

# Terms of Cooperation

## §1 Definitions

The following terms used in the Terms of Cooperation shall have the meanings assigned to them herein:

- 1) Company – **COLWAY INTERNATIONAL Spółka Akcyjna** with its registered office in Warsaw at ul. Grzybowska 61A/2101, Warsaw (00-844), entered into the Register of Entrepreneurs kept by the District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division, under KRS No 0000547402, NIP (Tax ID No): 5272731683, REGON (Statistical ID No): 360987881, with share capital of PLN 100,000; fully paid-up;
- 2) Partner – a person cooperating with the Company under the Terms of Cooperation who has paid the annual membership fee and is entitled to additional benefits resulting from the Cooperation.
- 3) Virtual Office – a website the access to which is protected with a password and login, designed for managing the information on the business development of the PARTNER, which allows users to manage a client account, process orders, as well as to manage the sales structure and make settlements with the Company.
- 4) colwayinternational.com website – the website used to place orders for Products and to cooperate with the Company in other areas of business offered therein.
- 5) Commission Point – a conversion unit used for calculating the Partners' commission at the rate determined by the Company.
- 6) Purchase Point – a conversion unit used for calculating turnover for the purpose of calculating the commission indicated in the Pay Plan, The Purchasing Points are assigned to Products and do not need to be strictly related to the conversion rate used to calculate the prices of these Products.
- 7) Pay Plan – the document setting out the rules under which the Company pays remuneration to Partners, provided by the Company's Finance department.
- 8) Terms of Purchase – the document setting out the rules on making purchases, available on the Company's website.
- 9) Cooperation – the cooperation agreement entered into between the Company and the Partner, the terms of which are set out in these Terms of Cooperation, which becomes effective upon acceptance by the Partner of these terms through electronic means and confirmation of registration via email.
- 10) Online Store – the online store operated as part of the [colwayinternational.com](http://colwayinternational.com) website, registered at a unique Partner address, offering the possibility to resell the Company's Products purchased by the Partner for the benefit of individual clients.
- 11) Client – a registered Client who holds a registered individual account within the Company's domain, who purchases Products at a discount of 10% either from other Partners or through the Partner's platform, who is not classified as a Partner, and whose orders constitute the turnover of the Partner who has acquired such Client.
- 12) Unregistered Client – a client of the Company who does not hold a registered individual account within the Company's domain, who purchases Products without discount either from other Partners or through the Partner's platform, who is not classified as a Partner, and whose orders constitute the turnover of the Partner who has acquired such Client.
- 13) Settlement Period – a 7-day period in which the turnover is added up and the commissions are cleared, starting from Saturday 0:00 CET.
- 14) Annual Fee – a membership fee payable every 12 months in respect of the Partner's business account. The amount of the Annual Fee is determined by the Company and may depend on the number of Purchase Points accrued at the first order in the new annual period.

## §2 Obtaining Partner status

1. In order to obtain Partner status, the person concerned is required to meet all of the following conditions: fill in the personal data form referred to in paragraph 2 below, read the Terms of Cooperation and notify the Company of this fact, as well as to pay the Annual Fee.
2. The personal data referred to in (a) to (f) must be provided in order for the Company to be able to provide electronic services due to the way the Company's information and communication system operates:
  - a) name and surname,
  - b) registered address (street, city, postal code) and residence address, if other than the registered address,
  - c) email address,
  - d) contact telephone number,
  - e) data identifying the Partner who recommends the Colway International Products,
  - f) PESEL (Personal ID No).

### **§ 3 Objective and subject matter of the Terms of Cooperation**

1. The Terms of Cooperation are intended to define the principles of cooperation between the Partner and the Company in distributing the products offered by the Company (hereinafter "**the Products**").
2. As part of cooperation between the Parties, the Company shall grant the Partner the right to purchase the Products at a specified discount rate for its own use or for resale, subject to the Terms of Cooperation. The Partner shall be responsible for the performance of the organisational activities related to resale and for all obligations resulting from the business conducted.
3. The current list of Products offered by the Company is available at [colwayinternational.com](http://colwayinternational.com), and these Products have been classified as available/unavailable on an individual basis.
4. The Company stipulates that the Products shall remain the property of the Company until the Partner has paid the Company the full price of the Products.
5. All purchases shall be made in accordance with the Terms of Purchase available at [colwayinternational.com](http://colwayinternational.com). The Partner shall accept and comply with the Terms of Purchase.

### **§ 4 Representations**

1. The Company represents that it has all rights to the Products necessary for proper Cooperation with the Partner.
2. Where the Products purchased by the Partner from the Company are resold, the Company reserves the right to recommend to the Partner the suggested retail prices of the Products at which the Partner should offer the Products to third parties in order to achieve the highest profitability. The recommendation is made in accordance with the principles of market competition and does not result in a legal obligation being incurred by the Partner.
3. The Company undertakes to act as an administrator of the Client data obtained in cooperation with the Partner. The Company states that it owns the Client database, to which the Partner agrees. The Company will provide the Partner, on the terms specified by the Company, with access to the information on the Partner's Clients and structure, and will authorise the Partner to communicate via email within the personal group of the Partner, with a person of the most similar professional rank.
4. After acquiring the Products from the Company, the Partner, when reselling the same to third parties, shall act independently, on their own behalf and on their own account, and shall be liable to third parties for the proper performance of the agreements for the sale of Products concluded by the Partner.
5. If, as a result of the acts or omissions of the Partner, a third party makes a claim against the Company, including in respect of the Partner's performance of the agreements for the sale of Products, the Partner will indemnify the Company to the maximum extent possible. Moreover, the

Partner is required to reimburse the Company for any costs and to remedy any damage incurred by the Company in connection with any such third party claim.

