



CERULE GLOBAL BV (“CERULE”) INDEPENDENT DIRECT SELLER AGREEMENT

# TERMS AND CONDITIONS

## EUROPE • EFFECTIVE: JULY 2021

### 1. Definitions

- 1.1** “Agreement” means the CERULE Independent Business Owner Agreement which consists of this Application, including its Terms and Conditions; the Policies & Procedures Manual (“P&P”); the CERULE Pay Plan (the “Pay Plan”); and subsequent amendments to any of the preceding documents.
- 1.2** “Acceptance” means CERULE’s acceptance of your application to become a CERULE Independent Business Owner (“IBO”).
- 1.3** “Network” means the existing independent IBOs’ network and its subsequent developments resulting from IBOs sponsorships pursuant to this Agreement. IBO understands that they have no ownership or possessory right, title or interest in any downline individual, entity, organization or in any materials generated by CERULE or created by an IBO or any other individual or entity to the extent that it consists, in whole or in part, of any information about CERULE downlines or any part of the Agreement.
- 1.4** The IBO’s only right in respect of the Network is the fees to be collected as set out in this Agreement.
- 1.5** CERULE remains the exclusive owner of all right, title, interest and documents relating to the Network.
- 1.6** “Documents,” “Promotional Materials” or “Publication” means any publication created or adopted by CERULE that is made available to the IBO from time to time.

### 2. Object

- 2.1** The IBO is authorized for CERULE products resale, exclusively through home sales and sales to consumers. To this end, he is granted a IBO discount following the terms of the plan. CERULE notifies the IBO of recommended consumer prices. The IBO shall sell products only to consumers, any resale to professional or other IBO is prohibited.
- 2.2** The IBO may also participate in the development of CERULE network by sponsoring new IBOs and can access, subject to effective participation of IBOs of his/her downline to commissions and bonuses under CERULE Pay plan.

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### 3. Duration

- 3.1** The term of this Agreement is one (1) year from the date of CERULE's acceptance of this Application.
- 3.2** The initial term thus ends on December 31 based on the IBO's date of approval. The agreement then continues by tacit consent from year to year, unless terminated by either party at least 30 days before the annual renewal date (notice increased to 60 days after two full calendar years of implementation).
- 3.3** Should the IBO fail to renew his/her agreement pursuant to CERULE P&P, or if this Agreement is canceled for any reason, the IBO will lose his/her rights as an IBO. The IBO shall not be eligible to sell CERULE products nor shall he be eligible to receive commissions, bonuses, or other income resulting from the activities of the network generated after the Agreement was canceled.
- 3.4** CERULE reserves the right to terminate all IBO Agreements upon 30 days' notice if it elects to: cease business operations for more than 4 consecutive months without a valid reason; dissolve as a business entity; or terminate distribution of its products via direct selling channels. An IBO may cancel this Agreement at any time, and for any reason, upon written notice to CERULE at its principal business address.

### 4. Independent Business Owner status

- 4.1** The IBO is not an employee, commercial or agent, partner, or franchisee of CERULE.
- 4.2** Should the IBO be registered on a list of approved dealers, he must provide supporting documents to CERULE and maintain its registration throughout the implementation period of the agreement. In this case, the IBO personally takes charge of the payment of social security contributions relating to its business.

### 5. Terms of business

- 5.1** The IBO is completely free to plan his/her activities and is not compelled to any working schedule or goal or time to devote to his/her business.
- 5.2** The IBO may engage in any business of their choice, except any business that competes with CERULE products or is likely to damage the image of CERULE.
- 5.3** The IBO is nevertheless obligated to effective execution of this agreement. In order to be entitled to bonuses and commissions under CERULE Pay plan, the IBO should organize effective animation and training of IBOs in his/her downline; also he/she should be able to provide supporting documents for bonuses and commissions to be calculated.
- 5.4** The IBO for the purposes of his/her business, refers to good practices enacted in the P&P manual.
- 5.5** The IBO exclusively profit from door-to-door sales as defined in Articles L. 221-8 to L.221-10 of the Consumer Code. He is not allowed to engage in distance selling or to sell in usual sales places like exhibitions and fairs.
- 5.6** During a presentation of CERULE products, the IBO cannot simultaneously present or offer any other product or service in order to preserve the identity of CERULE brand and products.

