

## OBLIGATIONS OF THE DIRECT SELLER

- 1) The Direct Seller hereby undertakes not to compel or induce or mislead any person with any false statement / promise to purchase products from the Company or to become Direct Seller of the Company
- 2) Direct Seller shall use his/her best efforts to promote the sale of products and services offered by the Company
- 3) Direct Seller shall also provide reasonable assistance to Company in promotional activities. Direct Seller will assist the company by taking part in all promotional events; use the marketing inputs judiciously for maximizing sales of the products and services offered by the company. Direct seller shall offer accurate and complete explanations and demonstrations of products and services along with their price, payment terms, return policies etc. to a prospective consumer
- 4) Direct Seller shall take care for all obligations; provisions terms and conditions etc. of the provisions of **“The Consumer Protection Act 2019”** and **Consumer Protection (Direct Selling) Rules 2021** published in a Gazette Notification dated 28<sup>th</sup> December 2021, issued by the Ministry of Consumer Affairs Food & Public Distribution, Department of Consumer Affairs, Govt. of India
- 5) The Company reserves its right to withheld / block/ suspend the rights and privileges of the Direct Seller if he / she fails to provide any details as desired by the Company from time to time
- 6) In case the Direct Seller loses his contractual capacity due to any reason or in case of death of the Direct Seller, either his nominee or one of the legal heir with the written consent of all the legal heirs may join the Company as Direct Seller in place of the deceased provided he applies in prescribed form and undertakes to abide all rules and regulations, terms and conditions of this agreement in the same manner as that of original Direct Seller. In case of failure to arrival at such consent within six months from the date of death of the Seller or losing his/her contractual capacity, the Company shall be at liberty to terminate the Direct Seller.
- 7) Direct Seller shall be sole responsible for all the arrangements, expenses, permission from local authorities, complying with rules of Central Government, State Government, local body or any other Government body for the meetings and seminars or any other event conducted by the Direct Seller.
- 8) Direct Seller is prohibited from listing, marketing, advertising, promoting, discussing, or selling products / services, or the business opportunity on any website / online portal / mobile application / online forum or any other online medium with a written consent of the Company
- 9) Direct Seller shall at the initiation of any sale representation, truthfully and clearly identify himself / herself, disclose the identity of the direct selling entity, the address of place of business, the nature of goods or services sold and the purpose of such solicitation to the prospect; and make an offer to the prospect providing accurate and complete information, demonstration of goods and services, prices, credit terms, terms of payment, return, exchange, refund policy, return policy, terms of guarantee and after-sale service;
- 10) Direct Seller shall provide requisite document / information to the prospective consumer / consumer at or prior to the time of the initial sale about the direct selling entity and the direct

seller comprising the name, address, registration number, identity proof and contact number of the direct seller, complete description of the goods or services to be supplied, the country of origin and price of the goods, the order date, the total amount to be paid by the consumer, including the consumer's rights to cancel the order or to return the product in saleable condition and avail full refund on sums paid and complete details regarding the complaint redressal mechanism of the direct selling entity;

- 11) Direct Seller shall obtain goods and service tax registration, Permanent Account Number registration, all applicable trade registrations and licenses and comply with the requirements of applicable laws, rules and regulations for sale of a product and also ensure that actual product delivered to the buyer matches with the description of the product given.
- 12) Direct Seller shall take appropriate steps to ensure the protection of all sensitive personal information provided by the consumer in accordance with the applicable laws for the time being in force and ensure adequate safeguards to prevent access to, or misuse of, data by unauthorized persons.

#### **DIRECT SELLER SHALL NOT DO FOLLOWING ACTS**

- 1) Direct Seller shall not visit a consumer's premises without identity card and prior appointment or approval or provide any literature to a prospect, which has not been approved by the direct selling entity or require a prospect to purchase any literature or sales demonstration equipment or in pursuance of a sale, make any claim that is not consistent with claims authorized by the direct selling entity.
- 2) Direct Seller shall not selling a product or service by misrepresenting in order to successfully complete a sale and includes providing consumers with misleading information about a product or service or omitting key information about a product or providing information that makes the product appear to be something it is not;
- 3) Direct Seller shall not indulge in fraudulent activities or sales and shall take reasonable steps to ensure that participants do not indulge in false or misleading representations or any other form of fraud, coercion, harassment, or unconscionable or unlawful means or engage in, or cause or permit, any conduct that is misleading or likely to mislead with regard to any material particulars relating to its direct selling business, or to the goods or services being sold by himself / herself or indulge in mis-selling of products or services to consumers.
- 4) Direct Seller shall not use, or cause or permit to be used, any fraudulent, coercive, unconscionable or unlawful means, or cause harassment, for promoting the business, or for sale of goods or services or charge any entry fee or subscription fee from prospect.
- 5) Direct Seller shall comply with the requirements of all relevant laws, including payment of taxes and deductions thereunder and shall not induce consumers to make a purchase based upon the representation that they can reduce or recover the price by referring prospective customers to the direct sellers for similar purchases.
- 6) Direct Seller shall not promote a "pyramid scheme" or enroll any person to such a scheme or participate in such arrangement in any manner or participate in "money circulation scheme" during the business activities.