

POLICY MANUAL

Code of Ethics and Rules of Conduct

It is important that you read the Oriflame Code of Ethics (**the “code”**) and the Rules of Conduct (**the “rules”**) below, as they form an integral part of the terms of the Brand Partner application form. An Oriflame Brand Partner must comply with the code and rules and any amendments to them that have been published in the newsletter or otherwise communicated to the Oriflame Brand Partner.

Oriflame reserves the right to terminate at any time, and with immediate effect, the membership of any Oriflame Brand Partner who has provided false information on the Brand Partner application form or who is violating the code or the rules. Terminated Oriflame Brand Partners lose all rights and privileges that accompany the membership, including their network. The Code and the Rules are there for your protection, to ensure that all fellow Oriflame Brand Partners maintain the same high standards. In line with Oriflame ethical standards, the Oriflame Brand Partners are expected to, and shall comply with any and all legal requirements of the country where they operate their Oriflame business even if certain obligations are not restated in the Code or the Rules.

THE ORIFLAME CODE OF ETHICS

As an Oriflame Brand Partner, I agree to conduct my Oriflame business according to the following principles:

1. I will uphold and follow the Rules as laid out in this official Oriflame Policy Manual and other Oriflame literature. I will observe not only “the letter” but also “the spirit” of the Rules.
2. My guiding principle for doing business with anyone I meet in my capacity as an Oriflame Brand Partner is to treat them as fairly as I would like to be treated myself.
3. I will present the Oriflame products, the Oriflame earning opportunities, the related trainings and the other opportunities and benefits offered by Oriflame to my customers and Brand Partners in an honest and truthful manner. Whether verbal or in writing, I will make only such claims related to the product, the earnings and the other opportunities that are mentioned in the official Oriflame literature (including Appendix 1).
4. I will be courteous and prompt in servicing and taking orders from my customers, as well as in the handling of complaints. I will follow the procedures outlined in the official Oriflame literature for replacement of products.
5. I will accept and carry out the different prescribed responsibilities of an Oriflame Brand Partner (and those of a Sponsor and Director (and higher level) when I progress to those levels of responsibility) as laid out in the official Oriflame Literature.
6. I will conduct myself in such a manner as to reflect only the highest standards of integrity, honesty and responsibility.
7. I shall not in any circumstances use the Oriflame network for marketing products other than those approved by Oriflame. I shall respect the direct-to consumer method of distribution and therefore not sell through any retail outlets of any nature.
8. I will respect the laws and regulations of the country where I conduct my Oriflame business and of my host countries if building an international group.

9. I understand that compliance with this Code and the Rules is a condition of my membership with Oriflame.
10. To sell and deliver products to ultimate consumers only. Brand Partner recognizes the importance of providing the best possible service to customers. It is understood that Oriflame is a direct to Consumer Company whose marketing plans and success are based upon Brand Partner personally selling Oriflame products directly to consumers. For these reasons, Brand Partner agree to present and sell Oriflame products using direct-to-consumers methods only and not in any other manner whatsoever.
11. Brand Partner agree to present and sell Oriflame products using direct-to-consumers methods only and not to sell to, sell in, demonstrate or display Oriflame products in any retail outlet of any nature including any retail/ecommerce website, whether in Pakistan or abroad.
12. Not to sell complimentary promotional material provided by Oriflame.
13. That all orders submitted are subject to acceptance by Oriflame.
14. The Brand Partner is not authorized to incur any debt or other obligation or commitment on behalf of Oriflame.
15. To accept and comply with Terms of BPAF and Oriflame Success Plan. It is understood that the Plan forms an integral part of this Agreement and may be revised from time to time.
16. Oriflame shall give each Brand Partner who qualifies (under Oriflame rules set out in the Success Plan) a Commission based on the volume of purchases from Oriflame in each month. This discount will normally be calculated and accounted for in respect of purchases in a calendar month at the month end. However, Oriflame may withhold the Commission which is otherwise payable to any Brand Partner if there is any outstanding in the Group in respect of any period beyond the credit period or Oriflame suspect that payment may not be received against the sales made during any period or for any other good reason at the sole discretion and judgement of Oriflame and may additionally forfeit the same in appropriate cases at the sole discretion and judgement of Oriflame. Brand Partners should ensure compliance (as applicable) with the General Sales Tax and Income Tax law with respect to the aforesaid commission.
17. INCENTIVES:
 - i. That every Brand Partner agrees and authorizes Oriflame on its behalf to allocate a portion of Incentive (arising out of the activities within the Group) to other Brand Partners as per the Success Plan and hereby further assigns all right and interest in such allocated Incentive given to other Brand Partner who may be so entitled.
 - ii. As per the requirement of GST law, Brand Partner would be required to prepare the necessary documentation and shall undertake the necessary compliances, as applicable.
18. In the event that the sum due to a Brand Partner is less than the limit specified by Oriflame from time to time, the Brand Partner hereby irrevocably authorizes Oriflame to apply or credit such sum towards any future purchase made by the Brand Partner.
19. That Oriflame does not compensate anybody for simply recruiting or for mere act of recruitment.
20. To be bound by the valuation of all transactions as set out in the documents issued by Oriflame at each month end or otherwise.

