

DIRECT SELLER AGREEMENT

THIS AGREEMENT (the "Agreement") is made on _____, by and between OTM DREAM LIFE , a Firm incorporated under the provisions of the Partnership Act, and amended upto firm Act, **DIRECT SELLING ENTITY** and having its registered office at A- 27 A AKSHYA ENCLAVE GOVINDPURAM GHAZIABAD-201013 INDIA (hereinafter referred to as "**partnership firm**") and

Direct Seller / a Firm/ Individual, having office/residence at

(Hereinafter referred to as "**DIRECT SELLER**")

These terms and conditions are construed in accordance with the provisions of "**The Consumer Protection Act 2019**" and **Consumer Protection (Direct Selling) Rules 2021** published in a Gazette Notification dated 28th December 2021, issued by the Ministry of Consumer Affairs Food & Public Distribution, Department of Consumer Affairs, Govt. of India and it supersedes any prior terms and conditions, discussions or agreements between Firm and Direct Seller.

The applicant herein intending to become a direct seller of the firm shall go through these terms and conditions and if he/she agrees and accepts these terms and conditions, he/she shall append his signature in the column provided hereunder as token of his/her acceptance. Choosing to join the above mentioned firm is the exclusive decision and choice of the applicant. There is no role or any suggestion on the part of the firm in taking such a decision by the applicant. Furthermore there are no registration charge /entry or subscription fees etc. for becoming a direct seller of the firm. The firm exclusively uses its website / mobile application to display the details of the products, its price, marketing method/plan, compensation method/plan, sales incentives and business monitoring etc.

DEFINITIONS

As used herein, the following terms shall have the meanings set forth below:

- "Direct selling entity" or "Firm" means an entity which sells or offers to sell goods or services through a direct seller. The firm "OTM DREAM LIFE" is the Direct Selling Entity.

- "Direct Seller" means a person appointed or authorized by a direct selling entity through a legally enforceable a written contract to undertake direct selling business on a principal to principal basis.
- "Direct selling" means marketing, distribution and sale of goods or providing of services through a network of direct sellers.
- "Cooling-Off Period" means the duration of time counted from the date when the direct seller and the direct selling entity enter into an agreement and ending with the date on which the contract is to be performed and within which direct seller may repudiate the agreement without being subject to penalty for breach of contract.
- "Website" means the official website of the firm i.e. www.otmdreamlife.com or any other online publication means authorized by the Direct Selling Entity, which the firm may notify from time to time.
- "Product" shall mean the firm's product to be sold by Direct Seller and such product as may be communicated by the firm in writing to the Participant Direct Seller from time to time or be published / displayed on the website.
- "Services" shall mean the firm's services to be sold by Direct Seller and such services as may be communicated by the firm in writing to the Participant Direct Seller from time to time or be published on the website.

APPOINTMENT

The Firm upon scrutiny and verification of the Application may register / appoint the Applicant as "Direct Seller" for selling the products / services of the firm. The firm shall be at liberty to accept or reject the application at its discretion without assigning any reason whatsoever.

The Applicant / Direct Seller hereby agree as under:

- That he/she has clearly understood the marketing methods/plan, compensation method/plan, the incentive plan, its limitations and terms & conditions. He/she agrees that he/she is not relying upon any misrepresentation/s or fraudulent inducement or assurance or commitment that is not set out in the terms and conditions of this agreement or marketing plan / incentive plan or any other officially printed or published materials of the firm. Furthermore shall abide the law as envisaged in “**The Consumer Protection Act 2019**” and **Consumer Protection (Direct Selling) Rules 2021** published in a Gazette Notification dated 28th December 2021,

issued by the Ministry of Consumer Affairs Food & Public Distribution, Department of Consumer Affairs, Govt. of India.