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## 6. Stocks

- 6.1** The IBO shall only purchase from CERULE, resale products corresponding to its usual level of sales. CERULE may reject any abnormal order.
- 6.2** Upon termination of the contract, and provided that the IBO so requests in writing within 15 days at the latest from the termination of the agreement, CERULE will redeem stock products IBO acquired less than a year from then, for their acquisition price decreased by 10%, provided such products are returned to CERULE within 15 days to the termination of the agreement, in perfect condition for resale, unopened and with an expiry date that is not less than 3 months. All the benefits that would have been obtained due to the purchase of these products shall be returned by the IBO, with compensation to any amount due to the IBO.

## 7. Respect for consumers

- 7.1** The IBO is obliged to strictly respect the provisions of the Consumer Code and specifically Articles L.111-1 to L.112-7 (consumer information) and L.221-8 to L.221-10. He shall refrain from any unfair practice and fairly inform consumers on their rights and on the product and on the right of withdrawal.
- 7.2** The IBO is obliged to use only the order-taking documents published by CERULE and to make no allegation not specifically mentioned in these documents. It is strictly forbidden to make any health claim that is not specifically mentioned in CERULE literature for consumers.
- 7.3** The IBO agrees not to receive any form of payment before the expiration of the statutory period of 7 days, except in case of sales meeting, during which the payment can be made immediately.

## 8. Network structure and rules in respect of other IBOs

- 8.1** The IBO is obliged to make a fair presentation of the business and status to any potential IBO. The IBO has no reporting relationship with the IBOs in his/her downline and always respects their independence.
- 8.2** The IBO promotes, through his/her activity, the development of the business of IBOs of its downline.
- 8.3** The IBO shall ensure information, training and assistance of IBOs, as well as maintain the motivation of IBOs of its downline.

## 9. Business Gains

- 9.1** Gains resulting from the business consist of a share of the profit margin made by the IBO and other commissions and bonuses provided for in CERULE pay plan, to the exclusion of all other compensation.
- 9.2** The IBO bears all costs and expenses of its business.
- 9.3** CERULE communicates online, on its systems, accessible via the IBO's identifiers, the results of IBO activity and his/her downline entitle him to earnings under the pay plan.
- 9.4** The IBO should ensure these are paid and make written claims, within 15 days after the information has been put online, otherwise later claims shall not be admissible.
- 9.5** When the process is final, and failing to make claims, corresponding commissions and bonuses are billed, the IBO gives CERULE express mandate to proceed to this end.

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**9.6** For the purposes of this bill, CERULE may ask the IBO to provide proof that he carried training and leadership activities to the benefit of his/her downline. Any lack of justification entails suspension of the payment of commissions and bonuses.

## 10. Tax situation

**10.1** Should the IBO become liable to VAT, he should notify CERULE without delay.

**10.2** The IBO is informed that the gains from the agreement are subject to income tax in the category of industrial and commercial profits (BIC) for resale products and non-commercial profits (BNC) for commissions and bonuses. The IBO undertakes to comply strictly with his/her tax obligations.

## 11. CERULE Supply Commitment

**11.1** Subject to the validity of the order placed by the IBO under the agreement and provided the IBO fulfills his/her obligations, CERULE undertakes to provide to the IBO with the products listed in its catalog, under the rebates conditions applicable to IBOs. The products ordered must be paid by the IBO at the time of his/her order. They are delivered to the IBO in a period not exceeding 30 days, unless force majeure or unavailability. In either of these situations, the IBO shall be notified promptly after receipt of the order. The place of delivery is the residence address given by the IBO.

**11.2** In case of missing products or default on products delivered, the IBO must, without fail, notify CERULE in writing within 8 days from delivery, otherwise any subsequent claim shall be void.

**11.3** CERULE reserves the right to modify the list of products sold or IBOs prices at any time, after having given the IBO at least 15 days notice.

**11.4** The IBO shall not modify or alter the products during their resale to consumers. CERULE alone is responsible for product compliance. In case of issues with compliance, the IBO should return non-compliant products to CERULE following the procedure defined in the P&P.

**11.5** The IBO agrees to promptly inform CERULE of any complaint from a consumer concerning the product.

## 12. Consent to this Contrat

**12.1** The IBO certifies having carefully read and agreed to comply with the CERULE P&P and the CERULE Pay Plan, both of which are incorporated into and made a part of these Terms and Conditions.

**12.2** The IBO must be in good standing, and not in violation of the Agreement, to be eligible for bonuses or commissions from CERULE.

