

Appendix IV

Direct Sellers agreement

This Direct sellers agreement is made and entered into on this the ----- day of -----month ----
-----year at Thrissur, between Phygicart E-commerce Private Limited, a company
incorporated under the companies Act 2013 and having its communication address at M.C. Tower
(37/22007), C. Achuthamenon Road, Poonkunnam, Thrissur – 680002 represented by its Director
Mr. Titto T F aged 54 years. S/o Francis, Thekkekkara House, Choondal, Thrissur, Kerala.
680502 here in after referred as First Party (which expression shall mean and include its
executants, successors in title) of the other part and
..... S/o
.....House..... Village,
..... Taluk hereinafter referred to as the Second Party (which expression
shall mean and include its successors in title) of the other part.

This agreement is binding for both the parties. Violation of the provisions shall amount to the
suspension of registration of Direct Sellers for seven days. During this period the registered direct
seller can provide detailed explanation regarding the same. Company shall have the right to
terminate the registration if the company is not satisfied with the explanation of the Direct Seller.

Hereinafter the above parties would be collectively referred to as the parties.

Whereas the 1st party is a private limited company incorporated and registered in India and is
operating the e-commerce business as a direct selling entity.

Whereas the 2nd party approaches the 1st party to appoint or and engage him as Direct seller to
the business of the 1st party.

Whereas the 1st party engages the 2nd party as the direct seller subject to the terms and conditions
engrossed here under.

Now this agreement witnessed and it is hereby agreed by and between the parties as under :

1. DEFINITIONS: In this agreement unless the context otherwise requires.
 - a. Phygicart: The word registered Direct seller is equivalent to the term defined as
“direct seller” in the guidelines.

- b. Direct Seller, Direct Selling Entity, Prospect, Pyramid Scheme; The terms Direct Seller, Direct Selling Entity, Prospect, Pyramid Scheme are having same meaning as defined in the guidelines / Rules.
 - c. LOS Team: Line of Sponsors / Referrer Team.
 - d. Referrer / Sponsor: The person who refers a Direct Seller / Customer.
 - e. Chief Executive Members: The members who are capable to lead the Sales Team properly as per the evaluation of the company.
 - f. Direct Seller: The person who issued with the registration ID of the company by providing proper documents.
 - g. Active Direct Seller / Phygital Store Owner: The Registered Direct Sellers who entered into the sale and purchase of the products of the Company.
2. The 1st party appoints the 2nd party as the Direct Seller to buy, resell and market the products exhibited in the official Website of the 1st party through Direct selling method.
 3. The 2nd party agrees to act as Direct Seller of the 1st party subject to the stipulations in the agreement in addition to the mandates of the guidelines / rules.
 4. The 2nd party shall;
 - a. Carry their identity cards and not to visit the customers premises without prior appointment.
 - b. Keep proper book of accounts stating the details of the products, price, tax and quality and such other details in respect of the good sold by him.
 5. The 2nd party shall not ;
 - a. Use misleading, deceptive or unfair trade practices.
 - b. Use misleading, false, deceptive or unfair trade practices regarding actual or potential sales or earnings and advantages of Direct Selling to any prospective Direct Seller in their interactions with prospective Direct Sellers.
 - c. Make any factual misrepresentation to the prospective Direct Seller.
 - d. Present any advantages of Direct Selling to any prospective Direct Seller in any false or deceptive manner.
 - e. Require or encourage newly recruited direct seller to purchase goods or service at exorbitant rates or quantity.
 - f. Provide any literature, training material, or leaflet to a prospective or existing direct seller which had not been approved by 1st party.
 - g. Require any prospective or existing direct seller to purchase any literature or training material or sale demonstration equipment