#### **§5 Rights and obligations**

1. Duties of the Partner shall include:
  - a) At registration, the Partner is required to provide real personal information, including Personal ID No (PESEL), and to pay the Annual Fee and to accept the Terms of Cooperation as specified by the Company, as well as to comply with and apply such Terms in cooperation with the Company and third parties. The Company reserves the right to verify whether the personal data provided by the Partner are true and correct. If these data are found to be incorrect, the Company reserves the right to terminate the relevant agreement with immediate effect under the terms set out in section 6.3(a) of the Terms of Cooperation, and to delete the account.
  - b) in order to promote the Products purchased from the Company, the Partner is entitled to use the marketing materials made available to them by the Company in their original form and without detriment to the Company's interest or image.
  - c) The Partner agrees not to take any action to the detriment of the Company or another Partner, and in particular not to act in a manner detrimental to their interests, image or good name.
  - d) in order to sell the Products purchased from the Company, the Partner is entitled to use their own online shop within the colwayinternational.com domain.
  - e) The Partner agrees to keep secret and not to disclose to any third parties the data that allow users access to all parts of the Company's website, the access to which was provided to the Partner by the Company only as part of Cooperation between the parties. The Partner shall take appropriate steps to ensure that access data are kept secret.
  - f) The Partner is required to provide protection of the personal information obtained from their Clients or from the Partners that they have acquired.
  - g) The Partner is not authorised to incur obligations on behalf of the Company, nor to act, make statements or perform any legal or factual acts on behalf of the Company. In relations with third parties, the Partner shall clearly and accurately state the manner of their relations with the Company. The Partner is not entitled to receive any payments on behalf of the Company.
  - h) Tax settlements and payments, as well as payment of social security contributions shall be the sole responsibility of the Partner as an entity operating independently of the Company, in their own name and on their own account. The Partner shall indemnify the Company and hold it harmless against any liability for tax settlements or social security payments.
  - i) The Partner is not an employee of the Company, and, as an entity operating independently of the Company, they are authorised to independently determine the time, place and manner in which they conduct business. In no event will the Company require the Partner to perform work.
  - j) The Partner shall bear all costs associated with the business conducted in their own name and on their own account. The Company is not required to provide the Partner with any working tools, nor to reimburse the Partner for any costs, unless otherwise stated in a separate agreement between the Company and the Partner. Notwithstanding the foregoing, the Partner may enjoy privileges granted by the Company, dedicated for the Partners, depending on their involvement and the rank obtained.
  - k) In the course of their business and under Cooperation with the Company, the Partner agrees to comply with the generally applicable provisions of law.
  - l) The Partner is entitled to post content on the Company's website using the features of the Company's website specifically dedicated for the purpose. At the same time, the Partner is required to post content to which they have full rights, while not infringing on third party copyright. By posting content to the Company's website, using the features of the Company's website which are specifically dedicated for the purpose, the Partner grants the Company authorisation to use such content (including comments, photos, videos), without additional remuneration, for advertising and promotional purposes by making it available through

publication to an unlimited number of people in the public domain, including on the internet and in the print media, on television and radio, with an indication of the Partner's name or business name.

- m) The Partner is entitled to participate in the marketing, publicity and team-building events organised by the Company on the terms specified by the Company in the invitation to any such event, and the Partner shall authorise the Company to publish photos and videos from these events containing their image for purposes related to the Company's operations, in all technologically available fields of use.
- n) The Company shall not be liable for any actions of third parties whose services the Partner uses under Cooperation with the Company, while the Partner shall be liable for these actions as for their own.

