

POLICIES & PROCEDURES
QNET VN COMPANY LIMITED

QNET

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POLICIES AND PROCEDURES

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Article 1. PURPOSE AND DEFINITIONS

1.1. Purpose

This Policies & Procedures is intended to clarify the process, procedures for entering into the Multi-level Sale Agreement, basic training for Independent Representative, Membership Card issuance, ordering, payment, delivery of goods, resending goods, warranty, exchange, return, repurchase of goods and return of money to the Independent Representative, settlement of the Independent Representative's complaints, termination and liquidation of the Multi-level Sale Agreement

1.2. Definitions

- 1.2.1. **“Relevant Documents”** means documents including such as Policies and Procedures, Compensation Plan and other official documents of the Company after being registered and approved by the competent authority;
- 1.2.2. **“Social Media Policy”** means Company’s policy and guidelines on how Independent Representatives can perform, discuss and promote their business on social media platforms such as blogs, Facebook, YouTube, LinkedIn, MySpace, etc. and this can be found on Company’s website <https://www.qnetvn.net/>;
- 1.2.3. **“Company”** means QNET VN Company Limited, which is a limited liability company incorporated and operating under the laws of Vietnam;
- 1.2.4. **“Business Volume”** or **“BV”** means the BV point value assigned to each product of Company. BV for each product detailed in List of Product Trading via Multi-level Sale Method of Company, can be amended and supplemented from time to time after notifying to competent authority;
- 1.2.5. **“Independent Representative”** means the individual fulfills the conditions prescribed by the laws, Policies & Procedures, signs a Multi-Level Sale Agreement with the Company to join the multi-level sale network of Company;
- 1.2.6. **“Commissions”** means commissions, bonuses and other economic benefits (if any) received by the Independent Representative under the Compensation Plan;
- 1.2.7. **“Multi-level Sale Agreement”** means the multi-level sale Agreement, the written agreement on the participation in multi-level sale network between Independent Representative and Company, signed by an Independent Representative and subsequently accepted and signed, sealed by Company. Multi-level Sale Agreement shall be made in accordance with regulated form of Company approved by competent authority;
- 1.2.8. **“Compensation Plan”** means plan which Company uses to calculate Commissions based on Independent Representative’s sale result and from other people in their network;
- 1.2.9. **“Customer”** means any person introduced by Independent Representative to directly purchase Company’s Products without registering as an Independent Representative;
- 1.2.10. **“Independent Representative Identification Number”** means the number issued by Company to the Independent Representative. Each Independent Representative can only have one Independent Representative Identification Number which he/she can use to identify his/her representative in all his/her transactions in multi-level sale activities with the Company;

- 1.2.11. **“Referrer”** means the Independent Representative who introduce and directly sponsor other people desiring to become the Independent Representatives to sign a **Multi-level Sale Agreement** with Company.
- 1.2.12. **“Genealogy”** means the relationship or relevant position of Independent Representatives in Company’s database;
- 1.2.13. **“Product”** mean products that Company is allowed to trade via multi-level sale method, detailed in List of Product Trading via Multi-level Sale Method of QNET VN and notified to competent authority;
- 1.2.14. **“Downline”** means Independent Representatives below a specific Independent Representatives in the network as the context requires.

Article 2. BECOME AN INDEPENDENT REPRESENTATIVES

2.1. Requirements to become an Independent Representatives

- 2.1.1. Being a Vietnamese citizen having full civil capacity in accordance with laws. The foreigners are not be able to register for becoming an Independent Representative;
- 2.1.2. Not falling into one of the following cases:
- (a) Those who are serving imprisonment sentences or former convicts for crimes of manufacturing, trading fake goods, manufacturing, trading forbidden Products, making false advertisements, deceiving customers, appropriating property through swindling, abusing trust in order to appropriate property, illegally holding property, offences against regulations of law on business via multi-level sale method;
- (b) Multi-level sale participants previously fined or under investigation for violating the following provisions:
- (i) Participating in one of these behaviors:
- Requesting other people to deposit or submit a certain amount of money in order to sign Multi-level Sale Agreement;
 - Providing untruthful or confusing information about the benefits from participation in multi-level sale, about the feature and use of Products, about the operation of Multi-level sale enterprise;
 - Organizing conferences, seminars and training courses regarding multi-level business without a written delegation issued by multi-level sale enterprise;
 - Inducing, enticing, corrupting participants of other enterprises to join the network of enterprise which they are joining;
 - Using positions, authorization, social and career positions to encourage, require, induce, entice other people to participate in multi-level sale networks or to purchase goods traded via multi-level business; or
 - Performing multi-level sale activities in provinces where multi-level sale enterprise has not been granted the confirmation for the

registration of its multi-level sale operations in such localities.

- (ii) Individual doing business via Multi-level method, organizing conferences, seminars and training courses, introduction of business activities by multi-level method of other organizations and individuals without being granted an multi-level sale registration certificate, unless otherwise prescribed by law.
 - (iii) Individual from participating in activities of organizations and individuals doing business via multi-level method without being granted multi-level sale registration certificate, unless otherwise prescribed by law.
 - (c) Individual who is a partner in a registered partnership, owner for private enterprise or single member limited liability companies, the member for limited liability companies with two or more members, founding shareholders for joint stock company, legal representative of enterprise which do not include organizations or individuals who have ever held one of the above positions in a multi-level sale enterprise that has been revoked Multi-level sale registration certificate;
 - (d) Foreigner, or Vietnamese who settles abroad without ID card, citizen identification card (still valid), issued by Vietnamese competent authority;
 - (e) Cadres and civil servants in accordance with regulations of law on cadres and civil servants;
 - (f) Currently being a Multi-level Sale Participant of another multi-level sale company at the time registering to become an Independence Representative.
- 2.1.3. It is compulsory to sign the Multi-Level Sale Participating Agreement under the form of Company.

2.2. **Customer's Referrer**

In the event that Customer of Company registers to become an Independent Representative, the final Referrer introduces Customer to purchase Company's Products will become the Referrer in registration dossier of Customer when they register to become Company's Independent Representative, except in the event that the last time the Customer purchasing Products from Company is more than 06 months from the date of the application for Independent Representative and in their registration dossier, the Customer specified another Independent Representative as their Referrer.

Article 3. TEMPORARY SUSPENSION IN CASE OF INDEPENDENT REPRESENTATIVE'S VIOLATION

3.1. **Cases and reasons of temporary suspension**

Independent Representative may be suspended temporarily, under Company's discretion, when having signs and proof to prove the violation of any terms of the Multi-level Sale Agreement, Policies and Procedures, Compensation Plan and/or any other relevant documents of Company and the laws of Vietnam.

The reason for temporary suspension shall be specified in the written notice of temporary suspension, depending on each violation of the Independent Representative.

3.2. Process of temporary suspension

- 3.2.1. When a decision to suspend temporarily an Independent Representative is issued, Company will inform Independent Representative in writing regarding such temporary suspension decision, the effective date of the temporary suspension, the reason(s) for the temporary suspension and the necessary steps to remove such temporary suspension (if any).
- 3.2.2. The temporary suspension notice will be sent to Independent Representative's address on dossier pursuant to the notice, correspondence provisions contained in the Policies & Procedures.
- 3.2.3. If Independent Representative wishes to request Company to review the decision, she/he shall send to Company a written request within fifteen (15) days from the date of the temporary suspension notice. Company will review and consider the temporary suspension and notify Independent Representative in writing regarding its decision within thirty (30) days from the date of the receipt of Independent Representative's written request. Company will thereafter not further review its own decision.
- 3.2.4. Company will notice in writing to Independent Representative on termination of temporary suspension.
- 3.2.5. If Company, as its sole discretion after based on the provisions of the Multi-level Sale Agreement, Policies and Procedures, Compensation Plan and the laws, determines that the violation that caused the temporary suspension is continuing and has not satisfactorily been resolved, or a new violation involving the temporarily suspended Independent Representative has occurred, the temporarily suspended Representative may be terminated the Multi-level Sale Agreement.

3.3. The temporary suspension period

The temporary suspension period will be decided by the Company based on the nature, seriousness of violation and remedial attitude of Independent Representative, but not exceeding three (03) months.

3.4. Independent Representative's activities in term of temporary suspension

During the temporary suspension period, Independent Representative:

- 3.4.1. Be prohibited from acting as Independent Representative or using any brands, service marks, trade name or any signs, labels, stationery or advertising of/or related to Products, plans or programs of the Company;
- 3.4.2. Prevent the accumulation of any Commissions under Compensation Plan.
- 3.4.3. Prohibit Independent Representative to purchase Products from Company;
- 3.4.4. Prohibit Independent Representative from referring new Independent Representatives and/or contacting current Independent Representatives and/or attending meetings of Independent Representatives; and
- 3.4.5. Other activities under Company's discretion, from time to time, within the maximum limits prescribed by the laws of Vietnam.