- h. Promote a pyramid scheme in the business or control any person to such scheme.
 - i. Participate in money circulation scheme as barred by PCMC Act.
 - j. Do not involve in any other LOS within the period of Six month from the last payout received.
 - k. Receive any benefits from new enrollment of a new customer or a new Direct Seller.
6. The 1st party shall
- a. Provide a mandatory orientation session to all the prospective Direct sellers.
 - b. Maintain proper and updated website with all relevant details of entity, contact malformation, its management, product information and price details.
 - c. Shall provide to the 2nd party their periodic account, information regarding sales, purchase, details of earnings, commissions, and payments. All the financial dues to the 2nd party shall be paid monthly basis.
7. The 1st party shall provide personal website account page to the 2nd party in the site with login ID and password for operational secrecy. 2nd party shall be responsible for confidentiality of the account page and for all activities that may occur under his password and account. 1st party is not liable for any loss or damages occurred due to the authorized operation of 2nd party's account by the any other person.
8. **ARBITRATION CLAUSE :** This agreement shall be governed by the laws of India. If any question of difference or claim or dispute arises between the Parties hereto touching these presents or the construction thereof as to the rights, duties or obligations of the Parties hereto or as to any matter arising out of or connected with the subject matter of these presents, the same shall be referred to the sole Arbitrator appointed by the first party as per the Arbitration and conciliation Act 1996 and the decision of the Arbitrator shall be final and binding on the parties.
9. The direct seller confirms and undertakes that he / she is above the age of 18 years and is not disqualified from contracting by any law.
10. Each registered Direct Seller will be assigned a unique Direct Seller ID, the Direct Seller cannot operate through multiple Direct Seller IDs.
11. The Direct seller confirms that he/she entered into this agreement as an independent person. Nothing in this agreement shall establish either an employment relationship or any other labour relationship between both the parties.

12. The Direct Seller who joined with the first party free of cost. The first party reserves the right as its sole discretion to accept or refuse any application to become a Registered Direct Seller.
13. Newly joined Direct Seller shall have a cooling off period of 30 days to cancel the agreement and to receive full refund against product purchased in this period.
14. No direct seller can introduce/ produce or sell any product / product support material without the consent of the first party.
15. The direct seller shall carry / wear the ID cards issued by the first party while appointment with the customer for initiating sale .
16. The direct seller should introduce himself / herself truthfully the nature of the product in the manner consistent with the claims authorized by the first party.
17. The direct seller shall not use misleading deceptive or unfair trade practices and not misrepresent actual or potential sales/earning advantages of Direct Selling. Direct Seller shall not make any false representation/promise relating to direct selling.
18. Both party shall be guided by the provisions of Consumer Protection Act, 1986 and shall comply with the guidelines issued by the Central and State Governments.
19. ASSIGNMENTS : The parties agrees that Neither this agreement nor the rights or obligations here under shall be assigned or delegated, in whole or in part to any other third party or entity without the prior written consent thereto of the other. Both parties can assign the rights or obligation to its own subsidiary or an associate company with the written consent of the other. However, in all such instances the Parties affirm that the mutual rights and obligation under this agreement shall at all times remain to that of the Parties or the assigned parties to this agreement.
20. COUNTER PARTS : The agreement is executed in original and duplicate. The 1st party shall retain the original and the 2nd party shall retain the duplicate.
21. AMENDMENTS: No amendment, deletion, addition or other changes in any provision of this agreement or waiver of any right or remedy, herein provided, will be effective unless specifically set forth in writing signed by the parties to be bound thereby. No waiver of any right or remedy on one occasion will be deemed to be waiver of such right or remedy on other occasion. This agreement embodies entire understanding of the Parties as to its subject matter and shall not be amended except in writing executed by both Parties to this Agreement.
22. SEVERABILITY: If any provision of this agreement is invalid, unenforceable or prohibited by law, this Agreement shall be considered divisible as to such provision and

such provision shall be inoperative and the remainder of this agreement shall be valid, binding and of like effect as though such provision was not included herein.

