

## **RICHNERGY INTERNATIONAL SDN BHD MEMBERS (RISBM) POLICIES & PROCEDURES**

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By clicking the “I Agree” icon at the end of this RISB Member Policies and Procedures (“these Policies and Procedures”), you acknowledge that you have read and fully understood these Policies and Procedures and agree to be bound by the same.

In these Policies and Procedures, the following terms shall have the following meanings:

- (a) “CMA” means Customer Member Accounts as shown in Company e-commerce system(RTS).
- (b) “Business Day” means days that the Company is open for business from Mondays to Fridays, 10.00 am to 6:00 pm (excluding public holidays in Malaysia and the state of Selangor);
- (c) “Code of Ethics” means the RISBM’s code of ethics and/or rules of conduct formulated and approved by the Company and as amended by the Company from time to time;
- (d) “Company” means Richnergy International Sdn Bhd (Company No. 1211098 - W), a company incorporated in Malaysia with its principal place of business at C-G-23, Blok C, Pusat Perniagaan Seksyen 8, Jalan Sungai Jerneh 8/1, Seksyen 8, 46050 Petaling Jaya Selangor DE, Malaysia.
- (e) “Credit Point” or “CP” means the Company’s credit point system for calculating sales, purchases and payment transactions which are convertible into Ringgit Malaysia according to the conversion rate determined by the Company from time to time;
- (f) “Direct Sales and Anti-Pyramid Scheme Act 1993” means the Direct Sales and Anti-Pyramid Scheme Act 1993 and any and all subsidiary legislation, rules, regulations, orders, by-laws, notices, amendments and/or directives made thereunder or pursuant thereto;
- (g) “RISBM” means the “RISB Member”;
- (h) “Marketing Plan” means the marketing plan formulated and approved by Syariah Department and the Company and as amended by the Company from time to time;
- (i) “Password” means RISBM’s security code for accessing and using certain protected areas of the Website and the services provided therein;
- (j) “Rules & Regulations” mean collectively, (i) these Policies and Procedures, (ii) the Code of Ethics, (iii) the Marketing Plan, and (iv) the standard terms and conditions of membership set out in the membership form;
- (k) “Username” means RISBM’s user identification name for accessing and using certain protected areas of the Website and the services provided therein; and
- (l) “Website” means the Company’s website located at URL <http://www.richlegacy2u.com> or any subsequent URL which may replace it.

## **SECTION 1 – RISB MEMBER (“RISBM”) MEMBERSHIP**

### 1.1 Eligibility

The following persons/entities are eligible to apply for RISBM membership:

- (a) any individual of 18 years and above who is a citizen or permanent resident of Malaysia;
- (b) a company incorporated in Malaysia;
- (c) a partnership;
- (d) a sole proprietor; or
- (e) foreigners with a valid passport or working permit in Malaysia.

1.2 Each person is entitled to only one RISBM membership at any one time and the Company at its sole discretion whether with or without notice reserves the right to delete or terminate multiple memberships.

1.3 To become a RISBM, the applicant must be referred by an existing RISBM (“Upline”) and pay the appropriate registration fee as determined by the Company. A RISBM membership application form must be completed and submitted to the Company within seven (7) days upon signing, for the Company’s attention.

1.4 In the case of a partnership or company, the Company will recognize only one person to be named and authorized to act on behalf of the company or partnership. This individual may participate in the training and activities if it is organized and sponsored by the Company. Any and all instructions given by such authorized person shall be deemed given by the partnership or company.

1.5 (a) If the RISBM terminates his/her membership in accordance with Section 8.2.2(a), the said former RISBM (or his/her spouse) may apply to become a new RISBM under a new line of referrals after the lapse of not less than six (6) months from the date of termination in accordance with Section 8.2.2(a) hereof.

(b) If the RISBM terminates his/her membership in accordance with Section 8.2.2(c), the said former RISBM (or his/her spouse) may apply to become a new RISBM under a new line of referrals immediately upon the date of termination in accordance with Section 8.2.2(c) hereof.

For purposes of this Section 1.5, the former RISBM must submit a new RISBM membership application form to the Company for approval. For the avoidance of doubt, such new application will only be considered where the former RISBM’s membership was previously terminated under Section 8.2.2(a) or (c) only and not under any other event of termination.

1.6 In the event of the death of a RISBM, his/her next of kin(s) must obtain Letters of Administration in order to acquire the deceased’s rights and/or entitlements (including income and bonus), if any, accruing from the membership. However, if the deceased has named a beneficiary or successor prior to his death, the rights and/or entitlements (including income and bonus), if any, accruing from the membership may be passed to the beneficiary or to the successor concerned after the Grant of Probate has been obtained.

1.7 In applying for membership, the applicant shall submit true, accurate, current and complete information about himself/herself. Throughout the duration of membership, RISBMs are also required to maintain and promptly update his/her information to keep the same true, accurate, current and complete.

## **SECTION 2 – USERNAME AND PASSWORD**

2.1 In accessing and using certain protected areas of the Website, RISBM will be required to enter his/her Username and Password during the login process in accordance with the applicable prompts, instructions and procedures. RISBM shall immediately notify the Company of any unauthorized use of the Username and/or Password, or any other breach of security. RISBM is fully responsible for all activities that occur in connection with the use of his/her Username and/or Password.