21. To participate in the electronic clearance service (ECS)/ online payment and undertakes to inform immediately of any subsequent changes related to the bank details. The Brand Partner would not hold the Company responsible if the Commission payment is delayed for the reasons beyond the control of Oriflame.
22. To furnish NTN immediately on receipt of request from Oriflame & agree to accept a certificate towards withholding of taxes by Oriflame for the financial year. The Brand Partner further agree & authorizes Oriflame to debit its account with the tax amount as per the relevant tax provisions of the Country.
23. To explain and inform about the general conditions of Oriflame to the Brand Partner introduced by him/her and shall ensure that the same has been understood by the Brand Partner introduced by her/ him.
24. No Brand Partner shall use the Oriflame network for marketing products or schemes which are not officially approved by Oriflame.
25. You expressly agree to receive commercial communications about Oriflame products and offers by email and text message in registered email id and phone numbers.
26. I confirm that I will personally update and inform all those who I introduce to Oriflame business, about Oriflame business activities, policies and compensation plan as provided in the Success Plan and ensure that such person treats this as basis of joining as Oriflame Brand Partner.

1. DEFINITIONS

- A. **“Oriflame Brand Partner” shall for the purpose of this document include any Oriflame Brand Partner irrespective of level and level of Oriflame Success plan (including Managers, Directors and higher levels).**
- B. **“Personal Online Beauty Store” shall refer to a website designed,** issued and hosted by Oriflame for the benefit of an Oriflame Brand Partner in the selected markets.
- C. **“Oriflame” in this document refers to the Oriflame Cosmetics Pakistan (Private) Limited with which you entered the Brand Partner Application Form, unless otherwise stated.**
- D. **“Line of Sponsorship” shall include the Oriflame Brand Partner, his/her Sponsor, and so forth, with the Line ending with Oriflame.**
- E. **“Personal Group” shall refer to all Oriflame Brand Partners** sponsored directly and indirectly by an Oriflame Brand Partner but shall not include the directly sponsored 21% Brand Partners or their downlines.
- F. **“Group” shall refer to the entire downline, including 21% Oriflame Brand Partners and their downlines.**
- G. **“The Oriflame Literature” shall mean the Success Plan - Leaders Edition (containing this Policy Manual), the Product Catalogues, Oriflame Starter Kit literature, the Newsletter and any other information printed or published on the official Oriflame website. if there is any conflict between this Code and Rules and Oriflame Literature / terms and conditions, the latter will prevail.**
- H. **“Sponsor” shall mean the person who has registered a new person to Oriflame consultancy.**
- I. **“Immediate family member” shall refer to Oriflame Brand Partner’s spouse, children, siblings and parents**

- J. “Commission” shall mean an amount you get on your own sales based on your title as per the Success Plan.
- K. Bonus shall mean an amount you get on the Group sales as per the Success Plan.