Article 4. REAPPLICATION

An Independent Representative who voluntarily or has been terminated the Multi-level Sale Agreement due to a violation at Company's decision may only re-apply as an Independent Representative after twelve (12) months from the termination date of the Multi-level Sale Agreement. Company has full right to accept or not accept this registration of Independent Representative.

Article 5. COMPANY'S RIGHTS AND OBLIGATIONS

In addition to the rights and obligations prescribed in the Multi-level Sale Agreement and Relevant Documents, Company also has the following rights and obligations.

- 5.1. Company has the right to use the personal information of Independent Representative that has been provided in the Multi-level Sale Agreement (including but not limited to permanent address, resident address, telephone number, email address, etc.) to send information to Independent Representative via post office, phone call or send a message to update Company's business activities related to Independent Representative; and
- 5.2. In the process of Independent Representative business operations with Company, Company has the right to use Independent Representative's name, image or video of the appearance of Independent Representative to be taken or record in Company's events, or a picture or video provided by Independent Representative to Company that aims to promote these events or to support Independent Representative's business operation. Name, image, video will be used in the official business support documents and communication channels of Company such as web portal, Facebook, application on mobile devices, posters, etc. in order to serve for Company's business purposes;
- 5.3. Publicly announce the documents related to multi-level sale activities and Products of Company at Company's head office, branches, representative offices and business locations in accordance with the law of Vietnam , including: Form of Multi-level Sale Agreement, Compensation Plan, Basic Training Program, Policies and Procedures and List of Product Trading via Multi-level Sale Method of Company;
- 5.4. Strictly comply with the registered Policies & Procedures and Compensation Plan;
- 5.5. Create and announce sale price of goods traded by multi-level sale method and comply with such announced prices;
- 5.6. Issue invoice for each transaction of each Independent Representative of Company and customers buying goods directly from Company;
- 5.7. Monitor the activities of Independent Representative to ensure that Independent Representative has complied with Company's Multi-level Sale Agreement, Policies and Procedures, and Compensation Plan;
- 5.8. Be responsible for Independent Representative's activities carried out at Company's head office, branches, representative offices, business locations or at Company's conferences, seminars and trainings;
- 5.9. Deduct Independent Representative's personal income tax to submit to the state budget before paying commissions, bonuses or other economic benefits to Independent Representative;
- 5.10. Operate the information technology system to manage multi-level sale participants network

in compliance with Article 44 of Decree No. 40/2018/ND-CP, consistent with the technical explanation registered when registering for multi-level sale activities, ensure that Independent Representative can access and retrieve basic information regarding their multi-level sale activities;

- 5.11. Operate and regularly update information of web portal in Vietnamese to provide information about Company and Company's operations of multi-level sale to meet the regulation of Article 45 of Decree No. 40/2018/ND-CP;
- 5.12. Operate communications system for receiving, resolving inquiries and complaints of Independent Representative, including phone, e-mail and reception address; and
- 5.13. Complying with laws and regulations related to business conditions and the circulation of goods traded via multi-level sale method.

Article 6. INDEPENDENT REPRESENTATIVE'S RIGHTS AND OBLIGATIONS

Independent Representative shall have the rights and obligations as prescribed in this Policies & Procedures, Multi-level Sale Agreement and other relevant documents. As soon as required by Company, Independent Representative shall provide Company evidence to demonstrate that Independent Representative has completed her/his obligations (if any) as prescribed in this Article.

6.1. Independent Representative shall have following rights:

- 6.1.1. Self-manage his/her business with Company, her/his decides to purchase and sell Company's Products by the Independent Representative Identification Code;
- 6.1.2. Independent Representative, after completing Basic Training Program and being granted a Membership Card, has the right to sponsor others to become Independent Representative to develop her/his multi-level sale network. Only the new Independent Representative has the right to introduce Customers and/or introduce a new Independent Representative to Company; and
- 6.1.3. Independent Representative may receive documents and other communications information periodically from Company. Independent Representative can be invited to support services, training, motivation and recognition funded by Company. Independent Representative can also be invited to participate in competitions and promotions, awarded by Company for Independent Representative.

6.2. Independent Representative shall have following obligation:

- 6.2.1. Multi-level sale participants only perform marketing, sales and development of multi-level sale network after being granted Membership Card;
- 6.2.2. Present his/her Membership Card before introducing or marketing, selling goods;
- 6.2.3. Sufficiently and truthfully provide information on Company, goods to be traded via multi-level sale method, Compensation Plan and Policies & Procedures of Company;
- 6.2.4. Participate in Basic Training Program, sign the Commitment as Form No. 13 promulgated in Decree No. 40/2018/ND-CP (hereinafter referred to as "**Commitment**") to be issued: (i) written confirmation of the completion of content and duration of the Basic Training Program (hereinafter referred to as "**Basic Training Certificate**") and (ii) **Membership Card** before marketing, sale and development of Independent Representative's sale

network, by Company;

- 6.2.5. Independent Representative is not allowed to give any claims or statements about Company or Company's Product except for reference to Company's Relevant Documents;
- 6.2.6. Only allowed to introduce, disseminate the information mentioned in Company's Relevant Documents. Independent Representative will take all legal responsibilities arising from the presentation, providing information not to be stated in Relevant Documents;
- 6.2.7. Comply with Multi-level Sale Agreement and Company's Relevant Documents and all amendments, supplementations of these materials approved by competent authority (if necessary) and published on Company's official media;
- 6.2.8. Independent Representative is not allowed to announce any information or to make any statement, in writing and/or verbally, losing prestige or making disadvantage to Company. Independent Representative shall respect Company's management rights at any time;
- 6.2.9. **Obligation for personal promotion:** Regardless of their rank of achievement, each Independent Representatives shall continue promoting his/her personal sale through the sale of Company's Product and servicing his/her current Customers;
- 6.2.10. **Obligations to Downlines:** Any Independent Representative who introduces another Independent Representative to the Company is highly recommended to perform a bona fide assistance and training function to ensure that his/her Downline is properly operating and conducting his/her business as an Independent Representative. Regular contact and communication will bring benefits both the Referrer and their Downlines. Independent Representatives shall truthfully and fairly describe the Compensation Plan. No past, potential or actual income claims may be made to prospective Independent Representatives. Nor may Independent Representatives use their own incomes, or other Independent Representatives' incomes, as indication of the assured success to others. Documents on Commissions payment cannot be used as marketing materials. Independent Representatives may not offer guarantees of Commissions or cost estimates to potential Independent Representatives.
- 6.2.11. **Information Confidentiality:** Independent Representative is responsible for maintaining Company's network integrity. Any Independent Representative who is detected information theft or interferes with or shams Company's database or any part of Company's computer system (hardware and/or software) or try to make any of the above, without proper permission, will be deemed to be a critical violation of this Policies and Procedures and is handled in accordance with the relevant laws. In addition, Independent Representative shall be responsible for compensation for all damages and losses of Company arising due to this violation; and
- 6.2.12. **Compliance with law:** Independent Representative shall comply with all provisions, regulations, laws relating to the business activities of Independent Representative.

Article 7. THE LIMIT OF RIGHT OF INDEPENDENT REPRESENTATIVE

7.1. Independent Representative has no right to represent Company

Independent Representative does not have the right and does not recognize his/herself as partners, employees of Company, is not allowed to make claims, statements or make any action on behalf of and representing for Company. The relationship between Independent

Representative and Company is fully regulated by this Policies & Procedures. Any violation of Independent Representative for this provision is considered a serious violation of the Policies & Procedures.

7.2. **Independent Representative shall bear any expenses arising from his/her business activities**

Since Independent Representative is not Company's employees, any expenses arising from Independent Representative's business development is his/her cost. Independent Representative shall not make request for Company to refund that cost.

7.3. **Independent Representative is not entitled to enjoy policies for Company's employees**

Company has no responsibility to pay for Independent Representative any benefits applicable to Company's employees. Independent Representative is responsible for liability, health, disability and insurance, etc.

7.4. **Non-exclusive**

Independent Representative is not the only person in marketing and promoting Company's Product. The marketing and sale of Product is not limited by geographical distance, which can be conducted in any country as long as Company has the right to sell Product in the region, territory or country.

7.5. **60-Day Non-Compete Clause**

If an Independent Representative finds a potential Customer/Independent Representative and he/she has signed any papers/documents proving that the Independent Representative tried, whether successful or unsuccessful, to refer such potential Customer/Independent Representative within sixty (60) days from the date of signing such papers/documents, the potential Customer/Independent Representative will not be registered under referrals of any other Independent Representative. The registration under the referral of another Independent Representative may only be made after this sixty (60) day period. Company shall have the right to suspend, terminate any act breaching of this Article 7.5.