2.2 RISBM shall adhere to any and all security guidelines, instructions and/or directions issued by the Company from time to time relating to the access and/or use of the Website and/or services provided therein, including those specified below:

- (a) the Username and Password shall be kept confidential at all times by RISBM;
- (b) (i) the initial Password which Company issues to RISBM upon approval of membership must be changed immediately on the first sign-in or login process;
  - (ii) if the initial Password is given to the upline of a new RISBM, the upline must immediately inform the RISBM of the said initial Password and require the RISBM to change the said initial Password immediately on the first sign-in or login process. Notwithstanding anything to the contrary, the upline shall remain wholly liable and responsible for the security and confidentiality of the aforesaid initial Password and in the event of any breach of this Section 2.2(b)(ii), the upline shall indemnify the Company in accordance with Section 4.16 hereof.
- (c) the Username and Password are not transferable;
- (d) the Username and/or Password must be changed if there is any indication that access security has been compromised (e.g. the Password is known by an unauthorized person);
- (e) weak combinations for the Password should not be used. Examples of a weak combination include name of user, or any word found in a dictionary;
- (f) RISBM shall ensure that it does not leave the computer terminal or system unattended whilst RISBM is online to the Website and/or services provided therein and further RISBM must log out from the computer terminal or system after completing his/her access to the Website and/or the services provided therein; and
- (g) RISBM is responsible for his/her own PC anti-virus and security measures to prevent unauthorized access to RISBM's information, instructions, transactions and accounts via the Website.

2.3 RISBM acknowledges and agrees that use of his/her Username and Password are adequate identification of RISBM. RISBM hereby authorizes the Company to act on his/her instruction(s) given via the Website and using the aforesaid Username and Password, without having to obtain written or other confirmation from RISBM even if those instruction(s) are not actually given or authorized by RISBM. All such instruction(s) shall be binding on RISBM once transmitted to the Company regardless of whether the instruction(s) are issued by RISBM or by some other person, whether authorized or not. The Company will not be liable for any loss or damage suffered or incurred by RISBM as a result of any misuse of RISBM's account and/or unauthorized

instructions effected using the Username and Password and any other security information required by the Website.

### **SECTION 3 - LIMITATIONS OF RISBM**

- 3.1 Each RISBM is strictly an independent business-person whose success or failure depends on his/her own efforts. Notwithstanding anything to the contrary, there is no joint venture, agency or employment relationship between the Company and any RISBM.
- 3.2 Subject to the Direct Sales and Anti-Pyramid Scheme Act 1993, RISBM does not have the authority or the power to (a) bind the Company in any manner whatsoever; (b) create any obligations on the part of the Company; (c) enter into any contract in the name of the Company; or (d) create any liability against the Company; in any way and/or for any purpose.
- 3.3 RISBM shall not use the Company's name, slogans, taglines, logos, symbols and/or trademarks (whether registered, unregistered or pending registration) without the prior written consent of the Company. Further, RISBM shall not use such terminology or descriptive phrases or reference like "subsidiary, employee, representative and/or agent" in any of his/her stationery or self printed matter. RISBM shall not self print or use his/her own business cards for his/her business activities hereunder and shall only use such business cards provided by and/or approved by the Company.
- 3.4 RISBM shall not declare or represent to any party or person that he/she has an exclusive relationship with or has obtained exclusive rights (or any other rights of that nature) from the Company.
- 3.5 No RISBM shall make any offer of settlement on behalf or otherwise bind the Company on any claim for damages relating to the Company's products and/or services.

### **SECTION 4 - RESPONSIBILITIES OF RISBM**

- 4.1 RISBM has the responsibility to read and understand fully the Rules & Regulations and the provisions of the Direct Sales and Anti-Pyramid Scheme Act 1993. RISBM shall operate his/her business strictly in accordance with the Rules & Regulations.
- 4.2 RISBM shall not under any circumstances sell the Company's products at any price other than the price set by the Company and the Company reserves the right to change products and/or pricing from time to time at its sole discretion.
- 4.3 RISBM shall not re-label, re-package or otherwise alter any of the Company's products in any way whatsoever. RISBM shall not at anytime change the contents of any Company literature or sales folder.
- 4.4 RISBM must not in any way and at anytime whether during his/her referral presentation or otherwise (a) misrepresent or deviate from the Marketing Plan or otherwise misrepresent the quality or performance of the Company's products; (b) make any representations, guarantees, warranties or claims in respect of the Company's products other than or beyond those set out on product labels or in official Company literature; and/or (c) mislead prospective

customers/recruits by overemphasizing on disproportionately high bonus or bonus payout. In the event of a breach of this Section 4.4. the indemnity in Section 4.16 below shall apply and without prejudice to any other rights or remedies available to the Company hereunder or at law, the Company shall be entitled to forthwith terminate the RISBM's membership in accordance with Section 8.2.1 hereof.