Words beginning with a capital letter, but which are not defined herein, shall have the same meaning as in the previous sections of the Success Plan - Leaders Edition.

2. MEMBERSHIP

- 2.1. To become an Oriflame Brand Partner a candidate should as a general rule be sponsored by an existing registered Oriflame Brand Partner. Under certain circumstances, Oriflame can assign a prospective Oriflame Brand Partner to any network.
- 2.2. An individual may only have one Oriflame membership;
- 2.3. Membership is conditional on submission of relevant documents in the prescribed form. Oriflame reserves the right to refuse any application or re-application.
- 2.4. An applicant must be of the age of legal capacity to be an Oriflame Brand Partner.
- 2.5. Membership may only be granted to individuals. Spouses wishing to become Brand Partners should be sponsored together under one membership. If a spouse is already a Brand Partner, the other must join under the same membership. Provided where two existing Brand Partners get married, the IDs will be merged on Oriflame’s discretion (if found to be in the same network merger can be requested but If the IDs are from different network then one of the Brand Partner will have to resign from the membership.)
- 2.6. An Oriflame Brand Partner shall not require Brand Partners or prospective Brand Partners to assume unreasonably high training fees and fees for promotional materials. Any fees charged to an Oriflame Brand Partner shall relate directly to the value of materials, products or services provided in return.
- 2.7. Oriflame observes the rules of the applicable local legislation of the countries where it operates regarding the term during which an Oriflame Brand Partner may withdraw from her membership and receive back from Oriflame any and all moneys paid as a condition for the membership as well as any starter materials and products (“Cooling-Off Period”).
- 2.8. The Oriflame Brand Partners may resign their membership at any time after the expiration of the Cooling-off Period by giving written notice to Oriflame. In such cases Oriflame is under no obligation to make any of the repayments mentioned in 2.7 above.
- 2.9. An Oriflame Brand Partner’s membership will expire on the anniversary of registration..
- 2.10. Membership can be renewed by means of paying the annual subscription fee included in the first invoice after the anniversary of registration.
- 2.11. Former Oriflame Brand Partners (or spouses of former Oriflame Brand Partners) may apply for new membership under the following conditions:
 - a) Immediately, in case of auto termination due to failure to place BP order within 90 days from date of registration.
 - b) The new application must specify that it is being made under this rule.
 - c) A former Oriflame Brand Partner may apply immediately for becoming a Brand Partner again, without specifying that he/she was a former Oriflame Brand Partner, if he/she has at least 12 months of inactivity following a termination of membership.

- 2.12. A Senior Manager (and above) may not represent (and/or be a member of) any other direct selling company. It is also stated that where the Brand Partners (below the level of Managers) join other companies, they shall not use the Oriflame network for market products or schemes which are not officially approved by Oriflame.
- 2.13. If the spouse of a Senior Manager (and any higher level) is a representative and/or a member of any other direct selling company, the spouse/family member is not allowed to participate in any Oriflame meetings and events, and the spouse's/family member's activities must be kept separate from Oriflame. The Managers (and above) must inform Oriflame if the spouse/family member is a representative and/or a member of any other direct selling company.
- 2.14. If an immediate family member of an Oriflame Brand Partner is a representative and/or a member of any other direct selling company, Oriflame Brand Partner must inform Oriflame if the immediate family member is a representative and/or a member of any other direct selling company and obtain the consent of Oriflame to continue the membership of Oriflame Brand Partner thereafter.
- 2.15. Oriflame reserves the right to suspend an Oriflame Brand Partner's membership for up to 12 months with immediate effect, pending investigation of violation of rules in this document.
- 2.16. An Immediate Family member like son, daughter, mother, father, brother, sister and In-laws of an existing Brand Partner, shall not join Oriflame in a different network unless such a joining is approved by Oriflame on a written application from such relative who wishes to join.
- 2.17. The Brand Partner shall not sponsor, engage or employ any person who is a Brand Partner in any other Group other than the Group of the former.