7.6. **Working with competitors**

Independent Representatives are not allowed to refer, entice or assist others to refer other Independent Representatives or anyone to join the network of any other multi-level sale enterprises. In addition, Independent Representative must not take any action, knowing that taking part in that action may cause another Independent Representative or any person to be referred to other multi-level sale enterprises.

7.7. Independent Representative is strictly prohibited from advertising any products and/or business programs competing with Company.

7.8. Independent Representative must not ask anyone to participate in other multi-level sale enterprises or to sell the products of any other multi-level sale enterprises.

7.9. Violation of any part of this Article 7 is considered a serious violation of Policies & Procedures and may result the immediate temporary suspension or even termination of Multi-level Sale Agreement of Independent Representative.

Article 8. COMMISSION

8.1. **Qualification for receiving Commissions**

- 8.1.1. An Independent Representative must be active to develop business activities to qualify for commissions, bonuses, promotions and other economic benefits in cash (hereinafter referred to as “**Commission**”) under Company’s Compensation Plan.
- 8.1.2. Commissions are paid **ONLY** on the sale of Company’s Products. No Commissions is paid on referring other Independent Representatives and/or Customers.

8.2. **Payment of Commissions**

- 8.2.1. The Company will pay commissions, bonuses, promotions or other economic benefits in cash to the Independent Representative by bank transfer, after deducting personal income tax as required by laws.
- 8.2.2. Commissions, are calculated weekly from 11:01 pm on Friday this week until 22:59 on the following Friday. However, the calculation of Commission is only calculated daily at the end of each day from Monday to Friday. All accumulated transactions or BV of any Independent Representative on Saturday and Sunday will be deemed to be accumulated on the following Monday. The commissions and bonuses will be paid as follows:
 - (a) Step Commissions will be paid to the Independent Representative on the next Tuesday.
 - (b) Repeat Sales Commissions will be paid to the Independent Representative on the next Wednesday.
- 8.2.3. If Independent Representative has not received Commissions after the date mentioned above, Independent Representative should contact the Company's Customer Service Department for checking.

8.3. **Unclaimed Commissions**

Unclaimed Commissions due to incorrect bank information given by Independent Representatives or any issue leading an unaccepted payment from the bank, will be corrected as quickly as reasonably possible. All processing fees due to incorrect bank information given by Independent Representatives shall be deducted from the balance owed by Company to Independent Representative.

8.4. **Deduct Commission in case of returning Products**

- 8.4.1. Independent Representative receives Commission under the Compensation Plan based on the actual sale volume of Products for the Customer. When a Product is returned to the Company for a refund or bought back by the Company or the transaction is not completed for any reason, the Commission charged to the Product bought back or such unsuccessful transactions will be deducted in the commission period of buyback, and deducted continuously in each commission period later until collecting fully Commission from Independent Representative received a Commission from the sale of returned or bought back Product.
- 8.4.2. In addition, if Company paid the Commission to an Independent Representative for the returned Product, Company reserves right to request such Independent Representative to return mentioned above Commission and Independent Representative is obliged to return such Commission to Company.

Article 9. TRANSFER OF RIGHTS

9.1. Death

An Independent Representative has a right to nominate a person whom Company will transfer his/her Independent Representative Identification Number upon his/her death. Independent Representative always has a right to change his/her nominee by sending written notice to Company. If Independent Representative does not designate any nominee during his/her lifetime, QNET VN will consider applying under the law on inheritance of Vietnam (“**Heirs**”).

- 9.1.1. If the Heirs are an Independent Representative and they choose to take over the Independent Representative Identification Number of the passed away Independent Representative, such Independent Representative shall give up his/her role as Independent Representative, and then proceed with procedures for taking over and submitting a certified copy of the death certificate of the passed away Independent Representative for the Company to carry out the transfer.
- 9.1.2. If the Heirs are not Independent Representatives, then Heirs submit certified copies of the death certificates of the passed away Independent Representatives and shall meet the conditions of becoming Independent Representatives under Article 2.1 above and must perform procedures to become an Independent Representative.
- 9.1.3. Then, the Heirs will then be entitled to take over Independent Representative Identification Number of the passed away Independent Representative and entitled to enjoy all the commissions accumulated thereafter and all the rights, and/or be subject to all the obligations as an Independent Representative of Company.
- 9.1.4. If an Independent Representative did not make any nominee in his/her lifetime, there is no heir in accordance with law or the heir does not accept the inheritance, his/her Independent Representative Identification Number shall be terminated immediately upon his/her death.
- 9.1.5. Any cross lining as a consequence of the transfer of Independent Representative Identification Number under this clause shall not be treated as a breach of the Policies & Procedures.

9.2. Dissolution of a partnership

If two (02) or more people are registered to participate in an Independent Representative role, they will be considered partners under the Multi-level Sale Agreement and Policies & Procedures. In the event that the partnership is terminated, the parties should have a valid and legally binding agreement on the division of their Independent Representative Identification Number. Company will settle the issue basing on this agreement.

9.3. Marriage and divorce

9.3.1. Marriage

- (a) In case that two (02) Independent Representatives in separate lines of referralship getting married, they may maintain their own individual Independent Representative Identification Number or merge their Independent Representative Identification Numbers into one.
- (b) In case of merging their Independent Representative Identification Number:

- (i) Either of the two Independent Representatives shall give up the role of Independent Representative within forty-five (45) days of the date of marriage.
- (ii) Company will carry out procedures for termination and liquidation of Multi-level Sale Agreement in accordance with Articles 18, 19, 20 and 21 of this Policies and Procedures. The entire Downlines system of the person who terminates the Multi-level Sale Agreement will be transferred to that Independent Representative's direct Upline.

9.3.2. **Divorce**

In case the couple chooses to merge their Independent Representative Identification Numbers, if later they divorce or are separated from each other, Company will continue to pay the Commission as before they divorced or were separated until receiving a written notice, signed by the parties and attached to a court decision specifying the Commission payment mode in the future.

Article 10. EXCLUSIVE INFORMATION

10.1. **Confidential information**

10.1.1. During the term of Multi-level Sale Agreement, Company may provide confidential information to Independent Representative, including but not limited to, Genealogy and Downline reports, Customer lists, Customer information developed by Company or developed for and on behalf of Company by Independent Representative (including but not limited to credit data, Customer and Independent Representative profiles, and Product purchase information), Independent Representative lists, manufacturer and supplier information, business reports, Commissions or sales reports, and such other financial and business information that Company may designate as confidential. All such information (whether in written or electronic format) is proprietary and confidential to Company and is provided to Independent Representative in strictest confidential way on a "need-to-know" basis for use solely in Independent Representatives' business with Company.

10.1.2. Independent Representative shall use their best efforts to keep such information confidential and shall not disclose any such information to any third party or use such information for any non-relating Company activity directly or indirectly while being an Independent Representative and afterwards. Independent Representative shall not use the information to compete with Company or for any purpose other than promoting Company's program and Products. Based on the cases of expiry, nonrenewal or termination of the Multi-level Sale Agreement, Independent Representative shall cease using such confidential information and promptly return any confidential information in their possession to Company.

10.2. **Online and telephonic reports**

Upon an Independent Representative's request, Company may provide information such as online or telephonic Downline activity reports, including, but not limited to, personal and group sales volume (or any part thereof), and Downline referring activity, to Independent Representative. Nevertheless, due to any of the various factors, including but not limited to the inherent possibility of human and mechanical error; information technology errors; the accuracy, completeness, and timeliness of orders; denial of credit

card and electronic cheque payments; returned Products; and credit card and electronic checks chargeback fees; the information and/or its accuracy, completeness, adequacy, timeliness is not guaranteed by Company or any persons creating or transmitting the information.

10.3. Use of Company name, logo, or trade names, etc.

10.3.1. Company name, logo, trade name, trademarks, Products names, brochures, catalogues, sales material, Multi-level Sale Agreement and sales training sessions, document, audio or video material, presentations or events are copyright-protected property of Company worldwide and Company retains ownership rights or exclusive licenses to the entire contents.

10.3.2. Representatives shall not copy or release privately the copy versions of such materials under any circumstances. Independent Representative shall not use Company name, logo, trade name, trademarks, program names, or Products names in any manner or form.

