

AGREEMENT BETWEEN COMPANY & DISTRIBUTOR

THIS AGREEMENT (hereinafter referred to as 'the agreement') is made on (DD/MM/YYYY)
_____, by and

BETWEEN

Vajranex Generation Private Limited (Registered Company incorporated under The Companies Act, 2013 registered with the Registrar of Companies, Coimbatore) represented by its Chairman or Directors of the Company having registered office at No.66, G-1, Kumaran Buildings, Elango Nagar, Gandhipuram Coimbatore TN 641012 (FIRST PARTY, hereinafter referred to as "**The Company**")

AND

["Name of Distributor"], a company/individual/LLP/Partnership Company/Others having office _____ at _____ (Address)
_____ (SECOND PARTY, Hereinafter referred as the "**Distributor**")

The Terms Company and Distributor wherever the context so permit shall mean and include their respective legal representatives, agents and assignees.

The Company Marketing Plan shall for the purpose of concision be referred to as "THE PLAN".

1. **WHEREAS** the Company is engaged into business of direct selling and in other business activities as stated in Object Clause of Memorandum of Association of the Company.
2. **WHEREAS** this Agreement has been subject to the following terms and conditions hereunder, that are mutually agreed upon and accepted by both parties herein which are reduced to writing hereunder. this agreement is also available online and can be entered into by the parties who intend to become distributor on signing of the same online after agreeing to the terms and conditions set forth therein, which would purport to participation in the Plan.

3. **WHEREAS** the Company does appoint Distributors across the country of India for marketing and sale of the products. Interested Individuals/HUF (Indian Citizen only) and Company/ LLP/ Partnership Firm/ Company/ Association of Persons/ Body of Individuals/ Local Authorities registered in India, if wish to become Distributor of the Company can apply for the same in prescribed form. Filling each and every column is mandatory.

4. **WHEREAS** the business plan would be subject to alterations, additions, deletions, revision whenever the Company shall require to do so. Participation by persons/Distributors is subject to the terms and conditions framed or announced, or amended or changed or prevalent at the point of time intimated to the person/persons through the website www.vajranexgen.com and any such modification/amendment shall be applicable and binding onto the Distributor from the date of such notice. Applicant, when accepted, is called "Distributors", referred herein as Distributor represents and warrants that the Distributor understands the Plan and is not relying on any representation or offer that is not contained in this Agreement or in any other official Company material.

5. **WHEREAS** the Distributor by applying to participate in the Plan, he/she understands that he/ she will be bound by the terms and conditions laid herein and that Distributor will be entitled to participate as a Distributor, upon acceptance of a valid application by company.

6. **WHEREAS** the Company provides the business containing in this Agreement and in other official Company materials published by the company, and no Distributor is authorised to make any other offer to a prospective Distributor. If Applicant relies on any offer made by a Distributor that are not in this Agreement and/ or in the official Company material, and that introducing Distributor fails to keep any such offer, the Applicant will take action against such Distributor not on the Company. However, in such an event, Applicant can file a complaint with the Company. Upon receipt of such a complaint, the Company will conduct such investigations / enquiry as

it deems necessary. and, upon validation of such a complaint, impose appropriate penalty (ies) on the offending Distributor. Such action however will not result in any recovery of damages by the Applicant, which the Applicant is free to seek against the offending Distributor alone, and not the Company.

7. **WHEREAS** Company shall constitute a Grievance Redressal Committee whose composition, nature of responsibilities shall include but not limited to:

a) The Grievance Redressal Committee shall consist of at least three officers of the Company;

b) The Grievance Redressal Committee shall address complaints and inform complainants of any action taken;

All complaints received over phone, email, website, post and walk-in should have a complaint number for tracing and tracking the complaint and record. All Such Grievances will be resolved by the Company.

8. **WHEREAS** Distributor undertakes to adhere to policies, procedures, rules and regulation formed by the Company from time to time.

9. **WHEREAS** Orientation session will be provided by Company or by Distributor or by any authorized representative of Company either in person or through any digital means.

10. **WHEREAS** The Company and Distributor shall be governed by the provision of the Consumer Protection Act, 1986.

11. **WHERAS** The Company and Independent Distributor shall take appropriate steps to ensure the protection of all information provided by a consumer.