3. MAINTAINING LINES OF SPONSORSHIP

- 3.1. Oriflame Brand Partners are only allowed to re-register under a different line of sponsorship if they resign from their membership and apply for new membership under 2.11. If they do resign their entire Group is lost and transferred to their original Sponsor.
- 3.2. The transfer of membership from one Sponsor to another is only possible in special cases and at the sole discretion of Oriflame.
- 3.3. Transfer of a Personal Group is not allowed.
- 3.4. Oriflame Brand Partners who wish to transfer their membership may be allowed to do so, but only to their closest relatives (at the discretion of Oriflame). A letter requesting such a transfer must be sent to Oriflame. Oriflame Brand Partners who have transferred their membership under this rule may apply for membership again if at least six months have elapsed since their last Membership was transferred.
- 3.5. In case of an Oriflame Brand Partner's death, the Membership will be terminated within three months after the day of the death provided that no application for transferring of the Membership is made by the next of kin. Upon termination, all pending payments to the deceased Oriflame Brand Partner, after setting off the payments due to Oriflame by the Brand Partner, will be made to the authorised executor/ administrator appointed by a competent court or the heir(s) /next of kin of the Oriflame Brand Partner. Oriflame reserves the right to request documents proving the authorisation of the executor/ administrator or heir(s)/ next of kin as a condition of the payment.

4. RESPONSIBILITIES OF A BRAND PARTNER

General Responsibilities

- 4.1. An Oriflame Brand Partner may not place orders in the name of another Oriflame Brand Partner, without that Oriflame Brand Partners written approval.
- 4.2. Oriflame Brand Partners shall comply with all laws, regulations and codes of practice including any other applicable law applying to the operation of their membership, including with any tax laws and regulations regarding tax registration and filing. The Oriflame Brand Partners shall not engage in any activity which may bring either them or Oriflame into disrepute.
- 4.3. Oriflame Brand Partners must take appropriate steps to ensure the protection of all private information provided by a customer, a potential customer, another Oriflame Brand Partner, in accordance with the local laws that apply to privacy and data protection.

Responsibilities towards customers

- 4.4. Oriflame Brand Partners shall not use misleading, deceptive or unfair sales practices.
- 4.5. From the beginning of the contact with a consumer, the Oriflame Brand Partner shall identify her-/himself and explain the purpose of her/his approaching a customer or the purpose of the occasion. The Oriflame Brand Partner shall ensure full transparency of her/his identity as Oriflame Brand Partner in any related communication, whether by email, a website, social media page etc. Clear name and contact information as well as information that the sender is not an Oriflame official representative must be provided. The word “Independent” shall always be added before “Oriflame Brand Partner” on any identity representation such as e-mail signatures, business cards, on website, social media page and the like.
- 4.6. Oriflame Brand Partners shall offer their customers accurate and complete product explanations and demonstrations regarding price and, if applicable, credit terms; terms of payment; a cooling-off period, including return policies; terms of guarantee; after-sales service; and delivery dates. Oriflame Brand Partners shall give accurate and understandable answers to all questions from customers.
- 4.7. To the extent claims are made with respect to product efficacy, Oriflame Brand Partners shall make only those verbal or written product claims that are authorized by Oriflame.
- 4.8. For all product sales to its customers Oriflame Brand Partners shall deliver or make available to the customer a product order form which: identifies Oriflame, the Oriflame Brand Partner making the sale including their name, address and telephone number, all material terms of the sale, terms of guarantee and/or warranty, details and limitations or after-sales service, the duration of the guarantee and the remedial action available to the customer.
- 4.9. Oriflame Brand Partners shall not use any testimonial or endorsement that is unauthorised untrue, obsolete or otherwise inapplicable, unrelated to the offer or used in any way likely to mislead the customer.
- 4.10. Oriflame Brand Partners shall not use comparisons which are misleading. Points of comparison shall be based on facts which can be substantiated. Oriflame Brand Partners shall not unfairly denigrate any other company, business or product, directly or by implication. Oriflame Brand Partners shall not take unfair advantage of the goodwill attached to the trade name and symbol of another company, business or product.
- 4.11. When a customer requests the Oriflame satisfaction guarantee to be honoured the Oriflame Brand Partner shall offer the customer the choice of a full refund of the purchase price or full credit for exchange with the same or another Oriflame product. The return/ Guarantee Excellence Claims Policy shall be clearly communicated to customers.