10.3.3. Naming protection is reserved by Company. In addition to any relevant intellectual property laws, the following list of names are also reserved and restricted from use by Independent Representative in their activities: QI Ltd, QI Holdings Ltd, QI, QuestNet Ltd, QNet Ltd, GoldQuest International Ltd, Quest Vacation International Ltd, QVI, Gold, Gold Team, GQI, V-Team, The V, VTI, Bank, Gold Rush, Legal, GITA, RYTHM, R.Y.T.H.M. or RYTHM Asia, Prana Resort, JR Mayer Collection, Qatana, Amezcua Wellness, Cimier, Qplus, Q-Shoppe, QuEX, Bonvo, Q Lifestyle, Vijayaratnam Foundation, Copy Quest and all other name of companies under the QI Group. These names are also prohibited from use by Independent Representatives in relation to their business activities on their personal website and/or email addresses.

10.4. Copyright restrictions

10.4.1. With respect to Products purchasing from Company, Independent Representative shall abide by all manufacturers' use restrictions and copyright protections.

10.4.2. Without prior written approval from Company, no Representative shall video and/or audio record Company's meetings, conferences and/or training sessions or any speeches (including conference calls) given therein.

10.5. Vendor confidentiality

Company's business relationships with its vendors, manufacturers and suppliers are confidential. Independent Representative shall not contact, directly or indirectly, or talk to, or communicate with any of Company's supplier or manufacturer except at Company-sponsored events which the supplier or manufacturer is present at the request of Company.

Article 11. PROMOTION OF INDEPENDENT REPRESENTATIVE'S BUSINESS

11.1. Promotional and advertising materials

11.1.1. Only the promotional and advertising materials released or approved in advance in writing by Company can be used to advertise or promote an Independent Representative's business or to sell Company's Product. Independent Representatives are not allowed to copy, reprint or personalize without the Company's written consent.

11.1.2. All promotional items bearing Company's name or logo shall be purchased solely from

Company unless prior written permission is obtained from Company.

- 11.1.3. Independent Representative may affix his/her name, address, Independent Representative title, phone number and Independent Representative Identification Number on any promotional materials approved or sold to him/her by Company.

11.2. **Income claims**

No income projections, including those based solely on mathematical projections or ‘ideal projections’ of the Compensation Plan may be made to prospective Independent Representatives. No Independent Representative may represent his/her own incomes as indications of the success assured to others, since income success is dependent on many variables.

11.3. **Title of Independent Representatives**

Independent Representatives shall only present his/herself as “an Independent Representative of Company” and may be made to the relative rank an Independent Representative achieved at any one time, for example a Gold Star Independent Representative.

11.4. **Stationery and business cards**

- 11.4.1. Only symbols and content approved by the Company are allowed to use.

- 11.4.2. Unless prior approval from Company’s legal affairs department, Independent Representatives are not permitted to “create” their own stationery, business cards or letterhead graphics containing Company’s trade name or trademarks.

- 11.4.3. Independent Representative is not allowed to insert the address, contact phone number or emails of any office of Company or its associated companies in their business cards, stationery or letterheads.

11.5. **Electronic advertising**

Independent Representative may not advertise or promote Company’s business, Product or Marketing Plan or use Company’s name in any public media including electronic media or transmission, on the Internet via websites or otherwise, without the prior written approval of Company’s legal affairs department. Upon obtaining such approval, Independent Representative is required to comply with the Social Media Policy. Spamming and use of automatic telephone dialing systems are prohibited. Breach of this Article 11.5 is a serious breach of the Policies & Procedures and could lead to the immediate suspension of the breaching Independent Representative.

11.6. **Telephone listing**

Independent Representative is not allowed to use the Company's trade name in advertising his/her telephone and telecommunication numbers on materials not manufactured by the Company and not approved by the Company without the Company's prior written approval Company’s legal affairs department.

11.7. **Media interviews**

Independent Representative is prohibited from participating in radio, television, newspaper, tabloid or magazine interviews or using public appearances, public speaking

engagements, or making any type of statement to the public media to promote Company, its Products or Company businesses, without Company's prior written approval of Company. All media enquiries should be referred to Company's Hong Kong Office, Corporate Affairs Department.

11.8. Endorsement

No endorsement by a Company employee or Company administrator or a third party is valid, unless expressly stated in Company materials and communications. National, federal and state management authorities do not approve or endorse direct sales programs. Therefore, Independent Representative may not represent or imply, directly or indirectly, that the Company's programs and Product have been approved or endorsed by any country or government authorities.

11.9. Independent communication

Independent Representative is encouraged to provide information and directions to his/her Downlines. However, Independent Representative shall identify and distinguish their personal communication and the formal communication of the Company when communicating with his/her Downlines.

11.10. Display of Company Products

11.10.1. The integrity of the Compensation Plan is based on direct selling method. Independent Representative shall not intentionally sell any Products, or display any Company Products, Company name, trademarks, literatures, or promotional materials at any retail outlet, including, but not limited to, supermarkets or food stores, markets or swap meetings, permanent restaurants, bars or nightclubs, or any such similar establishment, convenience stores or gas stations. Exemptions to this provision must be approved in writing by the legal affairs department of Company.

11.10.2. Independent Representatives may promote the Compensation Plan at their office, fairs and trade shows provided that it is not shown or displayed with any other plan associated with any direct selling company or network marketing company.

11.11. Products claims

Independent Representatives shall make no claim, representation or warranty relating to any Company's Product, except those expressly approved prior in writing by Company or contained in official Company materials, such as Policies & Procedures.

11.12. Fax blast and spamming

Fax blasting and unsolicited emailing (spamming) is prohibited.

11.13. Recording

Company encourages all Independent Representatives to keep complete and accurate records of all their business dealings.

11.14. Legal conformity

Any presentation tools or techniques used by an Independent Representative when promoting Company's business, Product and/or Compensation Plan shall be within the scope of the right of Independent Representative in accordance with the law. Independent

Representative shall take responsibility to ensure that any statements made, or any demonstration techniques performed, are, in fact, lawfully permitted by competent state authority in accordance with the law. If a special license or professional degree is required in a certain location to legally make such statements or perform such presentations, or to conduct business, then it is Independent Representative's responsibility to secure the necessary license, degree or permit.

11.15. **Indemnity agreement**

Each and every Independent Representative shall indemnify and hold harmless Company, its shareholders, officers, directors, employees and agents from and against any claim, demand, liability, loss, cost or expense including, but not limited to, court costs and attorneys' fees, asserted against or suffered or incurred by any of them, directly or indirectly arising out of or in any way related to or relationship with allegedly or otherwise, Independent Representative's:

- 11.15.1. Activities as Independent Representative;
- 11.15.2. Breach of the terms of the Multi-Level Sale Agreement;
- 11.15.3. Violation of or failure to comply with any applicable laws, regulations or rules.

Article 12. GENERAL PROVISIONS

12.1. **Company's employee prohibition and switching roles from Independent Representatives to Company employees**

- 12.1.1. Employees of Company and their immediate family members (for example: spouse, father, mother, brother, sister, etc.) who are domiciled at the same household as the employee of Company are prohibited to take part in the Multi-level sales network of the Company. Breach of this policy shall be deemed serious and could result in the dismissal of the employee and the removal of his/her entire network to the credit of Company.
- 12.1.2. Independent Representatives being transferred to a paid position or taking up an employment with Company shall, prior to their acceptance of the employment or paid position, file ownership transfer notice to Company and give up their ownership rights and privileges of their Tracking Centre.

12.2. **Liability**

- 12.2.1. Independent Representatives agree and acknowledge that they are making use of Company's websites, services, software, functions, information, applications and tools (herein after referred to collectively as the "**Services**") at their own risk, and that the Services are provided "AS IS" "AS AVAILABLE" "WITH ALL FAULTS" without any warranty of any kind, whether express or implied, including without limitation, that the Services will be provided uninterrupted and continuously at all times.
- 12.2.2. To the fullest extent permitted by law, Company shall not be liable for, and each Independent Representative releases Company from, and waives all claims for any loss of profits, indirect, direct, special, incidental, punitive or consequential damages or any other losses and/or damages whatsoever incurred or suffered by Independent Representative as a result of:
 - (a) the breach by another Independent Representative of his/her Agreement, any Term

- or Condition of the Policies & Procedures, and/or the Compensation Plan;
- (b) the operation of other Independent Representatives' business;
 - (c) any inadvertent, incorrect or wrong data or information provided by Company;
 - (d) Company's failure to maintain complete and accurate records of Independent Representatives' business dealings;
 - (e) any system, server or connection failure, breach of security, error, tampering, unauthorized intervention, fraud, deletion, defect, omission, interruption, delay in operation or transmission, computer virus, bug or other malicious, destructive code, software or macros, or any other technical or other malfunction;
 - (f) Independent Representatives' access, use or inability to access or use the Services;
 - (g) Company's failure to provide any information or data necessary for Independent Representatives to operate their business, including, without limitation, the marketing and promoting of Products of Company and/or the introducing or referring of persons as Customers/ Independent Representatives to Company; and
 - (h) regardless of whether Company has been advised or should have been aware of the possibility of such losses and/or damages.