- 4.5 RISBM shall give an official customer receipt for each and every sale to the customer and such receipt shall be in the form of a computer generated cash sales receipt issued by the Company. If a temporary receipt is required, RISBM may issue the same only as an acknowledgement that payment has been received by RISBM (and not the Company) provided that (a) the temporary receipt does not bear the Company's name or address or intellectual property (including without limitation, the Company's trade mark, service mark, trade name, logo and/or device) nor can the same be construed in any way as being issued by the Company; (b) it is expressly made clear to the recipient that the temporary receipt is issued on the RISBM's own accord and is in no way issued by the Company and that payment is only deemed received by the Company when the same is actually received in full by the Company; and (c) the RISBM subsequently gives the official customer receipt issued by the Company as aforesaid.
- 4.6 Retail sales of products are not allowed in any retail establishment or in any commercial premises. However, if the owners of retail establishments may be a RISBM, the product or Company literature may be displayed in the said retail establishment. Person to person sales between a RISBM and customer is the essence of multi-level marketing. It is essential that this relationship be conserved and nurtured in the business.
- 4.7 No products or business aids can be sold at trade fairs and exhibitions unless prior written approval of the Company has been given.
- 4.8 RISBM shall comply strictly with all the provisions of the Direct Sales and Anti-Pyramid Scheme Act 1993 and Code of Ethics and shall not engage in any activity which may bring disrepute to himself/herself or the Company.
- 4.9 Upon presenting the Company's Marketing Plan to any group or individual, RISBM must make clear that (a) there is no requirement that a prospective RISBM must make any purchase other than paying the registration fee to become a RISBM; and (b) all RISBMs are required to fulfill the qualification and conditions set out in the Marketing Plan in order to enjoy the referral fees.
- 4.10 The responsibilities of an Upline are to (a) work with and assist new RISBMs; (b) help them learn the business; and (c) support and encourage them in achieving success in their businesses.
- 4.11 RISBM is not permitted to diagnose or prescribe the Company's products as a specific treatment for any disease or condition.
- 4.12 The Ministry of Health does not permit specific claims or purported "cures" to be represented or made in respect of certain products and accordingly RISBM shall not represent or make any such claims in respect of the Company's products. This legislation is in place to protect the public from those who would deliberately suggest that any substance or device would replace the need of established diagnostic or medical advice or treatment.

- 4.13 RISBM agrees and accepts the Company's policy that forbids any purchase of products in large quantities to achieve a level of referral fees or to advance in the business in an unhealthy manner. RISBM is only required to purchase products or services in an amount that can be expected to be resold or consumed within a reasonable period of time. RISBM must not practice 'front loading' of products with prospects.
- 4.14 RISBM shall immediately remit to the Company all monies due to the Company that are collected and received from customers, new applicants or new RISBMs (including without limitation, registration fees and costs of products package) and shall not in any event hold such monies for more than one (1) Business Day. The aforesaid remittance to the Company shall be made in such manner(s) or method(s) as prescribed by the Company.
- 4.15 Throughout the duration of the RISBM's membership hereunder, RISBM shall not directly or indirectly influence other RISBM(s) to join other multi-level marketing companies or directly or indirectly recruit other RISBM(s) for other multi-level marketing companies.
- 4.16 RISBM shall fully indemnify, defend and hold the Company (including its parent company, holding company, related companies and/or subsidiaries) harmless against any and all claims, demands, suits, actions, judgments, damages, costs, losses, expenses (including legal fees and expenses on a full indemnity basis) and other liabilities whatsoever and howsoever caused that may arise or be incurred by the Company (including its parent company, holding company, related companies and/or subsidiaries) arising from or in connection with (a) breach of any provision of the Rules & Regulations (including without limitation, a breach of Section 3 or 4 of these Policies and Procedures); (b) any acts, omissions, defaults or negligence of the RISBM; and/or (c) the RISBM's mode, method or manner of operation of his/her business. The foregoing indemnity shall survive the termination of RISBM membership for any reason whatsoever.
- 4.17 RISBM shall not transfer or withdraw CPs from their downlines' e-wallet without the prior written approval of their downline.

## **SECTION 5 – TRANSFER OF RISBM MEMBERSHIP**

- 5.1 RISBM membership cannot be merged or combined without the prior written approval of the Company in writing or via e-mail.
- 5.2 In the event of the death of a RISBM,
- (a) in the case where the RISBM dies intestate (without a will) or without specifying a beneficiary in the membership application form, membership may be transferred to his/her next of kin(s) subject to mutual consent of both the Company and the next of kin(s) and provided that the Letters of Administration have been obtained; or
  - (b) in the case where RISBM dies testate (with a will) or specifies a beneficiary in the membership application form, membership may be transferred to his/her named beneficiary subject to mutual consent of both the Company and the beneficiary and provided that the Grant of Probate has been obtained. It is the RISBM's sole responsibility to notify the Company in writing of any changes to the beneficiary specified in the membership application

form. In the event the beneficiary specified in the membership application form (or last beneficiary notified to the Company in writing) is different from the beneficiary named in the will, the beneficiary specified in the membership application form (or last beneficiary notified to the Company in writing) shall be considered by the Company to be the rightful beneficiary for purposes of the membership transfer hereunder, unless otherwise directed by the Courts.

For the avoidance of doubt, consent from either upline or downline is not required for the aforesaid transfers of membership. In the event there is no mutual consent between the parties above, the Company may exercise its right to terminate the membership in accordance with Section 8.2.1 (a).

5.3 A RISBM may offer his/her membership for transfer to another party ("Transferee"). The conditions of a membership transfer (save and except for the price of transfer) must be approved in writing by the Company before it can be effected and prior to such approval, the Transferee shall submit to the Company a certified true copy of his/her National Registration Identification Card (NRIC) or such other identification documents which are acceptable to the Company. Any offer for transfer is subject to the following conditions:

(a) The offer of transfer must be made in the following sequence:

The offer must first be made to the RISBM's upline(s)

If the upline(s) declines the offer, it must next be made to all the personally referred immediate downlines of the RISBM. If all the personally referred downlines decline, the offer must next be made to any leaders who are recognized and approved by the Company.

An administration fee of 5 CP (RM 20) shall be payable to the Company.