- The Direct Seller further confirms that he/she has read and understood the terms & conditions of this agreement carefully and agrees to be bound by them. Further the Direct Seller confirms that he/she has already attained the age of Majority.
- Relation between the Firm and the Direct Seller shall be governed, in addition to terms & conditions of this agreement, by the rules and procedure mentioned in the marketing plan and other documents which are available on website or provided by the firm in any manner.
- Direct Seller is an independent contractor, and nothing contained in this agreement shall be construed to the following :
 - Give any party the power to direct and control the day-to-day activities the other party
 - Constitute the parties as anything else but independent entities including but not limited to partners, agencies, joint ventures, co-owners
 - Allow Direct Seller to create or assume any obligation on behalf of Firm for any purpose whatsoever
- Direct Seller is not an employee of the firm and shall not be entitled to any employee's benefits. Direct Seller shall be responsible for paying all taxes whether direct or indirect including but not limited to Income Tax, GST and other taxes chargeable to Direct Seller on amounts earned hereunder. All Legal, Statutory, financial and other obligations associated with Direct Seller's business / income shall be the sole responsibility of the Direct Seller.
- It is made and understood in very clear terms that a Direct Seller is not an Agent, Employee nor an authorized representative of the firm or its service providers. He is not authorized to receive/accept any amount/payment for and behalf of the firm and any payment received by him/her from any party shall not be deemed to be received by the firm.
- Direct Seller, hereby declares that all the Information furnished by him/her is true and correct including that Direct Seller is not convicted or bankrupt during the last 5 years prior to his/her association with the business of Direct Selling or a person of unsound mind. firm shall be at liberty to take any action against the Direct Seller in case it is

discovered at any stage that the Direct Seller has furnished any wrong/false/misleading information to the firm or other direct sellers.

- If any relative as defined under the provisions of Income Tax Act, 1961 or defined under the provisions of Companies Act, 2013 of existing direct seller desire to become direct seller then he/she shall disclose the relationship with existing direct seller to the firm. It is the firm's sole discretion to accept or reject the application of such relatives.

The Direct Seller shall be entitled to the following privileges:

- Incentive for effecting sale of products / services of the Firm as per marketing plan, compensation method/plan, the incentive plan etc.
- Search and inspect his/her account on the website of the firm through credentials awarded by the firm.
- Incentive of the Direct Seller shall be in proportion to the volume of performance by the Direct Seller either by his personal efforts or network of Direct Sellers as stipulated in the marketing plan, compensation method / plan or the incentive plan of the firm.
- The Direct Seller shall be entitled to a cooling off period of 30 days to terminate this agreement from the date of acceptance of this agreement without any punishable clause. Direct Seller needs to expressly inform the firm about termination of the agreement. In the absence of any communication from Direct Seller, it will be considered consent of the Direct Seller to act as Direct Seller with the firm under the terms and conditions of this agreement
- The Direct seller shall have the option to return the currently marketable goods purchased by him/her within period from the date of the purchase. Such return shall be governed by the buyback policy published / displayed in the website of the firm, which can be found at REFUND / RETURN POLICY (<https://www.otmdreamlife.com/refundpolicy>)

BUY BACK POLICY FOR DIRECT SELLERS -PRODUCTS

The firm provides a Buy Back Policy to the Direct Sellers who wishes to resign as a Direct Seller and return any products / services that are in good condition, useable, resalable, restock-able, unopened, and unaltered and must have a shelf life of at least 6 months.

If the Direct Seller resigns within 30 days from the purchase of the product(s), the firm shall provide a full refund for the product(s) to the Direct Seller.

If the Direct Seller resigns after the 30 days from the date of purchase of product(s) from the firm, the amount refunded will be equal to Direct Seller's cost of the product(s) being returned, less total bonus / compensation / incentive paid out by the firm on the original purchase, less service charge.