12.3. **Force majeure**

- 12.3.1. When a Party is unable to perform part or all of the obligations set forth in Policies & Procedures, Multi-Level Sale Agreement and Relevant Documents in accordance with the agreed-upon terms in direct consequence of an unforeseen event and cannot prevent or prevent the occurrence and consequences of that event, such as a strike, labor difficulties/obstacles; fire, flood, earthquake, or other natural disasters; war; orders and decisions of the state; Information technology issues (including hardware and software) arise from "zero-day" vulnerabilities (unspecified vulnerabilities) or a party's normal supply reduction (hereinafter referred to as "**Force Majeure Event**"), the Party that encounters such Event of Force Majeure (hereinafter referred to as "**Hindered Party**") shall not be deemed to be in breach of this Agreement if all of the following conditions are met:
- 12.3.2. The Force Majeure Event was the direct cause of the stoppage, impediment or delay encountered by the Hindered Party in performing its obligations under this Agreement;
- 12.3.3. The Hindered Party used its best efforts in good faith to perform its obligations under this Agreement and to reduce the losses to the other Party arising from the Force Majeure Event; and
- 12.3.4. At the time of the occurrence of the Force Majeure Event, the Hindered Party immediately informed the other Party by sending written information of such event within fifteen (15) days of its occurrence, including a statement of the reasons for the delay in implementing or partially implementing this Agreement.

12.4. **Amendments**

Company reserves the right to amend the Policies & Procedures, List of Product Trading via Multi-level Method, and/or the Compensation Plan at any time without prior notice as

it deems appropriate. Amendments will be communicated to Representatives through official Company publications or Company website at www.qnetvn.net. Amendments are effective and binding upon submission and acceptance of competent authority. In the event any conflict exists between the original documents or policies and any such amendment, the amendment shall prevail.

12.5. Assignment/Novation/Transfer

12.5.1. Company may assign, novate or transfer all or part of its benefits, rights and obligations under the Multi-level sale Agreement to a third party at any time and after having acceptance of Independent Representative. Independent Representative is committed to implementing and doing all things required by Company to complete and finish such assignment, novation or transfer.

12.5.2. In case that Independent Representative does not agree to this transfer, novation or transfer, the Independent Representative may send a written notice requesting the termination of the Multi-level sale Agreement at least ten (10) days from the date of transfer, novation or transfer.

12.6. Non-waiver provision

12.6.1. No failure of Company to exercise any power under the Policies & Procedures or to insist upon strict compliance by Independent Representative with any obligation or provision herein, and no custom or practice of the parties at variance with the Policies & Procedures, shall constitute a waiver of Company's right to demand exact compliance with the Multi-level sale Agreement and/or the Policies & Procedures.

12.6.2. Company's waiver of any particular default by an Independent Representative shall not affect or impair Company's rights with respect to any subsequent default. Nor shall it affect in any way the rights or obligations of any other Representative. No delay or omission by Company to exercise any right arising from an Independent Representative's default affect or impair Company's rights as to that or any subsequent or future default. Amendment of Policies & Procedure and Multi-level sale Agreement has a waiver of its rights can be affected only when it is registered and approved by competent authority.

12.7. Governing law

The Multi-Level Sale Agreement, the Policies & Procedures and the Compensation Plan shall be governed by the laws of Socialist Republic of Vietnam.

12.8. Dispute settlement

12.8.1. Any dispute, controversy or claim arising from or in connection with the Multi-Level Sale Agreement, the Policies & Procedures and/or the Compensation Plan or the breach, termination or invalidity thereof (hereinafter referred to as the "Dispute") shall first be sought to be resolved amicably between Independent Representative concerned and Company.

12.8.2. If Independent Representative and Company cannot resolve the Dispute by negotiation and amicable conciliation, the Dispute shall be referred to and finally resolved by arbitration administered by the Vietnam International Arbitration Centre (At the Vietnam Chamber of Commerce and Industry) ("VIAC"). Language of arbitration is Vietnamese and location of settlement the dispute is Ho Chi Minh City.

12.9. Entire Agreement, Policies & Procedures and Compensation Plan

The Multi-Level Sale Agreement, the Policies & Procedures and the Compensation Plan together constitute the entire Multi-Level Sale Agreement between an Independent Representative and Company

12.10. Severability

If at any time any provision of the Multi-Level Sale Agreement and/or Policies & Procedures is or becomes illegal, invalid or unenforceable in any respect under the law of Vietnam, neither the legality, validity or enforceability of the remaining provisions of the Multi-Level Sale Agreement and/or Policies & Procedures under the law of Vietnam, nor the legality, validity or enforceability of such provision under the law of Vietnam shall in any way be affected or impaired thereby.

12.11. Notices and communication

12.11.1. Each notice, demand or other communication to be given or made under the Multi-Level Sale Agreement, the Policies & Procedures and/or the Compensation Plan by Company to an Independent Representative shall be in writing and delivered or sent to the relevant party at his/her last known address or email address designated by Independent Representative and recorded in the file.

12.11.2. Any notice, demand or other communication to Company shall be sent or delivered to the Network Compliance Department of Company at its office in Vietnam or by email to global.support@qnet.net.vn.

12.11.3. Any notice, demand or other communication so addressed to the relevant party physically shall be deemed to have been delivered after fifteen (15) days it is given or made, provided that, if such day is not a working day in the place to which it is sent, such notice, demand or other communication shall be deemed delivered on the next following working day at such place.

12.11.4. In the event of such notice, demand or communication is sent by email, it shall be deemed to have been received by the other party when the email enters the recipient's mail server without any undelivered message sent back to the sender.

12.12. Headings and Table of Contents

Headings and Table of Contents in the Multi-Level Sale Agreement, the Policies & Procedures and the Compensation Plan are provided for convenience only and they are not part of those documents. They are not to serve as a basis for interpretation or construction of those documents or as evidence of intention of the parties.

12.13. Language

In the event that Policies & Procedures is translated into another language and there exists any inconsistencies in any provision between the Vietnamese-language version and the translated version of the Policies & Procedures, the Vietnamese-language version shall always prevail.

Article 13. PROCEEDING, PROCEDURE ON SIGNING MULTI-LEVEL SALE AGREEMENT, TRAINING UNDER THE BASIC TRAINING PROGRAM, ISSUING MEMBERSHIP CARDS

13.1. Procedure for registering to be become an Independent Representative:

13.1.1. Completely fill in 02 sets of Company's form of Multi-Level Sale Agreement (Company keeps 01 copy and Independent Representative keeps the other).

13.1.2. Following documents shall be attached:

- (a) One (1) copy of a valid ID Card or passport (notarized copy or original for comparison);
- (b) One (1) copy of documents proving the registered bank account; and
- (c) Two (2) 3x4cm photos.

13.1.3. Multi-level sale participant will only become an Independent Representative if his/her Multi-Level Sale Agreement is accepted by Company. Company has the right to accept or decline to sign any Multi-Level Sale Agreement at its sole discretion.

13.2. Signing Multi-level Sale Agreement:

13.2.1. After completely filling in Multi-Level Sale Agreement and preparing fully documents as required, multi-level sale participant sends dossier to head office or branch of Company.

13.2.2. Within five (5) working days from the date of receipt of the application, Company will proceed to check the dossier:

- (a) If the dossier is incomplete or invalid, the Company will require the applicant to amend and supplement the dossier; or
- (b) If the dossier is complete and valid, the Company will sign a Multi-level Sale Agreement and send back to Independent Representative one (1) copy of the original of signed Multi-level Sale Agreement. Concurrently, Company will grant Independent Representative an Independent Representative Identification Number. Independent Representative shall include his/her Independent Representative Identification Number in all his/her orders and correspondences with Company.

Note:

At this point of time, Independent Representative is not allowed to conduct market, sale and development of network activities.

13.3. Participating Basic Training Program:

13.3.1. Registering to attend Basic Training Program:

- (a) **Step 1:** Within five (05) working days from the date on which the Multi-level Sale Agreement is approved and signed, the Company will send information about the organizing time of the Basic Training Program via phone message or email address of the Independent Representative in the registration dossier. Independent Representative may also view information about the organizing time of Basic Training Program posted on Company's official website <https://www.qnetvn.net/> or listed on the head office, branches, representative offices or business locations

of Company.