(b) All bonuses accruing to the membership after the transfer will be paid to the new RISBM but all previous awards will not be transferred. The new RISBM will be given new awards based on activities accruing after the date of transfer.

(c) If required by the Company, the RISBM shall procure the Transferee to execute a new membership application form with the Company.

## **SECTION 6 - BONUSES AND INCOME**

6.1 Notwithstanding anything to the contrary, all RISBMs are not guaranteed of any income, bonuses or assured of any success. Success will only come from hard work and from individual efforts. All bonuses will be paid except if there is a law or court order restraining or prohibiting such payments.

6.2 A RISBM will be fully responsible for all costs and expenses incurred in relation to RISBM's business and for all his/her income tax and other taxes (if any).

6.3 All incentives, bonuses and awards that are offered by the Company are valid and redeemable only while the RISBM membership is in force and effect.

6.4 Any dispute or discrepancy in the bonus calculation or claim of non-receipt of bonus must be brought to the attention of the Company in writing within forty eight (48) hours from the bonus calculation date, failing which the bonus calculation shall be deemed correct and the bonus duly received.

6.5 All RISBMs are strongly advised to operate a savings/current account with a bank or banks nominated by the Company to ensure smooth receipt of bonus payments.

6.6 The terms “week” for Company is refers to,

- (a) 1st to 7th of each month - Week 1
- (b) 8th to 15th of each month – Week 2
- (c) 16th to 22nd of each month - Week 3
- (d) 23rd to the last day of the month – Week 4

6.7 Unilevel Bonus will only be paid to the upline upon receipt of RISBM membership application form, product/s transaction and submission of all related documents.

## **SECTION 7 - RULES GOVERNING THE USE OF TRADE MARK, TRADE NAME AND COPYRIGHTED MATERIALS**

7.1 Unless otherwise indicated, all intellectual property rights (including without limitation trade marks and copyright) subsisting in and/or arising from the Company’s name, domain name, trade mark, trade name, logo, symbol, slogans, taglines, documents, sales folders, brochures, literature, Marketing Plan, business plan, business models, forecasts, methodology, information, data, customer details, processes, procedures, know-how, tools and all other materials provided by the Company or made available to the RISBM; shall belong to and remain the property of the Company (or its designee).

7.2 Unless otherwise expressly permitted hereunder or with the prior written consent of the Company, RISBM shall not use (whether directly or indirectly) any of the Company's rights referred to in Section 7.1.

7.3 Trademarks and the trade names identify a company's business and its products and distinguish it and its products from all other companies and their products. Therefore, such trademarks and trade names must be protected to keep imitators from using the same trademarks and names and thus confusing the general public.

7.4 Without prejudice to the generality of Sections 3.3, 4.5 and 7.1, RISBM shall not use the Company's name, trade mark, logo, symbol or trade name on any of his/her cheques or other documents/stationery.

7.5 Unless with the prior written consent of the Company, RISBM shall not produce or procure from any source (other than the Company) any premium, give away items, stationery or promotional literature of any kind upon which the Company's name, trade mark, logo, symbol or trade name is imprinted or which describes the characteristics of the Company and/or its products.

7.6 All printed documents and material provided or made available by the Company are copyrighted and may not be reproduced in whole or in part by a RISBM or other persons except with the prior written consent of the Company.



## **SECTION 8 - ENFORCEMENT OF RULES & REGULATIONS**

### 8.1 Reporting Violations

It is a serious matter to violate the Rules & Regulations because it not only affects the business of a RISBM but it will also affect the opinions of the public, media and government authorities. The Company will only consider conducting investigation and will take action on the reports of violation of the Rules & Regulations (or part thereof), where the violation is reported to the Company within the period of twelve (12) months from the date the violation took place. The Company may at its absolute discretion (but shall not be obliged) to consider any report of violation submitted after the said twelve (12) month period. The Company will take all necessary steps at its sole discretion to correct the situation whether through counseling, guidance or otherwise.

If a RISBM or third party (“Complainant”) discovers a possible violation of the Rules & Regulations (or part thereof) by another RISBM, the following shall apply:

- (a) he/she must inform the Company and if the Complainant is a RISBM, his/her upline (or any person in a higher position) of the possible violation giving all the facts connected with it. The Complainant may be asked to fill an official complaint form provided by the Company.
- (b) On receiving the duly completed complaint form, the Company will notify the RISBM concerned and will request an immediate explanation.
- (c) The Company will conduct an inquiry and/or investigation into the matter. After all the facts and circumstances relevant to the complaint have been reviewed, if the Company determines at its sole and absolute discretion that the RISBM concerned has violated the Rules & Regulations (or part thereof), the Company may at its sole and absolute discretion exercise any one of the following:-
  - (i) proceed to terminate the RISBM membership with immediate effect in accordance with Section 8.2.1; or
  - (ii) proceed to place the RISBM on probation in accordance with Section 8.3; or
  - (iii) discuss the matter with the RISBM concerned to obtain adequate assurance that the violation will not recur. The Company will then send a written notice to the RISBM concerned and/or his/her upline (or any person in a higher position) which will set out the specific complaint(s), the corrective action(s) to be implemented, (including a time limit for implementation thereof) and such other details (if any) as determined by the Company. If the RISBM concerned and/or upline (or person in a higher position) does not implement the corrective action(s) within the specific time limit indicated, the Company shall then reserve the right to take whatever action it deems fit including but not limited to termination of membership in accordance with Section 8.2.1 or the imposition of probation in accordance with Section 8.3. Notice of such action shall be sent to all parties concerned.