- 4.12. The Oriflame Brand Partner will make personal, telephone or electronic contact in a reasonable manner and during reasonable hours to avoid intrusiveness. The Oriflame Brand Partner shall discontinue a demonstration or sales presentation upon the request of the consumer.
- 4.13. The information the Oriflame Brand Partner gives to the consumer shall be provided in a clear and comprehensible manner with due regard to the principles of good faith in commercial transactions and the principles governing the protection of those who are unable, pursuant to national legislation, to give their consent, such as minors.
- 4.14. Oriflame Brand Partners shall not abuse the trust of individual consumers and shall respect the lack of commercial experience of consumers and shall not exploit a consumer's age, illness, mental or physical infirmity, credulity, lack of understanding or lack of language knowledge.
- 4.15. Oriflame Brand Partners shall not induce a person to purchase products based on the representation that the customer can reduce or recover the purchase price by referring prospective customers to the Oriflame Brand Partner for similar purchases, if such reductions or recovery are contingent upon some future event.
- 4.16. Oriflame Brand Partners shall fulfill customer orders in a timely manner.

Responsibilities towards other Oriflame Brand Partners

- 4.17. Oriflame Brand Partners shall not steal an applicant from other Oriflame Brand Partners, nor interfere by soliciting Oriflame Brand Partners in the line of sponsorship of another Oriflame Brand Partner.
- 4.18. An Oriflame Brand Partner shall not misrepresent the actual or potential sales or earnings of Oriflame Brand Partners. Any earnings representations and sales figures must be: (a) truthful, accurate, and presented in a manner that is not false, deceptive or misleading, and (b) based upon documented and substantiated facts in the relevant market. Potential Oriflame Brand Partners must: (c) be informed that actual earnings and sales will vary from person to person and will depend upon the skills of the seller, the time and effort put in and other factors and; (d) be provided with sufficient information to enable a reasonable evaluation of the opportunity to earn income.
- 4.19. An Oriflame Brand Partner shall not charge other Brand Partners or prospective Brand Partners fees for any non-Oriflame developed/sanctioned materials or services except fees to cover expenses directly related to non-mandatory training or meetings conducted by the Oriflame Brand Partner.

Any marketing materials developed by Brand Partners must be consistent with Oriflame policies and procedures. Oriflame Brand Partners who sell approved, legally allowed promotional or training materials to other Oriflame Brand Partners: (i) shall only offer materials which comply with the same standards to which Oriflame adheres, (ii) be prohibited from making the purchase of such materials a requirement of other Oriflame Brand Partners; (iii) provide sales aids at a reasonable and fair cost, without any significant profit to the Oriflame Brand Partner, equivalent to similar material available generally in the marketplace; and (iv) offer a written return policy that is the same as the return policy of Oriflame.
- 4.20. Oriflame Brand Partners shall contact other Oriflame Brand Partners only in a reasonable manner and during reasonable hours to avoid intrusiveness.
- 4.21. Oriflame does not impose any conditions for minimum purchases, whether in quantities or in value, on its Brand Partners. Similarly, an Oriflame Brand Partner shall not compel or force those he/she sponsors to order through him/ her, order any minimum quantities or maintain stock of products. All Oriflame Brand Partners may order any quantities directly from Oriflame but handling and courier fees may apply depending on order size. It is up to the individual

Oriflame Brand Partner's judgment to determine if he/she should keep any stock, reflecting the anticipated sale / consumption. Oriflame Brand Partners shall not require or encourage other Oriflame Brand Partners to purchase unreasonable amounts of inventory or sales aides. An Oriflame Brand Partner shall not purchase only such products and in such value or quantity that can be foreseen to be sold to consumers or consumed within a reasonable period of time.