OBLIGATIONS OF THE DIRECT SELLER

- The Direct Seller hereby undertakes not to compel or induce or mislead any person with any false statement / promise to purchase products from the firm or to become Direct Seller of the firm Direct Seller shall use his/her best efforts to promote the sale of products and services offered by the firm
- Direct Seller shall also provide reasonable assistance to firm in promotional activities. Direct Seller will assist the firm by taking part in all promotional events; use the marketing inputs judiciously for maximizing sales of the products and services offered by the firm. Direct seller shall offer accurate and complete explanations and demonstrations of products and services along with their price, payment terms, return policies etc. to a prospective consumer.
- Direct Seller shall take care for all obligations; provisions terms and conditions etc. of the provisions of **“The Consumer Protection Act 2019”** and **Consumer Protection (Direct Selling) Rules 2021** published in a Gazette Notification dated 28th December 2021, issued by the Ministry of Consumer Affairs Food & Public Distribution, Department of Consumer Affairs, Govt. of India.
- The firm reserves its right to withheld / block/ suspend the rights and privileges of the Direct Seller if he / she fails to provide any details as desired by the firm from time to time.
- In case the Direct Seller loses his contractual capacity due to any reason or in case of death of the Direct Seller, either his nominee or one of the legal heir with the written consent of all the legal heirs may join the firm as Direct Seller in place of the deceased provided he applies in prescribed form and undertakes to abide all rules and regulations, terms and conditions of this agreement in the same manner as that of original Direct Seller. In case of failure to arrival at such consent within six months

from the date of death of the Seller or losing his/her contractual capacity, the firm shall be at liberty to terminate the Direct Seller.

- Direct Seller shall be sole responsible for all the arrangements, expenses, permission from local authorities, complying with rules of Central Government, State Government, local body or any other Government body for the meetings and seminars or any other event conducted by the Direct Seller.
- Direct Seller is prohibited from listing, marketing, advertising, promoting, discussing, or selling products / services, or the business opportunity on any website / online portal / mobile application / onlineforum or any other online medium without a written consent of the firm.
- Direct Seller shall at the initiation of any sale representation, truthfully and clearly identify himself / herself, disclose the identity of the direct selling entity, the address of place of business, the nature of goods or services sold and the purpose of such solicitation to the prospect; and make an offer to the prospect providing accurate and complete information, demonstration of goods and services, prices, credit terms, terms of payment, return, exchange, refund policy, return policy, terms of guarantee and after-sale service;
- Direct Seller shall provide requisite document / information to the prospective consumer / consumer at or prior to the time of the initial sale about the direct selling entity and the direct seller comprising the name, address, registration number, identity proof and contact number of the direct seller, complete description of the goods or services to be supplied, the country of origin and price of the goods, the order date, the total amount to be paid by the consumer, including the consumer's rights to cancel the order or to return the product in saleable condition and avail full refund on sums paid and complete details regarding the complaint redressal mechanism of the direct selling entity;
- Direct Seller shall be under obligation if required under law to obtain goods and service tax registration, Permanent Account Number registration, all applicable trade registrations and licenses and comply with the requirements of applicable laws, rules and regulations for sale of a product and also ensure that actual product delivered to the buyer matches with the description of the product given.
- Direct Seller shall take appropriate steps to ensure the protection of all sensitive personal information provided by the consumer in accordance with the applicable laws for the time being in force and ensure adequate safeguards to prevent access to, or misuse of, data by unauthorized persons.

DIRECT SELLER SHALL NOT DO FOLLOWING ACTS

- Direct Seller shall not visit a consumer's premises without identity card and prior appointment or approval or provide any literature to a prospect, which has not been approved by the direct selling entity or require a prospect to purchase any literature or sales demonstration equipment or in pursuance of a sale, make any claim that is not consistent with claims authorized by the direct selling entity.
- Direct Seller shall not selling a product or service by misrepresenting in order to successfully complete a sale and includes providing consumers with misleading information about a product or service or

omitting key information about a product or providing information that makes the product appear to be something it is not;