Notwithstanding anything to the contrary, RISBM acknowledges and agrees that the Company's decision/determination on RISBM's violation of the Rules & Regulations (or part thereof) shall be final, conclusive and binding.

## 8.2 Termination

8.2.1 Notwithstanding the procedure set out in Section 8.1 above, without prejudice to any other rights or remedies available to the Company hereunder or at law, the Company reserves the right to terminate the RISBM membership, with immediate effect:

- (a) subject to Section 5.2, if RISBM dies;
- (b) if the Company is of the opinion that the RISBM is or has become of unsound mind and/or the RISBM's ability to participate in the business and/or comply with the Rules & Regulations (or part thereof) is or has become impaired;
- (c) if the RISBM violates or breaches any of the provisions of the Rules & Regulations (or part thereof);
- (d) if the Company is of the opinion that the RISBM and/or his/her spouse (whether or not the spouse is a registered RISBM) is found to be in violation or breach of the Rules & Regulations (or part thereof); or
- (e) if a RISBM is found to be directly or indirectly influencing other RISBM(s) to join other multi-level marketing companies or directly or indirectly recruiting other RISBM(s) for other multi-level marketing companies.

Notwithstanding anything to the contrary, RISBM acknowledges and agrees that the Company's decision on any matters set out in Section 8.2.1 (a), (b), (c), (d) and (e) shall be final, conclusive and binding.

For the avoidance of doubt, in certain circumstances where the Company considers at its absolute discretion that the violation of the Rules & Regulations is very serious (including without limitation, where RISBM has made misrepresentations regarding the Company, its products or business), the Company may terminate the RISBM membership immediately even in the absence of a formal report from a RISBM or the filing of a formal complaint.

- 8.2.2 (a) A RISBM may terminate his/her membership within ten (10) Business Days from the effective date of registration by giving notice in writing to the Company. In the event of such termination, the following shall apply: (i) the Company will refund RISBM the registration fees previously paid by RISBM to the Company, if any; (ii) the provisions of Section 10 herein shall apply; (iii) the RISBM shall immediately return to the Company the sales folder; and (iv) all or any bonuses accruing to the RISBM and the said RISBM's upline shall be automatically revoked/cancelled and become null and void and all bonuses already paid/credited to the said RISBM's upline will be deducted from the immediate upline's & uplines' e-wallet and in no event will the RISBM or the said RISBM's upline be entitled in any way to claim such bonuses.
- (b) Termination under Section 8.2.2 (a) is only applicable if the RISBM has not commenced business and has not sponsored any downlines. A RISBM who has commenced business and sponsored any downlines will not be eligible to terminate his/her membership under the said section.
- (c) A RISBM may terminate his/her membership by giving at least seven (7) Business Days notice in writing to the Company if RISBM remains dormant for a period of six (6) consecutive months. The term 'dormant' in Section 8.2.2 (c) means zero income from the marketing plan offered by the company.

For avoidance of doubt, RISBM shall not be entitled to terminate his/her membership, save in the manner set forth in this Section 8.2.2.

8.2.3 Upon termination of membership, the following provisions shall apply:

- (a) RISBM shall immediately remit to the Company all monies due to the Company that are collected and received from customers, new applicants or new RISBMs (including without limitation, registration fees and costs of products package) and for any uncollected monies due to the Company, RISBM shall immediately collect such monies and remit the same to the Company;
- (b) RISBM shall immediately cease to describe himself/herself as a RISBM and take all necessary steps to disassociate himself/herself from the Company;
- (c) RISBM shall cease any use of the Company's proprietary materials, including without limitation, Company literature and sales folder;
- (d) if membership is terminated in accordance with Section 8.2.1 (c), (d) or (e), the said RISBM and/or his/her spouse shall not be allowed to re-apply as a RISBM permanently;
- (e) if membership is terminated in accordance with Section 8.2.1 (c), (d) or (e), any and all CPs, income and/or bonuses in the RISBM's e-wallet/account prior to or at the time of termination may be forfeited or refunded or otherwise dealt with in any manner at the sole and absolute discretion of the Company and the Company's decision shall be final, conclusive and binding;
- (f) if membership is terminated in accordance with Section 8.2.1 (b) or Section 8.2.2 (a) or (c), any and all CPs, income and/or bonuses in the RISBM's e-wallet/account prior to or at the time of termination shall be paid/refunded to the RISBM and in the case of termination in accordance with Section 8.2.1 (b) or Section 8.2.2 (c), after deducting any and all outstanding fees and/or charges owing to the Company; and
- (g) if membership is terminated in accordance with Section 8.2.1 (a), any and all CPs, income and/or bonuses in the deceased RISBM's e-wallet/account prior to or at the time of termination shall, subject to Section 1.6, be paid/refunded to the RISBM's next of kin(s) or named beneficiary (as the case may be) after deducting any and all outstanding fees and/or charges owing to the Company.

### 8.3 Probation

8.3.1 If the RISBM has violated or breached any of the provisions of the Rules & Regulations or any of the events in Section 8.2.1 occur, then as an alternative to termination in accordance with Section 8.2.1, the Company may at its absolute discretion place a RISBM on probation. Probation is instituted in order to curb further violations or breaches by the RISBM and/or his group. At the same time a mandatory reorientation program may be imposed upon the RISBM and/or entire group.

8.3.2 For avoidance of doubt and notwithstanding anything to the contrary, the Company may impose probation on a RISBM without having to comply with the procedure in Section 8.1.