2. The Company's duties shall include:

- a) The Company undertakes to act with due diligence in maintaining the website of [www.colwayinternational.com](http://www.colwayinternational.com) and to enable the Partner, as part of the Annual Fee, to use the online shop, the Virtual Office in the domain, [colwayinternational.com](http://colwayinternational.com), and to enable those who have obtained at least the Rank of Manager to use the unique email address.
- b) The Company warrants to the Partner that their right to occupy their position within the structure shall remain their property and shall continue to remain in force, unless the circumstances occur which entitle the Company to deprive the Partner of their position within the structure on the terms specified in the Terms of Cooperation. Such deprivation may occur only in the situations specified in the Terms of Cooperation.
- c) The Company undertakes to charge the Partner's Commission for the purchase of the Products and to determine the amount of such Commission on the basis of the currently applicable Pay Plan, based on the Partner's level of involvement, and taking into account the Commission Points and Purchase Points obtained within the established Settlement Period. The Company warrants to the Partner that the Partner shall receive Commission Points for purchases made by them or their Clients, and the point value will each time be specified in the current price lists.
- d) The Company shall ensure that the Partner's Commission is paid against the VAT invoice or bill (if the Partner is not a VAT payer and conducts business activity) issued by the Partner within seven days of receipt of the document, and the Partner should issue invoices/bills on a regular basis for the maximum period of 4 (four) Settlement Periods. Other forms of settlement shall apply on terms to be individually agreed with the Company.
- e) The Partner is responsible for the correct issue of the document referred to in (c) above, in the event of errors in the document or missing information resulting in the inability to pay commission, the Company undertakes to immediately notify the Partner of the fact. The Company has the right to suspend payment of the commission until the receipt of a properly issued document; no delay interest shall be calculated for such period of suspension.

#### **§ 6 Period of validity of the terms of cooperation**

1. Cooperation under these terms shall commence at the date of acceptance of such terms by the Partner, subject to payment of the Annual Fee, and shall be valid for a period of twelve months, with an option to extend for subsequent twelve-month periods. Cooperation may only be extended for further twelve months if the Partner has paid a further Annual Fee in accordance with the Company's valid price list.

2. The agreement may be terminated in the following manner:

- a) Termination by the Partner at any time, without giving reasons, in writing, with the notice of termination sent to the registered office of the Company.
- b) Termination by the Company, if the Partner has violated the terms of cooperation and failed to remedy the breach, despite being requested to do so in writing, by the deadline indicated in such a request, which does not exceed 7 days.

3. The Company may terminate cooperation with immediate effect in the following cases:
  - a) the Partner providing false data upon acceptance of these terms of cooperation,
  - b) the Partner acting to the detriment of the Company or in a manner detrimental to its interests.
4. In the event of termination of Cooperation, taking into account the above procedures, the Partner shall be deprived of its position within the network structure, and their account shall be deleted by the Company. In such a case, the Partner shall be able to re-register as a Client or Company's Partner after an annual penalty period.

#### **§ 7 Non-exclusivity**

1. The Partner shall not be prohibited from cooperation with other economic entities or individuals, subject to the following conditions:
  - a) Without the prior written consent of the Company's management, and within the period of validity of the Terms of Cooperation, the Partner shall not, either directly or indirectly, recruit or seek to recruit other Company's Partners or Clients to perform other direct marketing and/or network marketing activities or direct sales activities.
  - b) Where the Partner engages in other activities of a nature similar to that described herein, they shall ensure that the activities carried out for the benefit of the Company are completely separate from those carried out as part of such other activities.
2. The separation of the activities referred to in paragraph 1(a) above shall in particular mean that the Partner:
  - a) will not conduct meetings related to the Company or the Products at the same place and time as the meetings related to the other activities,
  - b) will not offer the Company's Products and the products associated with the other activities at the same place and time,
  - c) will not offer products or services forming part of the other activities at any meeting of the Company,
  - d) will not enjoy the privileges and tools provided by the Company in order to perform any action as part of the other activities.

#### **§8 Exclusion of liability**

The Company reserves the right to exclude liability for any damage incurred by the Partner, Client or Unregistered Client, which has been caused through no fault of the Company, in particular as a result of the following random events:

- a) telecommunications links failure, failure of the payment system servers used by the Partners or the Clients to pay the purchase price of the Products, failure or unavailability of websites belonging to the cooperating banks or entities, failure or unavailability of the Virtual Office,
- b) occurrence of force majeure events, such as: hurricane, fire, flood, earthquake, strike or other circumstances beyond the control of the Company, despite the exercise of all due care by the Company.

#### **§9 Final provisions**

1. The Partner shall be notified of any amendments to these terms as specified in section 9(4) below.
2. These Terms of Cooperation shall be governed by the law of the Republic of Poland. In matters not provided for herein, the provisions of the Polish Civil Code shall apply.
3. Any disputes arising from cooperation under these terms shall be amicably resolved between the Partner and the Company, and should they fail to do so, these disputes shall be resolved by a competent court in accordance with the generally applicable law.
4. The Company reserves the right to amend these Terms of Cooperation and shall give prior notification to the Partner via email. These Terms shall come into force on the day of publication on the [www.colwayinternational.com](http://www.colwayinternational.com) website. Should the amendments to the Terms of

Cooperation be rejected, the Partner may withdraw from the cooperation agreement within 14 days after the publication of the amended Terms. The statement that the amendments to the Terms have been rejected, thus resulting in withdrawal from the agreement, must be made in writing; otherwise, it shall be null and void. Continuation of cooperation by the Partner through the performance of cooperation activities (i.e. purchase, sale of the Products or other similar activities) following the amendments to the Terms of Cooperation shall be considered acceptance of these amendments.

5. Any rights and obligations arising from these Terms of Cooperation may not be transferred to third parties without the prior written consent of the Company.
6. The Financial Plan and the Terms of Purchase shall form an integral part of these Terms of Cooperation.

The Terms of Cooperation shall come into force on .....