- Direct Seller shall not indulge in fraudulent activities or sales and shall take reasonable steps to ensure that participants do not indulge in false or misleading representations or any other form of fraud, coercion, harassment, or unconscionable or unlawful means or engage in, or cause or permit, any conduct that is misleading or likely to mislead with regard to any material particulars relating to its direct selling business, or to the goods or services being sold by himself / herself or indulge in mis-selling of products or services to consumers.
- Direct Seller shall not use, or cause or permit to be used, any fraudulent, coercive, unconscionable or unlawful means, or cause harassment, for promoting the business, or for sale of goods or services or charge any entry fee or subscription fee from prospect.
- Direct Seller shall comply with the requirements of all relevant laws, including payment of taxes and deductions thereunder and shall not induce consumers to make a purchase based upon the representation that they can reduce or recover the price by referring prospective customers to the direct sellers for similar purchases.
- Direct Seller shall not promote a “pyramid scheme” or enroll any person to such a scheme or participate in such arrangement in any manner or participate in “money circulation scheme” during the business activities.

MODIFICATION OF THE AGREEMENT

Notwithstanding anything stated or provided herein, firm reserves the complete rights and discretion to modify, amend, alter, or vary the terms and conditions, products, services,

marketing plan, compensation plan/method, incentive plan/method and any other policies at any time without any prior notice.

Modification shall be published through the official website of the firm or any other mode as firm may deem fit and proper and such modification/amendment shall be applicable and binding upon the Direct Seller from the date of such modification/notification. If the Direct Seller does not agree to such amendment, he/she may terminate his/her rights, benefits and privileges as a Direct Seller within 30 days of publication of such modification/notification by giving a written notice to the firm to such effect. Without any objection to such modifications/alterations it shall be deemed that he/she has accepted all modifications and amendments in the terms & conditions of this agreement.

COMPENSATION / SALES INCENTIVE

The firm shall pay the Direct Seller sales incentive/commission/compensation as prescribed in the Marketing Plan / Compensation Plan / Sales Incentive Plan which shall be available at the website of the firm. The sales incentive/commission/compensation will be subjected to the relevant taxes as applicable. Paying such Taxes is the responsibility of the Direct Seller. The firm reserves its right to revise the rates and methods of calculating sales incentive/commission/compensation from time to time. The firm does not guarantee/assure any particular or fixed facilitation fees or fixed income to the Direct Seller. Furthermore

sales incentive/commission/compensation can be achieved by the Direct Seller only on the basis of continuous augment / efforts by him/her or their network of direct sellers to promote / sell the products of the firm.

BUSINESS EXPENSES

Direct Seller shall bear the cost and expense of conducting its business in accordance with these terms and conditions. The firm will not entertain any reimbursement on any expense made by the Direct Seller other than sales incentive earned by the Direct Seller as per the Marketing Plan / Compensation Plan.

USE OF PERMITTED MATERIAL FOR PROMOTION

Direct Seller shall not use any literature, etc to a prospect which has not been approved by the firm.

CUSTOMER COMPLAINTS

Direct Seller shall notify the firm of any Customer's complaints regarding either the Products or the Services immediately and forward to firm the information regarding those complaints. Failure to do so may be considered as withholding critical information from the firm.

NON COMPETE DURING ASSOCIATION

The firm invests its time, money, intellectual property along with many other resources to educate, train, improve skills and provide insights to Direct Sellers therefore during the term of association as direct seller with the firm, Direct Seller shall and/or his/her relative as defined under the provisions of Income Tax Act, 1961 or defined under the provisions of Companies Act, 2013 not represent, promote or otherwise try to do direct selling activities that, in firm's judgment, compete with its direct selling activities.

NON COMPETE AFTER TERMINATION OF AGREEMENT

The firm invests its time, money, intellectual property along with many other resources to educate, train, improve skills and provide insights to Direct Sellers therefore for a period of 6 months after the Direct Seller is no longer in working with the firm, the Direct Seller or through his relative will not, directly or indirectly, either as proprietor, stockholder, shareholder, partner, officer, employee or otherwise, distribute, sell, offer to sell, or solicit any orders for the purchase or distribution of any products or services which are similar to those distributed, promoted, sold or provided by the firm.