8.3.3 Probation may result in any or all of the following consequences:

- (a) All payment of bonuses and other incentives may be suspended until further notice and are held in escrow by the Company throughout the period of probation ("Probation Period").
- (b) The Company will determine at its absolute discretion after expiry of Probation Period whether the monthly trade volume of the RISBM on probation is to be counted towards

qualification for Leadership Bonus and other bonuses, award pins, invitation to seminars or other Company sponsored functions.

- (c) The RISBM on probation will not be invited to attend seminars/forum and/or any other sponsored events held during the Probation Period even though he/she may have qualified for the same prior to the Probation Period.

#### 8.3.4 Lifting Probation

Once the Company is satisfied that the RISBM has made a serious commitment to change his/her ways for the better, the Company may lift the probation and restore the full rights and privileges to the RISBM concerned. If the Company is not satisfied that the RISBM is ready to be restored to his/her full right and privileges, the Company may at its sole and absolute discretion either:

- Extend the Probation Period and take further corrective action or
- Conclude that the probation is a failure and terminate the RISBM's membership in accordance with Section 8.2.1.

#### 8.4 Suspension

The Company may at its sole and absolute discretion suspend a RISBM (including without limitation, suspending his/her involvement and participation in the business, his/her accounts with the Company, his/her rights and privileges and/or the payment of bonuses and/or other incentives to him/her) immediately without liability and compensation whether pending inquiry and/or investigation or otherwise:

- (a) if the Company receives a report or complaint from another RISBM or third party regarding the said RISBM; or
- (b) if the Company suspects or has reason to suspect or has determined that the RISBM has violated or breached any of the provisions of the Rules & Regulations; or
- (c) if the Company suspects or has reason to suspect or has determined that any of the events in Section 8.2.1 has occurred.

For avoidance of doubt and notwithstanding anything to the contrary, the duration of the suspension shall be determined by the Company at its sole and absolute discretion and the Company's determination shall be final, conclusive and binding.

## SECTION 9 – COMPLIANCE

9.1 These Policies and Procedures read together with the Code of Ethics, the Marketing Plan and the standard terms and conditions of membership set out in the membership form govern inter alia the business activities of the RISBM hereunder and the relationship between RISBM and the Company. Any RISBM who violates any provision of the Rules & Regulations (or part thereof) may have his/her membership terminated.

9.2 Every RISBM is required to familiarize himself/ herself with the Rules & Regulations.

9.3 The Rules & Regulations shall be read in the following order of precedence (i) these Policies and Procedures; (ii) the Code of Ethics; (iii) the Marketing Plan; and (iv) the standard terms and conditions of membership set out in the membership form. Where any conflict occurs between the provisions contained in two or more of the aforesaid documents, the document lower in the

order of precedence shall where possible be read down to resolve such conflict. If the conflict remains incapable of resolution by reading down, the conflicting provisions shall be severed from the document lower in the order of precedence without otherwise diminishing the enforceability of the remaining provisions of that document.

## SECTION 10 - BUY-BACK OF PRODUCTS

10.1 At anytime prior to or upon termination of the RISBM membership, the Company will at the RISBM's request:

- (a) in respect of products purchased within the 10 days cooling-off period, buy back such products at **hundred percent (100%)** of the actual price paid by the RISBM less maintenance, handling, delivery and administrative charges. Refund on the products buy back in relation to this section 10.1(a) is subject to the following terms and conditions:-
  - (i) products returned must be unopened, in good, marketable and saleable condition with the price tag intact and,
  - (ii) the refund is only applicable up to the extent of the physical products actually received by the Company . There will be no refund on products if the RISBM decided to retain them upon termination. In such case, the RISBM will only be entitled to a refund of his/her RISBM registration fee in accordance with section 8.2.2(a);
  - (iii) in the event that the products are in transit and yet to reach the RISBM at the point of termination, the Company shall proceed to process the refund on the products but payment of such refund will only be made upon sighting the products returned.
- (b) in respect of products purchased and sold to the RISBM under the Company's Plan within six (6) months preceding such request,
  - (i) exchange such products for other products offered by the Company which are equivalent in value, provided always, that such products returned to the Company are unopened, in unexpired (with at least six (6) months of shelf life remaining at the time of return to the Company), good, marketable and saleable condition with the price tag intact; OR
  - (ii) buy back such products which have already been opened and used where the same was found to be unsuitable at a price equivalent to the amount of product remaining/unused, provided always, that the Company is furnished with documents showing/proving that the product is unsuitable (e.g. medical report or photographs) and that the Company is fully satisfied with such documents at its sole and absolute discretion. For avoidance of doubt, the Company's determination of the aforesaid price and documents showing/proving that the product is unsuitable shall be final, conclusive and binding and the RISBM agrees not to dispute the same in any way: OR
  - (iii) buy back such products at ninety percent (90%) of purchased price less maintenance, handling, delivery and administrative charges, provided always, that such products are unopened, in good, marketable and saleable condition with the price tag intact.
- (c) Section 10.1 shall not be applicable to virtual tools and products which are subject to depreciation. Eg. Computers, electronic gadgets etc.

10.2 All transitional transportation and administration charges incurred for return of products will be borne by the RISBM concerned.

10.3 The said products must be returned directly to the Company's Head Office and addressed for the attention of the Customer Service Manager at C-G-23, C-G-23A & C-1-23A, Blok C, Pusat

Perniagaan Seksyen 8, Jalan Sungai Jerneh 8/1, Seksyen 8, 46050 Petaling Jaya Selangor DE, Malaysia. (or such other address as may be notified by the Company from time to time).

