terminated by the Review Panel in which event the business shall be deemed to have been terminated by Auretics upon and by virtue of service of notice of the Review Panel's decision upon the terminated Advisor.
- 35.3. In the event that the Review Panel decides upon corrective action other than termination, then:
- 35.3.1. Notification of corrective action other than termination shall be communicated directly by Auretics Limited to the offending Advisor by letter sent by Registered Mail, with either the date for completion of any action by the Advisor or the dates(s) on which any action shall be taken by Auretics.
- 35.3.2. Auretics will take such steps as may be necessary to implement the Review Panel's decision.
- 35.4. The decision of the Review Panel shall not give rise to any liability on the part of Auretics Limited or Auretics to the Advisor, including but not limited to loss of profits or goodwill.

35.5. In case the Advisor is not satisfied with the resolution provided by the Review Panel, then the dispute, if any shall be referred to National Consumer Helpline, for effective Mediation.

35.6. Dispute Resolution:

Any dispute, differences, or claim arising out of or in connection with the Advisor Agreement shall be submitted to binding arbitration and shall be referred to the sole Arbitrator appointed in accordance with the rules and regulation of India. The venue of such arbitration shall be at New Delhi, India and the award of the Arbitrator shall be final and binding on all parties. Subject to the above, courts at New Delhi shall alone have jurisdiction in relation to the Advisor Agreement, Terms & Conditions and matters connected thereto.

These guidelines are subject to change from time to time, failure to comply with the rules of conduct and these guidelines may result in action against your Independent Auretics business.

**36. Force- Majeure**

That if at any time, during the continuance of this agreement, the performance in whole or in part, by Auretics, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, explosion, epidemic, quarantine restriction, strikes and lockouts, fire, floods, natural calamities / Disaster or any act of God (hereinafter referred to as event), neither party shall, by reason of such event, be entitled to terminate this agreement, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance. Provided that the Services under this agreement shall be resumed as soon as practicable, after such event comes to an end or ceases to exist.



**37. Governing Law and Jurisdiction**

The agreement/terms & conditions shall be governed by and constructed according to the laws in force in India. The service "Advisor" shall hereby submit to the jurisdiction of the courts situated at "New Delhi" for the purpose of actions and proceedings arising out of the contract and the courts at "New Delhi" shall have the sole jurisdiction to hear and decide such actions and proceedings.

**38. Acceptance of All Policies**

By Joining the Business led by Auretics Limited, you agree and accept that you have read, understood and accepted all the text written in the Terms & Conditions, Rules, Disclaimer, Code of Ethics, Refund Policy, Privacy Policy and Sales & Marketing Policy.

Auretics guidelines, policies, terms & conditions are subject to change from time to time, failure to comply with the rules of conduct and these guidelines may result in action against your Independent Auretics business.

**39. The Advisor hereby covenants as under:**

That he / she has clearly understood the application form, Business/Compensation Plan of the Direct Selling Entity, its limitations and conditions and he / she is not relying upon any representation or promises that are not set out in this E-contract agreement.

That relation between Auretics and the Advisor and all his / her activities here under shall be governed in addition to this agreement, by the rules / procedures contained in the Business/Compensation available on website. The Direct Seller ("Advisor") confirms that he / she has readout and/or has been read out in the vernacular language known to him/her, all the terms & conditions thereof and agrees to be bound by them.

That Advisor, hereby declares that all the information furnished by him / her to Auretics are true and correct. Auretics shall be at sole discretion and liberty to take any

action against the Advisor in the event, it is discovered that the Advisor furnished any wrong / false information to Auretics.

The Advisor herein very well understands that violation of this contract agreement in any way whatsoever may result in termination of this agreement as per procedure laid down therein.

AURETICS LIMITED