12. **WHERAS** distributor agrees that he/ she will not, in pursuance of a sale, make any claim that is not consistent with claims authorized by the Company.

13. **WHERAS** Company or Distributor shall not promote a pyramid scheme or enrol any person to such scheme or participate in such arrangement in any manner.

14. **WHEREAS** Company or Distributor shall not participate a Money Circulation Scheme to grab Direct Selling of Business Opportunities.
15. **WHEREAS** distributor agrees that he/ she will not receive any remuneration or incentives for recruitment/ enrolment of new Independent Distributors.
16. **WHEREAS** distributors are those who are actively participating in the selling and marketing activities. They shall maintain the Active Business distributor status by purchase of products of as per the Plan. They will also receive sales commissions, and other benefits and offers announced from time to time. An Active distributor will be eligible to earn commissions from the sales volume of his sales and his team sales after the qualification as detailed in the Plan which forms the part of this agreement. The distributor will lose his/her active status if he/ she does not sell minimum required product as per plan for 6 months consecutively. The Deactivated Distributor cannot claim distributor price of products, any bonuses, offers and other benefits. He/ She can rejoin the business under same line of sponsorship anytime after deactivation.
17. **WHEREAS** Distributor engaged in direct selling should carry their identity card and not visit the consumer's premises without prior appointment/approval.
18. **WHEREAS** at the initiation of a sales representation, without request, truthfully and clearly identify themselves, the identity of the Company, the nature of the goods or services sold and the purpose of the solicitation to the prospective consumer.
19. **WHEREAS** Offer a prospective consumer accurate and complete explanations and demonstrations of goods and services, prices, credit terms, terms of payment, return policies, terms of guarantee and after sale service.
20. **WHEREAS** Distributor agree that he/ she shall comply with all state and central government and local governing body laws, regulation and codes that apply to the operation of their Team Business.

21. **WHEREAS** distributor agree that he/ she will provide following information to the prospect / consumers at the time of sale, namely: Name, Address, Enrolment Number/Registration Number, Identity Proof, Telephone Number of the Distributor and the Company, description of goods or services to be supplied, Explain to the consumer about the goods return policy of the company in the details before the transaction, The Order date, the total amount to be paid by the consumer along with the bill and receipt, Time and place for inspection of the sample and delivery of goods, Information of his/her rights to cancel the order and / or to return the product in saleable condition and avail full refund on sums paid and Details regarding the complaint redressal mechanism.
22. **WHEREAS** distributor agrees that Commission/income shall be subject to the statutory deduction as applicable such as Goods & Service Tax (GST), TDS etc.
23. **WHEREAS** the distributor agrees that to earn commissions in the Programme, distributor is responsible for generating business for himself/herself and company. To do this, Distributor will personally make retail sales of the Company Products to his/her personal customers, will sponsor new Distributors to build his or her sales team and will contact prospects by phone and in person to promote sales of the products. Distributor is responsible for training those sponsored by the Distributor and their team members and teach them how to train the ones they Sponsor.
24. **WHEREAS** Purchase of Products is not required to register in the Plan. An applicant choosing to become a distributor shall signup free online and send a copy of distributor registration form to the company or submit in the Stockist Point. The distributor Registration form should be signed at the bottom of the page printed out by the applicant, otherwise the application will not be processed.
25. **WHEREAS** distributor agree that the Commission Entitlement, Commission is payable only on sale of products by him/her and by his/her team members as per Plan after qualification. Distributor agrees that he/she will not undersell the product in the market.

26. **WHEREAS** the distributor agrees that upon acceptance of this application by Company, distributor will be an independent distributor, called a Direct Independent Distributor and will have no authority to bind the Company to any obligation, agreement, commitment of any kind, other than this agreement. Distributor is not employee of the Company and is not entitled to any employees benefits. Distributor shall be responsible for paying VAT (if applicable), Goods and Services Tax (GST), Income Tax and other taxes charged to Distributor on amounts earned hereunder.
27. **WHEREAS** the distributor has to be an Indian National and competent to enter into agreement. He or she should not have been prohibited, under any law in force from entering into an agreement. The Applicant must be above 18 years of age, as on the date of application in order to be eligible to become a distributor. In case Distributor is Partnership Distributorship/ Distributorship are in name of the Firm or the Limited Company/ others, then the Distributor has to submit all relevant partnership deeds/ Memorandum of Association (MOA) & Article of Association (AOA)/bye-laws and other relevant documents as the case may be.
28. **WHEREAS** the validity of this agreement is one (01) year from the date of the Application approved and accepted by company. Renewal of distributorship shall be done before the expiry date of distributorship. There is no renewal fee to be paid. On approval and acceptance of the application of renewal by Company, the Distributor will be eligible for commission as specified in the Plan.
29. **WHEREAS** the distributor agrees to maintain Confidentiality of Agreement by understanding that the Company, marketing plan, reports, Distributor lists and all the other secret information of the Company. Distributor hereby agrees to, not directly or indirectly disclose or use any of the said confidential information except to specifically promote distributor's independent Plan in accordance with the provisions of this Agreement. Distributor further agrees that maintain this provision after expiration or termination of this Agreement for a period of three years.