- 4.22. Oriflame Brand Partners shall not use the Oriflame network for marketing materials, products or schemes which are not officially approved by Oriflame and that are inconsistent with Oriflame's policies and procedures.
 - 4.23. Oriflame Brand Partners shall not systematically entice or solicit direct sellers of another company.
 - 4.24. Oriflame Brand Partners shall not unfairly denigrate another company's products, its sales and marketing plan or any other feature of another company.
 - 4.25. The Oriflame Brand Partners do not have any employment relationship with Oriflame. When presenting the Oriflame Business Opportunity to others, the Oriflame Brand Partners must clearly state the independent character of this business and the fact that no employment with Oriflame exists.
 - 4.26. The Oriflame Brand Partners have no authority to bind or assume obligations on behalf of Oriflame. They shall indemnify Oriflame in respect of any costs or damages arising from any noncompliance to these Rules.
 - 4.27. An Oriflame Brand Partner may not place orders in the name of another Oriflame Brand Partner, without that Oriflame Brand Partner's prior written approval.
 - 4.28. In building their Personal Group, the Oriflame Brand Partners shall ensure that all new Oriflame Brand Partners will follow the credit terms, if credit is offered.
 - 4.29. In becoming a Sponsor, the Oriflame Brand Partner shall ensure that he/she trains and motivates her personally sponsored Oriflame Brand Partners.
 - 4.30. An Oriflame Brand Partner may not be involved in interviews regarding, or referring to Oriflame with any media, whether by television, internet, radio, magazines etc. nor utilise any advertising media (including viral advertising as SMS, internet etc) for the purposes of marketing of her Oriflame business without Oriflame's prior written consent.
 - 4.31. The Oriflame Brand Partners shall not be involved in social media dialogues which misrepresent or give incorrect or misleading information about Oriflame, its products or services, or may generally lead to loss of reputation by Oriflame, please see below the Social Media Dialogue - 10 Golden Rules.
 - 4.32. The Oriflame Brand Partners shall not use misleading, deceptive and/or unfair trade practices including but not limited to unfair recruiting practices, misrepresentation of actual or potential sales or earnings, business opportunity, and advantages of direct selling to any prospective direct seller, in their interaction with prospective direct seller.
 - 4.33. The Oriflame Brand Partners shall not make any factual representations to a prospective direct seller that cannot be verified or make any promise that cannot be fulfilled.
 - 4.34. The Oriflame Brand Partners shall not knowingly make, omit, engage, or cause, or permit to be made, any representation relating to the direct selling operation, including remuneration system and agreement between Oriflame and itself which is false and / or misleading.
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- 4.35. The Oriflame Brand Partner shall not require or encourage direct sellers recruited by the first mentioned direct seller to purchase Oriflame Products in unreasonably large amounts.
- 4.36. The Oriflame Brand Partner shall not provide any Oriflame Literature and / or training materials not restricted to collateral issued by Oriflame, to a prospective and / or existing direct seller or float any scheme which has not been approved by Oriflame.
- 4.37. The Oriflame Brand Partner shall not require prospective or existing direct Sellers to purchase any Oriflame Literature or training materials or sales demonstration equipment.