- (b) **Step 2:** After receiving information about the organizing time of Basic Training Program, Independent Representative desiring to participate in Basic Training Program of Company can register to participate through one of the following methods:
- (i) Registering via Company’s email address at vn.support@qnetvn.net;
 - (ii) Sending the registration letter via post office to the head office, branches, representative offices or business locations of Company; or
 - (iii) Registering directly at the head office or branches, representative offices, business locations of Company (if any).

For the purpose of serving Basic Training Program and supporting the initial business, Independent Representative can download the supporting documents for free on Company's official website at <https://www.qnetvn.net/>. Independent Representative learns Basic Training Program follows these steps:

13.3.2. Independent Representative learning the Basic Training Program follows these steps:

(a) **STEP 1: CHECK FOR INFORMATION ON THE SYSTEM OF COMPANY**

Before entering into the training class, Company’s staff will check Independent Representative’s information on the Company's system.

- (i) If Independent Representative has information on the system of Company, the Company’s staff will allow Independent Representative to attend the Basic Training Program.
- (ii) If Independent Representative’s information is not available on the system of Company, the Company’s staff will guide Independent Representative to complete STEP 1.

(b) **STEP 2: SIGN IN THE ATTENDANCE LIST**

Before entering into the class, the Company’s staff will require Independent Representative to sign to confirm in Independent Representative attendance list.

(c) **STEP 3: LEARN A BASIC TRAINING PROGRAM**

Company’s Basic Training Program is composed of the following 6 topics under the direct training of Company’s Trainer:

No.	Training content	Time
1.	The Law on the Multi-level sale Industry	90 minutes
2.	Ethical Standards on Multi-level sale Activities	90 minutes
3.	The basic contents of the Multi-level Sale Agreement	60 minutes
4.	The basic contents of the Policies and Procedures	90 minutes

5.	The basic contents of the Compensation Plan	120 minutes
6.	Content on the assessment of the completion of a Basic Training Program	30 minutes

After the course, there will be 30 minutes for Independent Representative to ask questions regarding the topics of the Basic Training Program. Then, the Trainer of Company will answer Independent Representative's questions.

13.3.3 Implement The Test

- (i) After the end of the training contents, Independent Representatives are required to perform the knowledge test at the end of program at class, consisting of 20 multiple-choice test questions in 30 minutes with the supervision of Trainer and the supporting-class staff.
- (ii) Independent Representative will receive the test and do the test on the test sheet, the time of the test is 30 minutes calculated from the time the Trainer gives the test sheet to all Independent Representative and starts the time of the test.
- (iii) At the end of a 30-minute test, Independent Representative remits the test and test sheet for the Trainer. If Independent Representative completes the test earlier than the maximum allowed time, Independent Representative may be active remitting to Trainer.

13.3.4 Assessment Of Test Result

The Company's appointed Trainer will conduct grading. Independent Representatives pass the test if reaching from 70% of the correct answers upwards. In case the results of the first test fail, the Independent Representative has the opportunity to take part in the second test. If the results of the second test is still unsatisfactory, the Independent Representative is required to register for the following basic training classes.

13.3.5 Providing Basic Training Certificate

The Independent Representative will be granted a certificate of completion of the content and volume of the Basic Training Program within 05 days from the date of completion of the Basic Training Program. The Independent Representative receives confirmation of the completion of the content and volume of the basic training program in person at the Company's headquarters, branches or by post.

The Independent Representative signs a written commitment according to Form No. 13 stated in Decree 40/2018/ND-CP on management of business activities by multi-level method and returns it to the Company for the Company to proceed with. issue the Membership Card to that Independent Representative.

13.4 Process of issuing Membership Card

13.4.1 **Step 1:** Within five (05) days from the date of issuing the certification of completion of the content and duration of the basic training program and receiving the Commitment Form

No. 13 from the Independent Representative, the Company will issue a Membership Card to the Independent Representative.

- 13.4.2 **Step 2:** Within 05 (five) days after obtaining the Membership Card, the Company will contact the Independent Representative via phone or email to notify the IR to receive the Card. The Independent Representative receives the Card directly at the Company's headquarters or the Company will send the Card by post at the address provided by the Independent Representative

Article 14. ORDER, PAYMENT, DELIVERY AND SHIP OF GOODS

14.1. How to order

All Independent Representatives may order directly at Company or order via website at www.qnetvn.net; the order may be sent to Company's head office.

14.2. Payment method

14.2.1. Cash or ATM card directly at Company; or

14.2.2. Transfer to Company's bank account; or

14.2.3. Online payment via ordering system on website at www.qnetvn.net.

14.3. How to receive goods

14.3.1. Receive goods directly at Company; or

14.3.2. Receive goods at home.

14.4. Delivery of goods

14.4.1. Company will deliver Products ordered by Independent Representative to the address provided by Independent Representative at the time Independent Representative made her/his order.

14.4.2. Delivery will be made as soon as possible after Independent Representative's order is accepted, and in any event within 30 (thirty) days of Independent Representative's payment, Company will delivery fully products based on payment of Independent Representative. Delivery will be implemented via courier or other similar services.

14.4.3. In the event that the first attempt at delivery fails for whatsoever reason, a maximum of two (02) further attempts to deliver/contact Independent Representative will be made within ten (10) days after the first attempt. If for any reason whatsoever, the attempts to deliver/contact Independent Representative remains unsuccessful, Independent Representative's Products will be classed as undeliverable.

14.4.4. Once Independent Representative's Products is being classed as undeliverable and returned to Company, Independent Representative will need to bear all return shipment charges as well as any reshipment charges for any other reshipment attempts.

14.4.5. In case Company does not deliver the Products or Independent Representative does not receive the Products within thirty (30) days from the payment date of Independent Representative, Company will cancel the transaction and refund the entire amount to Independent Representative.

14.4.6. In the event that Independent Representative has not receive the Products at Company

within thirty (30) days of Independent Representative's payment of the purchase, Company will cancel the transaction and refund the entire amount to Independent Representative.

- 14.4.7. Company reserves the right to deduct Commissions, received by Independent Representative from the purchase of Products not delivered by Company or not received by Independent Representative.
- 14.4.8. Independent Representative will become the owner of Product after being delivered. However, Company is still responsible for warranty of products in accordance with the Warranty Policy specified in Article 16 of this Policies and Procedures.
- 14.4.9. In the event of Products ordered by Independent Representative remaining unavailable, Company will offer to provide Independent Representative the alternative Products with equivalent quality and prices. If Independent Representative agrees to accept the alternative Products, Company will deliver such alternative Products to Independent Representative. If Independent Representative does not agree to accept the alternative Products, within thirty (30) days from the date of Independent Representative made payment for purchase, Company will deliver the Products ordered by Independent Representative. After the above thirty (30) days, the Company will cancel the transaction and refund the full amount paid by the Independent Representative.

Article 15. RETURN, BUY-BACK OF PRODUCTS AND REFUND

15.1 Principle of Products return and buy-back

15.1.1 In case the Independent Representative is active:

- a. Company accepts the return and buy-back of Products (including purchased under Company's promotion program) made by Independent Representatives (even in the case of termination of Multi-Level Sale Agreement) and Customers in accordance with Company policies provided that:
 - i. Products with intact package, stamps;
 - ii. Attached with a purchase invoice for the Products to be returned; and
 - iii. The request is made within thirty (30) days of receiving Products.
- b. Company refunds at least 90% the amount of Products purchase in cash or by bank transfer. In case the Products are returned due to manufacturer's fault, Company refunds 100% the amount of Products purchase.
- c. Company have the right to deduct Commissions received by Independent Representative from their purchase of returned Products. Besides, Company also is entitled to recover Commissions received by the other Independent Representative relating to the returned Products.

15.1.2 In case of terminating Multi-level Sale Agreement under Article 30 of Decree 40/2018/ND-CP:

- a. Company takes responsibility to buy back the Products sold by Company to Independent Representative under Article 15.1.1. mentioned above.
- b. To guarantee Independent Representative's legitimate rights and interests on the return and buy-back of Products policy, thirty (30) days of receiving Products referred to in item (iii)

Article 15.1.1 shall not include fifteen (15) days from the date Independent Representative submits a Request for Reconsidering until Company announces the result of such review, as set out in Article 19.2.2 (b) below.

15.2 Procedure to return, buy-back Products

15.2.1 Time:

- a. Monday to Friday: from 9:00 AM to 6:00 PM daily
- b. Saturday: from 9:00 AM to 2:00 PM
- c. Sunday: Not available

15.2.2 Place: At Company's office.

15.2.3 Products return and buyback process:

- a. **Step 1:** Independent Representative/Customer who requires Company to repurchase Products (including in the event of termination of Multi-Level Sale Agreement and Products purchased under the promotion program), within 30 days from the date receiving goods, needs to provide to Company:

15.2.3.a.1 Valid Membership Card (in case of Independent Representative);

15.2.3.a.2 VAT invoices for the purchase of required Products;

15.2.3.a.3 Products required to be bought back by Company; and

15.2.3.a.4 Request application to buyback Products fully filled in information.