10.4 Payment for the buy-back or exchange of products referred to in Section 10.1 should be made by the Company and paid to the RISBM concerned within three (3) months from the date the product is returned to and received by the Company's Head Office.

## **SECTION 11- CODE OF ETHICS**

11.1 The RISBM hereby agrees to conduct his/her business in an ethical and professional manner at all times and that:

- (a) he/she shall abide fully by and support the Company's Code of Ethics and the Direct Sales and Anti-Pyramid Scheme Act 1993 and any other orders, directives, notices, rules, regulations, policies and/or procedures that may be imposed by the Company or the Government;
- (b) he/she shall offer the very best service to his/her customers;
- (c) he/she shall conduct himself/herself in a manner that will not bring discredit to his/her group or the Company and shall uphold the reputation of the Company at all times; and
- (d) he/she shall not make any claims in representing any of the Company's products other than or beyond those set out on the product labels or in official Company literature or as approved by the Company in writing.

## **SECTION 12 - THE DIRECT SALES AND ANTI-PYRAMID SCHEME ACT 1993**

All RISBMs must adhere strictly to the provisions of the Direct Sales and Anti-Pyramid Scheme Act 1993 with special emphasis on their conduct whilst transacting business.

### 12.1 AUTHORITY CARDS

All RISBMs who wish to conduct business must carry his/her National Registration Identification Card (NRIC) and RISBM Authority Card (GAC) introduced and approved by the Company. The GAC is available in printable format and downloadable from the Website upon approval of membership.

### 12.2 BUSINESS HOURS

RISBM shall not attempt to conduct business without an appointment during the following prohibited times:

- (a) From 7.00 p.m. to 9.00 a.m. daily
- (b) On a rest day (some states observe Sunday whilst others observe Fridays)
- (c) On gazetted Public Holidays at Federal and State Level.

### 12.3 REQUEST TO LEAVE PREMISES

RISBM must indicate the purpose of the visit before entering the customer's premises and if the RISBM is requested to leave the premises, he/she must not attempt to argue but to willingly leave the premises.

## 12.4 SALES CONTRACT

A sales contract is required regardless of the sales value. The sales contract must be in writing and signed by both the customer and distributor. A duplicate copy of the sales contract shall be given to the customer immediately after the contract is signed. The sales contract shall contain the following particulars:

- (a) a detailed description of the nature of goods and services to be supplied;
- (b) the contractual terms of the contract including the total consideration to be paid by the customer;
- (c) the time, place and method for payment to be made;
- (d) the time and place for delivery of goods;
- (e) a statement immediately above the place provided for the signature of the customer which reads "THIS CONTRACT IS SUBJECT TO A COOLING-OFF PERIOD OF TEN WORKING DAYS" printed in upper case in type not smaller than 18 point Times; and
- (f) notice in Part I of Form AJL-3 of Schedule C of the Direct Sales Regulations 1993 informing the customer of his/her right to rescind the contract before the expiry of the Cooling-Off Period. Such notice shall be printed in type not smaller than 10 point Times.

## 12.5 TEN (10) DAYS COOLING-OFF PERIOD

Upon the signing of the sales contract, the customer is entitled to a ten (10) working days cooling-off period ("Cooling-Off Period") wherein the customer can change his/her mind as to whether he/she wishes to buy or return the product. The products shall not be delivered and payment shall not be collected until the expiry of the Cooling Off-Period unless customer serves a notice of waiver in accordance with Section 12.6 below.

## 12.6 NOTICE OF WAIVER

Should a customer require the product or service earlier than the Cooling-Off Period, the customer can serve a Notice of Waiver. Upon receipt of the Notice of Waiver, the distributor can deliver the products and collect the payment accordingly.

# SECTION 13 – PRICE AND ONLINE PAYMENT

## 13.1 Price and Delivery Charges

Prices for the products and delivery charges are displayed in the Website. Delivery charges are quoted for a single shipment. The Company reserves the right to change such prices and delivery charges. The prices and delivery charges are in the currency as reflected in the Website and exclude any applicable taxes and duties (including without limitation shipping duties, import tax and sales tax) which shall be borne by RISBM.

## 13.2 Payment

Credit card payments may be made via the designated online payment gateway made available on the Website. The Company does not keep credit card and payment details and accordingly, the Company will not be responsible or liable for any loss or damage of any kind whatsoever suffered by RISBM or any third party as a result of any unauthorized access or use of credit card and payment details (including without limitation any unauthorized access or use during the transmission thereof via any network, the Website and designated online payment gateway). RISBM will remain at all times fully responsible for the security, confidentiality and protection of his/her credit card and payment details.

### 13.3 Order Form

If RISBM wishes to purchase any products and/or services from the Company, RISBM is required to submit the relevant order form provided by the Company and RISBM agrees to be bound by the terms and conditions of sale for such products and/or services as stipulated in the said order form.

13.4 RISBM will be charged 5CP per year for Website maintenance and the same will be automatically deducted from the RISBM's e-wallet. RISBM shall at all times ensure that it has sufficient CPs in its e-wallet for purposes of this Section 13.4. In the event there are insufficient CPs in RISBM's e-wallet, RISBM shall immediately at the election of the Company and upon the Company's demand either top up his/her e-wallet or pay the Company an equivalent amount of 5CP in Ringgit Malaysia based on the Company's then prevailing conversion rate.

