

## **CODE OF ETHICS**

The Code of Ethics forms part of the Samatva Direct Selling Principles & Practices and all other regulations and agreements currently in place, which bind every Distributor. Any serious breach of the Code, Principles & Practices, regulations, and agreements in place will involve action(s) being taken by Samatva in accordance with the company's Principles & Practices.

The Code of Ethics explains proper conduct of business for Distributors to practice. Samatva expects all Distributors to always comply with the code of ethics.

- Every Distributor shall have a prior written contract with Samatva for undertaking sale of, or offer to sell, any goods or services of Samatva.
- The Distributor at the initiation of any sale representation, truthfully and clearly identify himself, disclose the identity of Samatva, the address of place of business, the nature of goods or services sold and the purpose of such solicitation to the prospect.
- While making an offer to the prospect, the Distributor shall provide 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.
- The Distributor shall ensure that all the sensitive personal information provided by the Consumer/prospects are protected, and adequate safeguards are put in place to prevent access to, or misuse of, data by unauthorized persons.
- Samatva publishes detailed data about its products which is verifiable, accurate and complete. A Distributor must not make claims about any Samatva products or services unless they are sourced from appropriate official company literature and accurately reflect the information contained in the appropriate literature.
- A Distributor shall not—
  - a) visit a consumer's premises without identity card and prior appointment or approval.
  - b) provide any literature to a prospect, which has not been approved by Samatva.
  - c) require a prospect to purchase any literature or sales demonstration equipment.
  - d) in pursuance of a sale, make any claim that is not consistent with claims authorized by Samatva.
  - e) discuss financial aspects of other Distributors' Businesses.
  - f) encourage another Distributor to change line of Sponsorship.
  - g) engage in Cross Lining or Poaching.
  - h) encourage or induce any other person to engage in Cross Lining or Poaching.
  - i) use company's sponsored Functions, Literatures or CDs to support Cross Lining or Poaching.
- Every Distributor shall ensure that—
  - a) make it thoroughly clear to any person to whom the Distributor discusses the opportunity that financial rewards to Distributors are based on a Distributor's individual performance.

- b) they always carry the Samatva Distributor identity card with them while conducting the Samatva direct selling business.
  - c) the terms of the offer are clear, so as to enable the consumer to know the exact nature of offer
  - d) being made and the commitment involved in placing any order.
  - e) the presentations and other representations used in direct selling shall not contain any product
  - f) description, claim, illustration or other element which, directly or by implication, is likely to mislead the consumer.
  - g) the explanation and demonstration of the goods or services offered are accurate and complete, particularly with regard to price and, terms of payment, cooling-off periods or right to return, terms of guarantee, after-sales service and delivery.
  - h) the descriptions, claims, illustrations or other elements relating to verifiable facts are capable of Substantiation.
  - i) any misleading, deceptive or unfair trade practices are not used;
  - j) direct selling is not represented to the consumer as being a form of market research;
  - k) the promotional literature, advertisements or mails used for marketing should be approved by Samatva. They should also contain the name of Samatva and the mobile number of the direct seller.
  - l) direct selling shall not state or imply that a guarantee, warranty or other expression having substantially the same meaning, offers to the consumer any rights in addition to those provided by law, when it does not.
  - m) the presentation of the Samatva business plan does not contain or refer to any testimonial, endorsement or supportive documentation unless it is genuine, verifiable and relevant.
  - n) The Distributors in his/her group are aware of this Code and at all times carry out their Business relationships either within the group or with Distributors of the public in a lawful manner, with courtesy and integrity, and in accordance with this Code
- A Distributor shall not—
    - a) indulge in fraudulent activities or sales and shall take reasonable steps to ensure that Distributors do not indulge in false or misleading representations or any other form of fraud, coercion, harassment, or unconscionable or unlawful means.
    - b) engage in, or cause or permit, any conduct that is misleading or likely to mislead about any material particulars relating to Samatva’s direct selling business, or to the goods or services being sold by Samatva.
    - c) indulge in mis-selling of products or services to consumers.
    - d) use, or cause or permit to be used, any fraudulent, coercive, unconscionable or unlawful means, or cause harassment, for promoting Samatva’s direct selling business, or for sale of products or services.
    - e) charge any entry fee or subscription fee.
    - f) take advantage of another person's disabilities or weaknesses, such as illness, age, infirmity, lack of education or unfamiliarity with language.
  - A Distributor shall comply with the requirements of all relevant laws, including payment of taxes and deductions thereunder.

- A Distributor 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.
- A Distributor shall not refer into Samatva's direct selling business, any prospect who is convicted, or bankrupt during the last five years prior to his association with the business of direct selling, or a person of unsound mind.
- A Distributor shall refer any matter pertaining to Samatva to the designated Company Representative and not interfere in any decision-making process without prior written approval from the Company Representative.
- Samatva does not condone the intentional poaching of other competitors' Distributors or Distributors from another line of sponsorship within the Samatva Business.
- The Distributor Agreement Form is subject to Samatva's discretion in accepting it as a valid application and making the appointment of that person as a Distributor.
- A Distributor must provide the following information to the prospect/consumer at the time of sale, namely:
  - a) Name, address, registration number or enrolment number, identity proof and telephone number of the direct seller, and details of the direct selling entity.
  - b) A description of the goods or services to be supplied.
  - c) Explain to the consumer/customer the goods return policy of the company in detail before the transaction is concluded.
  - d) The order date and the total amount to be paid by the consumer along with the bill and receipt.
  - e) Time and place for inspection of the sample and delivery of the goods and services.
  - f) Information of his/her rights to cancel the order and/or to return the product in saleable condition and avail of refund on sums paid.
  - g) Details regarding the grievance redressal mechanism.
- Any Distributor who refers a potential Distributor to the Company is required to provide genuine assistance and training to ensure that his/her Downline is properly operating and conducting the business. It is advantageous to both the Referrer(s) and their Downline(s) to have on-going contact and communication.
- Distributors must truthfully convey and give a fair description of the Compensation Plan. No past, potential, or actual income claims may be made to prospective Distributors. Distributors must not use their own income, or other Distributors' income, as indication or assurance to coerce a potential Distributor. Any Sales Incentives paid by the Company shall not be used as marketing materials.
- As trademarks, logos and service marks are registered and owned by Samatva, all written materials are the copyright of Samatva. The use of trademarks, logos or service marks or the publication of copyright materials may only be undertaken with the written authorisation from Samatva and not otherwise.
- Distributors shall not put any undue pressure on their Downlines regarding the business, to do anything they do not want to do or are not comfortable doing.
- Any Distributor who refers a potential Distributor to the Company must ensure that this new Distributor's KYC requirements are completed and submitted within 30 days from the time of their registration.

## **Distributor's Pledge**

*"I HEARBY PLEDGE TO ABIDE BY THIS CODE AND CONDUCT MY BUSINESS HONESTLY AND ETHICALLY WITH RESPECT, HONOR AND HUMILTY"*