## 13. Evolution of the Agreement and Plan

**13.1** The terms and conditions of this Agreement, the P&P and pay Plan may be amended by CERULE to reflect changing economic conditions, marketing and legal, subject to prior notification at least 30 days before date of effect. The proposed changes are reported online in the IBO's personal space, on a durable medium. In the absence of written observations from the IBO within 30 days of the posting, the IBO will be deemed to have irrevocably accepted the proposed amendments.

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**13.2** Any IBO observations should be made in writing within the above-mentioned deadline (30 days). As from receipt of these observations, the parties will consult to resolve any problem within a maximum of 15 days. If no agreement is reached, either party may terminate the agreement while respecting the period of notice referred to in Article 3 above, but without being bound by the annual due date.

## 14. Compliance and loyalty:

**14.1** The IBO has an obligation to comply with all national laws, ordinances, rules, and regulations applicable to its business for which it is solely responsible. He should not adversely affect the interests or reputation of CERULE and agrees to perform his/her obligations under the agreement in good faith.

## 15. Intuitu personae:

**15.1** This Agreement is concluded on a intuitu personae basis. IBOs do not have any right to transfer or assign any rights or delegate any duties under the Agreement without the prior written consent of CERULE under penalty of cancellation of the agreement.

## 16. Termination

**16.1** In case any of the parties does not comply to the obligations under the agreement, it may be terminated by the victim of the breach, but only 8 days after formal summon to perform obligations remained unsuccessful.

**16.2** Also, In case the IBO does not comply to his/her core obligations, CERULE has the right to suspend performance of its own obligations towards the IBO without prejudice to possible termination

## 17. Legal Provisions

**17.1** Any promises, representations, offers, or other communications by anyone that precede the effective date of this Agreement and that are not contained in this Agreement are, to the extent permitted by law, of no legal force and effect as to this Agreement and are excluded.

**17.2** The IBO certifies to adhere to this Agreement as set forth in the Detailed Terms and Conditions. Nothing in this Agreement shall limit liability for fraud or fraudulent misrepresentation.

**17.3** CERULE, its parent or affiliates, directors, officers, shareholders, employees, assigns and agents (collectively, "Affiliates") shall not be liable for any and all claims for damages, other cause arising out of the IBO's business and shall be excluded from such actions. IBO further agrees to release CERULE and its affiliates from all liability arising from or relating to the promotion or operation of my CERULE business and any activities related to it (e.g., the presentation of CERULE products or the CERULE Pay Plan, the operation of a motor vehicle, the lease of meeting or training facilities, etc.), and agree to indemnify CERULE for any liability, damages, fines, penalties, or other awards arising from any unauthorized conduct that you undertake in operating your business.

**17.4** CERULE shall have no obligation to repair any consequential damages, including commercial damages, moral prejudice, loss of image or reputation. CERULE responsibility can not exceed, except in the event of gross negligence or personal injury the amount due for 3-month commissions.

## 18. Copyright - Advertising

**18.1** The IBO is not authorized, without the express prior written consent of CERULE, use the mark or distinctive signs belonging to CERULE.

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- 18.2** The IBO cannot identify himself using the name of CERULE, except for a presentation like the following “Name Surname - CERULE Independent Business Owner”.
- 18.3** All publications, videos or programs used by CERULE within its network, are owned by CERULE and the IBO can neither reproduce nor use them for purposes other than those of the agreement.
- 18.4** Should the IBO advertise his/her business on social networks, he can only identify himself by his/her name or using the following format. Any introduction that will suggest that he is acting on behalf of CERULE or belongs to CERULE is forbidden.
- 18.5** The IBO authorizes CERULE to use his/her name and place of residence, as well as image for network activities or CERULE written or digital publications or for promotional purposes. The IBO may cancel the authorization to use his/her image at any time but such a cancellation shall be effective only for coming actions.
- 18.6** CERULE reserves the right to use the name, photograph, personal story of the IBO or any resemblance with him for promotional purposes through advertisements or documentary supports for the duration of this Agreement and for (6) months following termination, unless consent to such a use is withdrawn and notified to CERULE. The IBO waives any claim for additional compensation for such use.