13.5 Subject to Sections 8.2.2 (c) and 8.2.3 (f), inactive accounts maintenance fee of 5CP will be deducted from RISBM's e-wallet for every six (6) consecutive months of dormancy. For the purpose of this section 13.5, the definition of "dormant" under section 8.2.2 (c) shall apply.

## **SECTION 14 – GENERAL**

14.1 These Policies and Procedures read together with the duly completed RISBM Membership application form, Code of Ethics and the Marketing Plan constitute the entire agreement between the parties regarding their business relationship and RISBM membership and supersede any prior agreements, representations and understandings (verbal, implied or otherwise) between the RISBM and the Company in relation to the same.

14.2 The Company reserves the right to change and/or amend (a) type, quality and/or prices of the products or availability thereof; and/or (b) business model and/or the Rules & Regulations (or part thereof); whether with or without giving prior notice to the RISBM. The Company will reasonably endeavour to notify active RISBMs of any changes and/or amendments via electronic means (and/or other forms of communication) but it is the responsibility of the RISBM to check the Website from time to time for any changes and/or amendments. Notwithstanding anything to the contrary, RISBM's continued participation in this business and/or continued access and use of the Website and/or the services provided therein shall constitute his/her agreement and acceptance of such changes and/or amendments.

14.3 Failure by the Company to enforce, at anytime, any provision of the Rules & Regulations shall not be construed as a waiver of its right to enforce the breach of such provision or any other provision or as a waiver of any continuing, succeeding or subsequent breach of any provision or other provision. Any waiver shall be in writing and must be signed by a duly authorized officer of the Company.

14.4 The Rules & Regulations and other instruments referred to herein or issued by the Company shall be governed by the laws of Malaysia. All disputes arising out of the Rules & Regulations shall be subject to the exclusive jurisdiction of the Courts in Malaysia but the Company is at liberty to proceed against the RISBM in the Courts of any other country where jurisdiction may be established (including the jurisdiction where the RISBM resides or where RISBM's place of business is located).



- 14.5 Notwithstanding anything to the contrary and to the maximum extent permitted by law, the Company shall not be under any liability to RISBM or to any third party in respect of any (a) exemplary, incidental, punitive, indirect or consequential damages or losses, and/or (b) loss of profits, income or goodwill, loss of business; loss, destruction or corruption of data or communications, loss of anticipated revenue or savings or economic loss; howsoever caused whether in contract, tort, negligence or otherwise, which may be suffered or incurred or which may arise directly or indirectly in respect of the Company's products and/or services, the business activities of the RISBM, the multi-level marketing business hereunder, the Marketing Plan, sales folder and any other materials, information and/or resources provided to the RISBM pursuant to the RISBM's membership (or the performance, use and/or operation of any of the foregoing) or the default, failure or omission on the part of Company to comply with its obligations hereunder and/or any acts or omissions of the Company (whether negligent or otherwise); even if the Company has been advised of the possibility of such damages or losses in advance, and all such damages or losses are expressly disclaimed.
- 14.6 Notwithstanding anything to the contrary and to the maximum extent permitted by law, if the Company is found liable by a court of competent jurisdiction or tribunal under or pursuant to the Rules & Regulations or howsoever arising as a result of the Company's products and/or services, the business activities of the RISBM, the multi-level marketing business hereunder, sales folder and any other materials, information and/or resources provided to the RISBM pursuant to the RISBM's membership (or the performance, use and/or operation of any of the foregoing), the Company's liability to the RISBM or to any third party for any losses and damages which are attributable to the default, failure or omission on the part of Company to comply with its obligations hereunder and/or any acts or omissions of the Company (whether negligent or otherwise), shall not exceed, for all claims, actions and causes of action of every kind and nature (including without limitation, breach of contract, tort or negligence), an aggregate amount of bonus actually due and owing by the Company to the RISBM as at the date such liability accrued.
- 14.7 If any provision of these Policies and Procedures (or part thereof) is held to be illegal or invalid under present or future laws or regulations effective and applicable during the continuance of these Policies and Procedures, such provision (or part thereof) shall be fully severable and these Policies and Procedures shall be construed as if such illegal or invalid provision (or part thereof) had never comprised a part of these Policies and Procedures and the remaining provisions of these Policies and Procedures shall remain in full force and effect and shall not be affected by the illegal or invalid provision (or part thereof) or by its severance from these Policies and Procedures.
- 14.8 In the event of any inconsistency or conflict between these Policies and Procedures in the English language and the translated version(s) of these Policies and Procedures in other languages, these Policies and Procedures in the English language shall prevail with respect to such inconsistency or conflict.

## SECTION 15 - PARTIAL VALIDITY

Should any portion of these Policies and Procedures or of any other instruments referred to herein or issued by the Company be declared invalid by a court of competent jurisdiction, the remainder of these Policies and Procedures or such rules, applications, or instruments shall remain in full force and effect.

### Auto Maintenance

- I hereby agree that I would like to enjoy the referral fees as stipulated in the Company's Marketing Plan, therefore, I request the Company to exercise the Auto Maintenance system of 7.5 CP (RM30) per year so that I am be able to earn all qualified bonuses in marketing plan.

### Notice of Waiver

With reference to Section 12.6 of these Policies and Procedures regarding the Notice of Waiver:

- Having read and fully understood Section 12.6, I hereby agree and wish to exercise my right in serving the Notice of Waiver as I would like to collect or you to deliver to me my goods/products before the expiry of the Cooling-Off Period.