30. **WHEREAS** Distributor or his/her relatives (relative means dependent son or daughter, father/ mother, spouse) shall not engage in any activities of Multi Level Marketing of any other entity. If it is found then such Distributor shall be terminated.
31. **WHEREAS** Distributor is prohibited from listing, marketing, advertising, promoting, discussing, or selling any product, or the business opportunity on any website or online forum that offers like auction as mode of selling.
32. **WHEREAS** distributor hereby agrees that he/ she will not to compel or induce or mislead any person with any false statement/ promise to purchase products from the Company or to become Distributor of the Company.
33. **WHEREAS** the Distributor shall not have more than one login ID on same PAN Number. If found shall be cancelled without prior intimation.
34. **WHEREAS** distributor agree that once a distributorship is terminated, he/ she cannot enter into any of the company premises/meeting locations and his facilitation fee/his name would be removed and he would not be entitled to receiving any fees going forward immediately.
35. **WHEREAS** Distributor has right to cancel his/her product order and/or to return the product in saleable condition within a period of 30 days from the date of the distribution of the goods or services to the company to avail full refund on sums paid.
36. **WHEREAS** The 30 days' Replacement Guarantee to assist Buyers who have been defrauded by qualified seller on the website, if at the time of delivery and/or within 30 days from the date of delivery of the product/s, if any defect is found, then the buyer of the product/s can ask for replacement of the product/s from the seller.
37. **WHEREAS** the distributor agrees that he/ she will not use the Company and/or Plan, trade names and/or trademarks, logo type an design, tools and trainings manuals

except to promote the Company's products and business. In all such authorised use, distributor will make clear that distributor is a Direct Independent distributor.

38. **WHEREAS** distributor agrees that in case of death or loss of contractual capacity of Distributor, his/her nominee or legal heir shall become the Distributor of the Company after production of registered Will and by production of valid documents from relevant authorities. He/she shall also abide by all rules and regulations, terms and conditions etc. in the same manner as original Distributor was being abide/supposed to abide.
39. **WHEREAS** in the absence of nomination by a distributor, distributorship will be treated like any other business or asset, a distributor may have, is fully transferable in accordance with the terms of a Will or in the absence of a Will, it passes to their legal heirs pursuant to the applicable state of succession laws.
40. **WHEREAS** the distributor may voluntarily terminate this Agreement by sending written notice of 30 days at any time for any reason. If a distributor terminates this Agreement that distributor shall not be allowed to become a distributor again for a period of six (6) months. If distributors re-join and violate any terms & conditions of this policy then in that situation distributor shall be permanently terminated and distributor shall not be allowed to earn any commission from the new distributorship. The distributorship can be terminated by giving 30 days notice in writing from either side (i.e. by the distributor or by the company).
41. **WHEREAS** distributor agrees that if he/she breach provision of marketing plan, Any unethical and pre judicial work to the interest of the Company, Information given by Distributor found wrong/false, convicted an offence punishable by a prison term, in that situation the Company may suspend the distributor including suspend the commission earn at the time. Distributor shall be given notice of the alleged violation by mail, fax or other method of communication and shall have 15 days thereafter to respond in writing to any alleged Violation(s), failing which, the Company can consider

the allegations to be true. Company has right to take further action after receiving the reply from distributor.

42. **WHEREAS** The Company shall not be liable for any failure to perform its obligations where such failure has resulted due to acts of nature (including fire, flood, earthquake, storm, hurricane, or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military, or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labour dispute, strike, lockout, or interruption or failure of electricity, any type of redirection by Government (Central and/or State), Local Authority etc.