## 19. Dematerialization

- 19.1** The IBO agrees that exchanges under this Agreement and its implementation are done in dematerialized form. It is the IBO's responsibility to obtain all necessary tools to this end.
- 19.2** The IBO must regularly check his/her personal space to be aware of CERULE messages. These take effect from the moment they are posted online.
- 19.3** The IDs and passwords provided by CERULE are strictly personal and may not be shared with third parties. Any utilization of usernames and passwords is deemed to come from the IBO unless he is able to prove that a fraud was committed without his/her consent.

## 20. Applicable law and Dispute Resolution

- 20.1** The Agreement is subject to French law.
- 20.2** The parties grant jurisdiction to the High Court of First Instance (Commercial Chamber) of Strasbourg.
- 20.3** In case of dispute, each party undertakes to oblige an initial 30-day conciliation. To this end, the complainant party shall notify the other party in writing, specifying reasons of his/her claim. Each party undertakes, in good faith, to seek for an amicable solution within this period; the parties may refer to CERULE's P&P to reach a friendly settlement.
- 20.4** No court can be seized before expiry of conciliation period except for major emergencies.
- 20.5** All action relating to this Agreement may only be initiated within one year after the cause of action, under pain of foreclosure.

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## 21. Withdrawal

- 21.1** The IBO may withdraw from this Agreement 15 days following its signature. He shall then be refunded for the starter kit acquired provided that it is fully returned and in perfect working condition within 8 days following the withdrawal.

## 22. Network integrity

- 22.1** The rules set out in the agreement and its P&P are intended to protect the integrity of the network, in the interest of IBOs. The IBO agrees to consider that these rules are reasonable and legitimate to preserve the unity and identity of the network. This Agreement is a membership contract and implies the IBO's agreement to all the conditions expressed therein.
- 22.2** The IBO shall not, during the course of the agreement and for a period of 3 months from its termination, recruit, seek to recruit any member of CERULE network or incite them to end or reduce their business. The IBO can not promote any business that competes with ours to members of the Network. All data on the network and genealogies are confidential and may be used only within the framework of the agreement.
- 22.3** Any provision of the Contract which, according to its terms, is intended to survive the termination or expiry of the Agreement, must survive. These provisions include, but are not limited to, non-solicitation, trade secrets and confidential information clauses contained in the Agreement.

## 23. Data Communication and Protection

- 23.1** By signing and submitting this Application, IBO agrees that CERULE or a party acting on its behalf may contact him/her by email or at the telephone numbers or fax number given by him/her. IBO consents and agrees to the CERULE privacy policy when signing and submitting this Agreement.
- 23.2** CERULE is solely responsible for personal data processing (as defined in the its privacy policy). It is possible that CERULE or a party acting on its behalf (i.e. a third party) may collect Personal Information from you including your name, birth date, gender, address, mailing address, phone and fax numbers and credit card information and transmit that information to CERULE which is located in the United States of America for the purpose of executing an order placed by the IBO or for the purposes of the Pay Plan. CERULE may provide IBO Personal Information to its shipping partners and credit card processors for the purpose of processing their order.
- 23.3** IBO consents and agrees to CERULE transferring their data for these purposes. This right is exercised by written request via e-mail below: [support@CERULE.com](mailto:support@CERULE.com)

## 24. Insurance

- 24.1** The IBO must be insured for liability related to its business and for a professional use of a motor vehicle should he/she use any.

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## 25. Miscellaneous

- 25.1** A faxed, scanned, or email copy of this Agreement shall be treated as an original in all respects.
- 25.2** By signing this Application, IBO agrees to the Terms and Conditions and the Policies and Procedures as set forth at [www.CERULE.com](http://www.CERULE.com). IBO acknowledges having read the privacy policy found on this same website. IBO certifies not having been a CERULE IBO, or a partner, shareholder, or principal or any entity having a CERULE business within the past six (6) months. IBO acknowledges having had full opportunity to read this Agreement; to obtain guidance or advice of their own legal counsel; and to communicate with CERULE concerning any comments or questions about their understanding of this Agreement.
- 25.3** IBO agrees and understands that any intentional or other misrepresentation of any information they provide on this IBO Application and Agreement may result in action by CERULE, including, but not limited to, termination of this Agreement.
- 25.4** By signing and submitting this form and payment, IBO acknowledges that they are applying to become a CERULE IBO. IBO certifies having read and agreed to the Terms and Conditions of this agreement and the Monthly Order Program included with this form. The IBO further certifies having received, read, understood and agreed to CERULE Pay Plan and CERULE Policies and Procedures, which are incorporated herein and made part of this Agreement.