- b. **Step 2:** Within twenty (20) days from the date Company receive of Independent Representative's request, Company will check the Product and notify Independent Representative on the acceptance of the return or the reason for the refusal on return, repurchase.
- c. **Step 3:** Within the next ten (10) days, the Parties will agree on the amount of Products and the refunded amount in accordance with the principles specified in above Article 15.1 and the Company will pay that amount to Independent Representative. Or

Article 16 PRODUCT WARRANTY

16.1 Warranty principle

16.1.1 Company commits to strictly implement the Products warranty obligations for Products covered by the warranty as specified below:

- (a) Provide a warranty receipt indicating the warranty period for the Independent Representative/Customer in the event of warranty Products;
- (b) Provide Independent Representative/Customer with similar products, components, accessories for temporary use or other forms of solution accepted by Independent Representative/Customer during the warranty period;
- (c) Change new Products, components, accessories or recall Products, components, accessories and refund 100% of money amount paid by Independent Representative/Customer to receive such Products in the event of the expiration of the warranty period without repairing it or failure on fixing the error;

- (d) Change new Products, components, accessories or recall Product and refund consumers in case of warranty for goods, components and accessories three (03) or more times during the warranty period but still fails to fix the error;
 - (e) Bear the cost of repairing, transporting Products, components, accessories to the warranty place and from the warranty place to the Independent Representative/Customer's residence address; and
 - (f) Take responsibility on warranty of Products, components and accessories for Independent Representative/Customers even in case of authorizing other organizations and individuals to perform warranty.
- 16.1.2 Under the regulation on Product warranty, Independent Representative is responsible for receiving and re-delivery the damaged Products to Company or the Customer can directly go to Company for warranty.
- 16.1.3 Company is responsible for ensuring the quality of Products sold to Independent Representative/Customers in accordance with the published information. Independent Representative is responsible for providing information of quality in accordance with the information provided by Company. In the event of a Product quality complaint, Independent Representative is responsible for notifying Company immediately upon receipt of this complaint.
- 16.1.4 Upon receipt of the Product, Independent Representative/Customer must check the Product to ensure that it has sufficient quantity and intact package. The Company will be responsible for Products that are defective due to manufacturing or damaged during Company control, but will not be responsible for damages caused by careless use and handling, or due to misusing of Products, whether Independent Representatives or Customers cause.

16.2 Warranty process

- 16.2.1 **Step 1:** Independent Representatives/Customers must send the following documents to Company:
- (a) Product and accessories;
 - (b) Invoice;
 - (c) Valid warranty card (if any); and
 - (d) Warranty Request
- 16.2.2 **Step 2:** At the time of request, Company shall confirm information in writing to Independent Representatives/Customers, therein pointing out the response time toward the warranty settlement.
- 16.2.3 **Step 3:**
- (a) Within seven (07) working days from the date of receiving the warranty request, Company shall respond about the warranty settlement to Independent Representatives/Customers. If such Product is determined to be defective due to production's fault and under warranty policy, Company shall announce the time to complete the warranty.
 - (b) For the cases that are not eligible to apply warranty policy and repairable, Company shall

support the Independent Representative/Customers to transfer the Product to the manufacturer for repairing and replacing the product's accessories. Company shall notify the Independent Representative/Customers about incurred fee and Company will only conduct after obtaining the Independent Representations/ Customers confirmation with such incurred fee.

Article 17. HANDLING PROCESS OF INDEPENDENT REPRESENTATIVE'S COMPLAINTS

17.1 Object and method of sending Request

17.1.1 Object

Independent Representative has questions, complaint, other requests (hereinafter referred to as "**Request**") regarding products, business activities of Company violation of another Independent Representative has violated the Multi-level Sale Agreement, the Policies and Procedures or other Company's policies.

17.1.2 Method of sending Request

- (a) **Via direct contact:** At Company's office at 13 Pham Viet Chanh Street, Nguyen Cu Trinh Ward, District 1, Ho Chi Minh City during working time:
 - i. From Monday to Friday: 9h - 18h
 - ii. Saturday: 9h - 14h
 - iii. Sunday: Not working
- (b) **Via telephone:** Independent Representative can call directly to phone number 028.7300.0875 during the above working time of the Company to present his/her Request.

Company has signed a Telecommunications service contract for the phone number 028.7300.0875 and has a Phone service contract and a Fixed telephone service annex. Currently, our phone system is working stably to support and continues to monitor all cases.
- (c) **Via post office:** Independent Representative can send letter to Company's office at 13 Pham Viet Chanh, Nguyen Cu Trinh Ward, District 1, Ho Chi Minh City.
- (d) **Via email:** Independent Representative may submit a requests form via Company email address vn.support@qnetvn.net.

17.2 Proceeding on resolving Request

17.2.1 In case of sending Request via direct contact

(a) Step 1: Receiving Request

The Company's Network compliance department will provide the request form for Independent Representative. Company's staff will and guide the applicant to complete information fully and only receive after the request form been filled in full the required information.

(b) Step 2: Certifying Request

After completing Step 1, the Company's Network compliance department will make a record confirming receipt of the Independent Representative's Request

(c) Step 3: Proceeding to resolve Request

i. In case Request is inquiries / other requests

- Within five (05) working days from the confirmation date of receiving Independent Representative's Request as Step 2 as above, the Company will send the Independent Representative's inquiries to the relevant departments to study and resolve the Request.
- Within ten (10) working days from the confirmation date of receiving Independent Representative's Request as Step 2 as above, the Company will send a written response or email to the address provided by Independent Representative in the Step 1.
- If the Independent Representative is still unclear about the Company's response, the Independent Representative may continue responding to the Company and the Company will clarify the Request according to the timeline, the processes and procedures as above.

ii. In case Request is complaints

- Within five (05) working days from the date of confirmation of receipt of the Independent Representative's Complaint as mentioned in Step 2 above, the Company will submit other inquiries/requests of the Independent Representative to the relevant departments to study and resolve the Request.
- Within thirty (30) working days from the date of confirmation of receipt of the Independent Representative's Complaint as mentioned in Step 2 above, the Company will send a written or emailed complaint resolution to the address or email that the Independent Representative provided when the Company received the Request at Step 1.
- If the Independent Representative still does not agree with the outcome of the Company's complaint settlement, the Independent Representative may continue to respond to the Company using the contact forms and resolution procedures as outlined above.
- In the event Independent Representative complains about the Company's decisions that affect his/her legal interests and rights, within thirty (30) business days from the confirmation date of receipt of the Independent Representative's Request as stated in Step 2 above, the Company will send a written settlement on complaint to the address provided by the Independent Representative when the Company receives the Request at Step 1. If the Independent Representative has not yet agreed with Company's settlement result on complaint, the Independent Representative may continue to respond to the Company in the contact forms and resolution procedures as above.

(d) **Step 4: Finish Request**

Save all dossiers relating to Request and finish Request.

17.2.2 In case of sending Request via telephone

(a) **Step 1: Receiving Request**

On the basis of information provided by Independent Representative via phone call, Company's Network compliance department staff will fill in the Company's requests form.

(b) **Step 2: Certifying Request**

Within five (05) working days from the date the Company receives the Request by phone call of the Independent Representative, the Company will send a message to the phone number that the Independent Representative provided to confirm receipt of Independent Representative's Request.

(c) **Step 3: Proceeding to resolve Request**

i. In case Request is inquiries

- Within five (05) working days from the confirmation date of receiving Independent Representative's Request as Step 2 as above, the Company will send the Independent Representative's inquiries to the relevant departments to study and resolve the Request.
- Within ten (10) working days from the confirmation date of receiving Independent Representative's Request as Step 2 as above, the Company will send a written response or email to the address provided by Independent Representative in the Step 1.
- If the Independent Representative is still unclear about the Company's response, the Independent Representative may continue responding to the Company and the Company will clarify the Request according to the timeline, the processes and procedures as above.

ii. **In case Request is complaints**

- Within five (05) working days from the date of confirmation of receipt of the Independent Representative's Complaint as mentioned in Step 2 above, the Company will send other inquiries/requests of the Independent Representative. Make up to relevant departments to study and resolve Requests.
- Within thirty (30) working days from the date of confirmation of receipt of the Independent Representative's Complaint as mentioned in Step 2 above, the Company will send a written or emailed complaint resolution to the address or email that the Independent Representative provided when the Company received the Request at Step 1.