43. **WHEREAS** If any dispute or difference arises between the parties here to touching the business or interpretation of any Terms and Conditions or any other matter shall be referred to arbitration and shall be governed by the "Arbitration and Conciliation Act, 1996". The venue of such Arbitration shall be in Coimbatore and the language shall be English. The terms and conditions stipulated in the foregoing paragraphs shall be governed in accordance with the law in force in India. The Disputes, if any shall be subject to the exclusive jurisdiction of the Courts in Coimbatore.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

For and on behalf VAJRANEX
GENERATION PRIVATE LIMITED

For Distributor

(Name of Distributor)

(Name of Director)

(Address)

(DIN: _____)

(Address: _____)

WITNESSES DETAILS:

WITNESS 1:

Name:

Address:

Signature

WITNESS 2:

Name:

Address:

Signature

Declaration/Affirmation:

I, _____ aged _____ year, S/o or
D/o _____ R/o

_____ do hereby solemnly affirm

and declare as follows:

- 1) That I have and understood the terms and conditions for appointment of Distributor of the Company.
- 2) I declared that I have not been given any assurance or promise by the Company or its Distributor as to any income on account of the product purchase made by me. However, I am made to understand that I will be required to eligible income/facilitation fees depending upon the volume of business done by me, as per terms of the agreement and Company reserves the right to change the Business Plan at any point of time.
- 3) I have also gone through the Company's official website, printed materials, brochures and convinced about the business and I have applied to appoint me as a Distributor on my own volition.
- 4) I undertake not to misguide or induce any one dishonestly to join the Company.
- 5) I hereby agree and adhere to the terms and conditions as stipulated along with the application form and as mentioned above to agree purchase of the product as consumers/ to do the Distributor activities.

For Distributor

(Name of Distributor)

(Address)

GLOSSARY OF DEFINED TERMS:

- a) **"Company"** means Vajranex Generation Private Limited, having registered office in Coimbatore and as defined in Companies Act, 2013.
- b) **"Act"** means the Consumer Protection Act, 1986 (68 of 1986);
- c) **"Consumer"** shall have the same meaning as provided under the Consumer Protection Act, 1986;
- d) **"Prospect"** means a person to whom an offer or a proposal is made by the Distributor to join a Direct Selling opportunity;
- e) **"Product"** means and includes all the products marketed by the Company.
- f) **"MRP"** Means and includes Maximum Retail Price printed over the price tag appended to the products.
- g) **"User ID"** means unique identification number issued by the Company to the Consumer/ Distributor and is issued as a token of acceptance of his application seeking for distributorship for the product of the Company.
- h) **"Password"** means unique code allotted to each Consumer/ Distributor to allow them to logon to the website of the Company.
- i) **"Direct Selling Entity"**, means an entity/Company, not being engaged in a pyramid scheme, which sells or offers to sell goods or services through a Distributor
- j) **"Distributor"** means a person appointed or authorized, directly or indirectly, by the Direct Selling Entity/ Company through this legally enforceable written contract to undertake direct selling business on principal to principal basis.
- k) **"Direct Selling"** means marketing, distribution and sale of goods or providing of services as a part of network of Direct Selling other than under a pyramid scheme, Provided that such sale of goods or services occurs otherwise than through a "permanent retail location" to the consumers, generally in their houses or at their workplace or through explanation and demonstration of such goods and service a particular place.
- l) **"Goods"** means goods as defined in the Sale of Goods Act, 1930 and **"Service"** means service as defined in the Consumer Protection Act, 1986;

- m) **“Saleable”** shall mean, with respect to goods and / or services, unused and marketable, which has not expired, and which is not seasonal, discontinued or special promotion goods and / or services;
- n) **“Cooling-off Period”** means the duration of time counted from the date when the Distributor and the direct selling entity enter into an agreement and ending with date on which the contract is to be performed and within which the Distributor may repudiate the agreement without being subject to penalty for breach of contract;
- o) **“Money Circulation Scheme”** has the same meaning as defined under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978
- p) **"Pyramid Scheme"** means "Pyramid Scheme" as defined under Direct Selling Guidelines, 2016 issued by the Ministry of Consumer Affairs, Government of India.
- q) **“State”** includes a Union territory.