TERMINATION

The firm is free to review the performance of any Direct Seller at timely intervals. Any Direct Seller not performing to the full satisfaction of the firm in terms of securing new orders or in compliance of firm's policies and terms and conditions of this agreement is liable to be terminated.

The firm shall issue a notice to the direct seller who is found liable for termination, after 30 days of the issuance of such notice this agreement shall be terminated.

The firm shall be at complete liberty to terminate this agreement and devoid the direct sellers of their benefits, rights and privileges in occurrence of any of the following event(s):

- Where a direct seller is found to have made no purchases by himself/herself of products and services for a period of 2 years since the date of joining the firm as a Direct Seller or where there is no purchases by himself/herself of products or services for a continuous period of 2 years since the date of the last purchases made.

- Where a direct seller failed to comply with any terms and conditions of this agreement or violates the same.
- Where information given by direct seller is found wrong/false/misleading intentionally or otherwise.
- Where direct seller is no longer the citizen of The Republic of India.
- Where direct seller is convicted of an offence punishable imprisonment of whatever term.
- Where direct seller resign voluntarily.
- Where firm deem it necessary to terminate the direct seller in the interest of firm's business or in the interest of others direct sellers connected thereof including opening of new firm doing the same business activities as of Direct Selling entity herein, Crossline, Joining other firm by Direct Sellers or his/her family members.
- Where the Direct Seller contravenes the terms and conditions of the Direct Seller Code of Conduct.

RETURN OF MATERIALS UPON TERMINATION

All of Firm's trademarks, trade names, data, photographs, literature, and sales aids, all kinds of customer related databases and any other information generated shall always remain the property of firm. Within 15 days after the termination of direct seller ship, Direct Seller shall return all such items to the firm. Direct Seller shall not make or retain any copies of any confidential items or information that may have been entrusted to it. Effective upon the termination of this agreement Direct Seller shall cease to use all trademarks, marks and trade name of firm.

CONFIDENTIALITY

Direct Seller acknowledges that by reason of its relationship to firm hereunder, it will have access to certain information and materials concerning firm's business plans, customers, technology, and products /services that is confidential and of substantial value to firm, which value would be impaired if such information were disclosed to third parties. Direct Seller agrees that he/she shall not use in any way for its own account or the account of any third party, nor disclose to any third party any such confidential information revealed to him/her by the firm during or after his/her term as a Direct Seller with the firm.

Firm shall advise the Direct Seller whether or not it considers any particular information or materials to be confidential. In the event of termination, there shall be no use or disclosure by Direct Seller of any confidential information of the firm.

JURISDICTION

The terms and conditions stipulated in the forgoing paragraphs shall be governed in accordance with the law in force in India. Excluding Grievance Redressal Clause of the terms & conditions of this agreement, all Disputes, either civil or criminal in nature, shall be subject to the exclusive territorial jurisdiction at Ghaziabad District Court .

GRIEVANCES REDRESSAL

In case of any complaint / grievance, the Direct Seller will have to inform in writing to the firm. Direct Sellers can raise complaints / grievances on the firm website. The firm Officials (Grievances Redressal Committee) shall immediately take up the matter for redressal.

All disputes in relation to the products and services, firm's marketing plan, compensation plan, incentives etc. shall be heard and given a unique identification number which shall be addressed swiftly and firm shall put its best efforts in resolving it within 30 days from the date of receipt of the complete details in respect of the grievance. If the nature of the matter is such where it is not reasonable to resolve within the above mentioned time frame, the firm shall try to resolve it quickly to the best of its abilities and information of the same shall be given to the grieving person. Contact details and facility to communicate with Grievance Redressal Committee can be found on the Firm's website i.e. (<https://www.otmdreamlife.com/grievance>).