- If the Independent Representative still does not agree with the outcome of the Company's complaint settlement, the Independent Representative may continue to respond to the Company using the contact forms and resolution procedures as outlined above.

(d) **Step 4: Finish Request**

Save all dossiers relating to Request and finish Request.

17.2.3 **In case of sending Request via mail or email**

(a) **Step 1: Receiving Request**

Please state all requests, complaints and accurate contact information of Independent Representative mailing such as: address; phone number; full name of Independent Representative; complaint issues in email for Company to track and respond promptly.

(b) **Step 2: Certifying Request**

Within five (05) working days from the date the Company receives the Request via mail or email of the Independent Representative, the Company will email the Independent Representative's email address or send a message to the telephone number that Independent Representative provides to confirm receipt of the Independent Representative's Request.

(c) **Step 3: Proceeding to resolve Request**

i. **In case Request is inquiries**

- Within five (05) working days from the confirmation date of receiving Independent Representative's Request as Step 2 as above, the Company will send the Independent Representative's inquiries to the relevant departments to study and resolve the Request.
- Within ten (10) working days from the confirmation date of receiving Independent Representative's Request as Step 2 as above, the Company will send a written response or email to the address provided by Independent Representative in the Step 1.
- If the Independent Representative is still unclear about the Company's response, the Independent Representative may continue responding to the Company and the Company will clarify the Request according to the timeline, the processes and procedures as above.

ii. **In case Request is complaints**

- Within five (05) working days from the date of confirmation of receipt of the Independent Representative's Complaint as mentioned in Step 2 above, the Company will send other inquiries/requests of the Independent Representative. Make up to relevant departments to study and resolve Requests.

- Within thirty (30) working days from the date of confirmation of receipt of the Independent Representative's Complaint as mentioned in Step 2 above, the Company will send a written or emailed complaint resolution to the address or email that the Independent Representative provided when the Company received the Request at Step 1.
- If the Independent Representative still does not agree with the outcome of the Company's complaint settlement, the Independent Representative may continue to respond to the Company using the contact forms and resolution procedures as outlined above.

(d) **Step 4: Finish Request**

Save all dossiers relating to Request and finish Request.

Article 18. CASES OF TERMINATION OF MULTI-LEVEL SALE AGREEMENT

- 18.1 Independent Representative may voluntarily terminate his/her Multi-level Sale Agreement by sending a written notice on such voluntary termination at least ten (10) (ten) working days in prior to Company
- 18.2 Company have right to terminates Multi-Level Sale Agreement with Independent Representative when the Independent Representative violates one of the following cases:
- 18.2.1 Perform marketing, sales and development of multi-level sale network when not being granted Membership Card.
- 18.2.2 Not present his/her Membership Card before introducing or marketing, selling goods.
- 18.2.3 Not comply with Multi-level Sale Agreement and Policies & Procedure of Company.
- 18.2.4 Insufficiently and untruthfully provide information about Company, goods to be traded via the multi-level sale method, Compensation Plan and Policies & Procedure of Company.
- 18.3 Company take responsible for terminating the Multi-level Sale Agreement in case that Independent Representative violates one of prohibitions for Independent Representative as follows:
- 18.3.1 Request other people to deposit or submit a certain amount of money in order to sign Multi-Level Sale Agreement;
- 18.3.2 Provide misleading or confusing information about the benefits of participation in multi-level sale networks, the function and use of goods and the operations of Company;
- 18.3.3 Organize conferences, seminars and training courses regarding multi-level business without a written delegation issued by Company;
- 18.3.4 Induce, entice, corrupt multi-level sale participants of other multi-level sale enterprises to join the network of Company in which they are participating;
- 18.3.5 Use positions, authorization, social and career positions to encourage, require, induce, entice other people to participate in multi-level sale networks or to purchase goods traded via multi-level business; or
- 18.3.6 Perform multi-level sale activities in provinces where Company has not been granted the confirmation for the registration of its multi-level sale operations in such localities.

18.4 In addition, Multi-level Sale Agreement is also terminated when Company expires its term of operation but does not renew; self-terminate operation according to Company's decision; its Enterprise Registration Certificate is revoked; its Multi-level Sale Activities Registration Certificate is revoked or expired.

Article 19. PROCESS, PROCEDURE FOR TERMINATION OF MULTI-LEVEL SALE AGREEMENT

19.1 In case the Independent Representative sends a written notice to Company about termination of the Multi-level Sale Agreement

19.1.1 Step 1: Send a written notice

Independent Representatives send a written notice to the Company at least ten (10) working days prior to the intended date of termination of this Multi-level Sale Agreement.

19.1.2 Step 2: Liquidation of Multi-level Sale Agreement

Within ten (10) working days from the date of termination of the Contract, the Company and the Independent Representative will review, calculate and agree on related rights and obligations including but not limited to by : (i) Commissions and other economic benefits to which the Independent Representative is entitled; (ii) Debts, obligations of as well as deductions between the two parties; (iii) The return and redemption of goods;

Within the next 20 (twenty) working days, the Company will complete the payment of the Commission/Bonus after deducting the debts, deductibles and other financial obligations of the Company. Independent Representative (if any). The contract is liquidated after the two parties have fulfilled the related rights and obligations.

19.2 In case Company terminates the Multi-level Sale Agreement

19.2.1 Step 1: When deciding to terminate this Agreement with Independent Representative, Company will send a written decision on terminating Agreement (hereinafter referred to as “**Decision on Termination**”) to the address on Independent Representative's record.

19.2.2 Step 2: After Independent Representative receives Decision on Termination of Company:

(a) If Independent Representative desires Company to reconsider its Decision on Termination, Independent Representative shall send a written request for reconsidering Decision on Termination (hereinafter referred to as “**Request for Reconsidering**”) to Company within fifteen (15) days of receiving date of Decision on Termination.

If Company does not receive Request for Reconsidering within such period, this Agreement will be terminated from the date of expiry term of Request for Reconsidering.

(b) If Independent Representative sends Request for Reconsidering in mentioned period, Company will review Decision on Termination and notify the Independent Representative of the results within fifteen (15) days from the date of receiving Request for Reconsidering. Company will not reconsider Decision on Termination again.

In the event of Decision on Termination remains the same, effective date of Decision on Termination will be from the day that Company notifies the Independent Representative of the result of reconsidering.

19.2.3 Step 3: Liquidation of Multi-level Sale Agreement

Within ten (10) working days from the date of termination of the Contract, the Company and the Independent Representative will review, calculate and agree on related rights and obligations including but not limited to by: (i) Commissions and other economic benefits to which the Independent Representative is entitled; (ii) Debts, obligations of as well as deductions between the two parties; (iii) The return and redemption of goods;

Within the next 20 (twenty) working days, the Company will complete the payment of the Commission/Bonus after deducting the debts, deductibles and other financial obligations of the Company. Independent Representative (if any). The contract is liquidated after the two parties have fulfilled the related rights and obligations.

Article 20. EFFECTS OF MULTI-LEVEL SALE AGREEMENT'S TERMINATION

Immediately after this Agreement is terminated for any reason, the Independent Representative will:

- 20.1 completely terminate the use of the trademarks, service marks, trade names and any signs, labels, stationery or advertisement referring to or relating to any Products, plan or program of Company;
- 20.2 must cease representing himself/herself as an Independent Representative of Company;
- 20.3 lose all rights to his/her Representative position in the Compensation Plan, except for Commissions that the Independent Representative is entitled to receive during the process participating in the Company's multi-level sales network is executed in accordance with the liquidation procedures mentioned in Article 21 below; and
- 20.4 execute actions that are required by Company and regulations of laws relating to the protection of Company's confidential information.

Article 21. VIOLATION RESOLUTION

- 21.1 The Company has full rights in handling violations. Depending on the motive, nature, extent and consequences of the violation, the Company may offer one of the following violation handling measures:

- (ii) **Written warning**

This document is issued by the Company to clarify the meaning and specific implementation of the policy or procedure and to issue a warning for violations and, if repeated, to impose heavier penalties.

- (ii) **Remedial requirements and supervision**

The Company will require the IR to take remedial action as well as monitor and supervise to ensure the IR's compliance.

- (iii) **Temporary suspension**

The temporary suspension will be implemented in accordance with Article 3 of this

Policies and Procedures.

(iv) Termination of Multi-Level Sales Participation Agreement

The termination of the Multi-Level Sales Participation Agreement is made in accordance with the provisions of Articles 18, 19, 20 and 21 of this Policies and Procedures.

21.2 If the Independent Representative's violation acts at the same time as Vietnam's law, in addition to being disciplined by the Company in accordance with these Operational Rules, the Independent Representative is also responsible under Vietnamese law