23. EXHAUSTIVE NATURE: This agreement shall constitute the entire agreement between the Parties hereto and shall supersede all prior proposals, negotiations, understandings and agreements, whether oral or written exchanged between the Parties.
24. Registered Direct Seller Policy:
 - a. Any customer can opt to become a registered direct seller of Phygicart through their respective referral links
 - b. All active direct sellers are eligible for Retail bonus of all sales happening thru their ID links. Registered Direct Sellers are not eligible to receive any other bonus.
 - c. Only satisfied registered Direct Seller shall upgrade their ID to Active Direct Seller by purchasing 2362.5B, 4725B, 9450BV worth products from their ID. A registered Direct Seller who upgraded their store to active store may however resign and cancel their business order before the cooling off period. A Registered Direct Seller upon resignation is entitled to another LOS team only after lapse of 6 months from the date of resignation.
 - d. Delivery charges are applicable for all the sales happening in a particular ID and the same will be collected from respective customers
 - e. Phygicart business Bonus earned during every day will be credited in to the wallets of the respective Direct Seller every day.
 - f. No Registered Direct Seller shall do any business promotions or claims of any kind through any social media other than the one announced by Phygicart. All promotional materials created by Team have to be approved by the Company.
 - g. All sales orders received through registered ID are considered for activating the ID, however cancellation and refund of the orders affecting the required minimum business volume for activating and active conditions may result to downgrade of the ID.
 - h. Direct Seller are strictly prohibited from changing their team subsequent to activation of their ID and to change their sponsors subsequent to activation of the ID.
 - i. The default co-applicant of a person is their/her spouse. However in case of a Registered Direct Seller being unmarried / divorced the default co-applicant for a female Registered Direct Seller will be father and for male Direct Seller is mother.

- j. Every active Direct Seller must submit scanned copy of their (KYC documents) PAN card, address proof and cancelled cheque leaf of the bank account mentioned in their back office, on registration time, failing which their bonus would be kept pending. In case of failure by Registered Direct Seller to submit the scanned copy of their PAN card, Registered Direct Seller needs to send scanned copy of both the side of application form (duly signed) to codecompliance@phygicart.com, failing which would amount to withholding of their bonus.
- k. Group volume used for claiming an achievement, cannot be used for the next claim.
- l. Association of the Registered Direct Seller with any other network marketing company or any other similar business activity of what so ever kind or any other valid reason which company feels so, will amount to termination of registration.
- m. Phygicart holds all the rights to amend or remove any of the clauses with regards to compensation plan, policy & procedure and terms & conditions of Phygicart without any prior notice. Company has all the rights to amend any of the clauses if necessary, to protect the interest of the business. Decisions would be discussed with the Chief Executive members.
- n. Product refunds will be as per the respective manufacturer terms only refer www.phygicart.com for latest updates. All disputes jurisdiction is Thrissur, Kerala

25. Team rules:

- a. Business meetings shall be conducted by trained direct seller only. All meetings shall be conducted under the responsibility of 'Chief Executive' Direct Sellers. All meeting shall be conducted under strict control of the Company .
- b. No Registered / Direct Seller shall attempt any team snatching. Proof of team or Registered and Active Direct Seller snatching shall be dealt with seriously including suspension of store ID for 6 months, No income will be released and will be lapsed. If the Registered Direct Seller will be caught with repeated instance, he will be terminated
- c. If a Registered / Direct Seller is found to have more than one ID in different LOS Referrer, both ID will be suspended for 6 months and there will be a waiting period for 6 months. No Phygicart activities will be appreciated during this period.
- d. Compensation claim if any against loss incurred to original team and LOS.

- e. Any Registered / Direct Seller involved in activities that affect company development or team development, such as involvement in other similar business models shall invite deactivation, cancellation and termination of registration.
- f. After 45 days of registration Registered Direct Seller have freedom to choose the desired LOS and team, based on their interest. But once activated, change shall not be considered. Direct Seller shall maintain mutual respect and motivate each other.
- g. Active Direct Seller may resign and restart after 6 months with any other sponsor if they are not provided with any bonus through the sale from their team during the aforementioned period.

IN WITNESS WHERE OF the Parties hereto have set and subscribed their respective hands on the day first above mentioned.

First Party:

Second Party:

Witnesses;

1.

2.