FORCE MAJEURE

The firm 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, acquisition of the Firm's asset by the government to any other government / semi government agency, civil / financial emergency by the government, any other government sanction, blockage, embargo, labour dispute, strike, lockout or interruption or failure of electricity, Raw Material Supply Constraint, or any type of redirection by Government (Central and / or State), local Authority or any other government department.

ENTIRE AGREEMENT

This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes any prior discussions or agreements between them. No modification of or amendment to neither this Agreement, nor any waiver of any rights under this Agreement to be done unilaterally and it shall be effective unless in writing signed by the party to be charged.

NOTICES

Any notices required or permitted by this Agreement shall be deemed given if sent by certified mail, official email, postage prepaid, return receipt requested or by recognized overnight delivery service to the registered address of the Firm.

NON ASSIGNABILITY

Direct Seller agrees that its rights and obligations under this Agreement may not be transferred or assigned directly or indirectly without the prior consent in writing of the Firm, except that the Firm may assign

this Agreement to a successor of all or a substantial portion of its business, or to a party controlling, controlled by or under common control with the Firm.

SEVERABILITY

If any provision of this Agreement is held to be invalid by a court of competent jurisdiction, then the remaining provisions shall nevertheless remain in full force and effect.

HEADINGS

Headings used in this Agreement are provided for convenience only and all not be used to construe meaning orientent.

(Name of the Applicant)

(Date & Place)

(Signature)

DECLARATION BY APPLICANT DIRECT SELLER

- I am of or above 18 years of age, I am an Indian Citizen and I have provided the required information accurately, I have documents to support this declaration and information I provided along with my application for being a Direct Seller.
- I have read and understood the terms and conditions for appointment as a Direct Seller of the firm published on the firm website and understands that by submitting this declaration I will be entering into a non-transferable binding agreement as per the Indian Contract Act 1872 and I shall be terminated if I do not adhere to these terms.
- I hereby declare that Compensation Mechanism (ie. Business Plan) has been explained to me clearly and I have understood it and agree to the work as a Direct Seller to avail compensation / incentives and benefits as per compensation mechanism published on the firm website.
- I declare that I have not been given any assurance or promise or inducement by the Firm or its Partner or the Direct Seller who is introducing me in regard to any fixed income incentive, prize or benefit on account of any purchase and I have applied to appoint me as a Direct Seller on my own volition
- I shall not publish any information or claim which is not in accordance with the firm and I shall not sell / list / publish anything thereof.
- I have clearly understood that eligibility of income exclusively depends on my performance in business volume as per the marketing method / plan, compensation method / plan. I further agree that the firm reserves the right to change the marketing method / plan, compensation method / plan at any point of time without any prior notice
- I have been informed and explained clearly about the firm's various offerings, its policies and activities along with Cooling off period, Refund / Return Policy and Grievances Redressal Mechanism by the Direct Seller who is introducing me and I have understood them and agree to these terms stated in the above mentioned agreement.
- I undertake to abide by the provisions of **“The Consumer Protection Act 2019”** and **Consumer Protection (Direct Selling) Rules 2021** published in a Gazette Notification dated 28th December 2021, issued by the Ministry of Consumer Affairs Food & Public Distribution, Department of Consumer Affairs, Govt. of India.

- I shall attend the mandatory orientation in person or online to learn about various aspects of conducting the direct selling activities, firm's compensation mechanism (ie. Business Plan) and firm's offerings.
- I hereby declare that all the Information furnished by me is true and I am not convicted or bankrupt during the last 5 years prior to my association with the business of Direct Selling.
- I hereby authorize the firm to send me updates regarding my distributorship & purchases via SMS and Email.
- I hereby agree to submit all disputes to Grievances Redressal Committee as provided in the terms and conditions of the above mentioned agreement and I have also understood and agree to the jurisdiction stated in the above mentioned agreement.

(Name of the Applicant)

(Date & Place)
(Signature)