5. OTHER RULES AND POLICIES

- 5.1. Senior Manager (and above) may not represent (and/or be a member of) any other direct selling company.
- 5.2. Spouse of a Senior Manager (and above) may not represent (and/or be a member of) any other direct selling company.
- 5.3. There are no exclusive territories or franchises available under the Oriflame policy. No Oriflame Brand Partner has the authority to grant, sell, assign or transfer such a territory or franchise. Every Oriflame Brand Partner is free to conduct his/her business in any area of the country of registration.
- 5.4. The Oriflame Brand Partner must respect that Oriflame operates in certain markets, and not in all countries worldwide, strictly observing its obligations re product safety, product registration, import and other rules that may apply to trade in the respective countries. Oriflame bears no responsibility for any damage, disputes or claims arising from or related to cross-border trade conducted by Oriflame Brand Partners to countries outside of markets where Oriflame operates. Thus Oriflame will hold the Oriflame Brand Partner fully liable for any such claims.
- 5.5. An Oriflame Brand Partner is independent of Oriflame. The only level which may be used on business cards, other printed materials or in email communication is “Independent (Beauty) Brand Partner” or “Oriflame Independent (Beauty) Brand Partner” and when qualified “Independent Beauty Manager” and “Independent Beauty Director”.
- 5.6. Promotional materials, Oriflame Brand Partner’s Personal Home Pages and any social media applications, e.g. on Facebook, provided by Oriflame can be used as specified without further approval. It is understood that the Oriflame Brand Partners cannot register or host a website or homepage with the domain name including the word “Oriflame”.

The Oriflame Brand Partners can drive traffic to official Oriflame websites, blogs walls and the like. Oriflame reserves the right to pre-approve the material that will be published. The policy for online presence of Oriflame Brand Partners is further described in the Brand Partner Online Policy below (Appendix 2).
- 5.7. Oriflame trademarks, logos and name are the property of Oriflame Cosmetics Global S.A. and may not be used by the Oriflame Brand Partner, neither in printed materials nor published on the Internet, without prior written consent from Oriflame. If such consent is obtained, trademarks and logos must be used exactly as stated in the Oriflame guidelines.
- 5.8. No Oriflame Brand Partner may produce or procure from any source other than Oriflame any item upon which the trademarks or logos are printed or displayed, unless approved by Oriflame in writing.
- 5.9. All Oriflame printed material, videos, photographs, design are protected by copyright and may not be reproduced in whole or in part by anyone, neither in printed materials nor published on the Internet, without prior written approval from Oriflame. When copyrighted material is legitimately used it is mandatory that reference to the Oriflame copyright is made in a visible and unambiguous way.

- 5.10. No Oriflame Brand Partner shall sell to, sell in, demonstrate, or display Oriflame products in any retail outlet, web shop, auction platform such as Ebay or the like. No Oriflame literature may be sold or displayed in such retail outlets. Establishments which technically are not retail outlets, such as beauty parlours, may be used as venues to display, but not sell the products.
- 5.11. The contents of the Oriflame websites such as text, graphics, photographs, designs and programming are also copyright protected and may not be utilised for any commercial use without prior written approval from Oriflame.
- 5.12. Spamming (the abuse of electronic messaging systems to indiscriminately send unsolicited bulk messages) is strictly prohibited. An Oriflame Brand Partner shall limit the number of promotional emails sent to end-customers so that any individual recipient does not receive more than one message per week. These messages cannot be sent on behalf of Oriflame and therefore full responsibility for contents lies on the sender.
- 5.13. Under no circumstances is any person authorised to repackage or in any way alter the packaging or labelling of the products. Oriflame products are to be sold in their original packaging only.
- 5.14. The Oriflame products do not cause damage or injury if they are used for their intended purpose and in accordance with instructions provided. Oriflame carries product liability insurance on its products. The insurance covers injury or damage where a faulty product is involved but does not cover careless or negligent application or improper use of a product.
- 5.15. Oriflame reserves the right to deduct, at any time, any overdue invoices from any Performance Discount or Bonus due for payment to the Oriflame Brand Partner.
- 5.16. Oriflame has the right to change its prices and range without prior notice. Oriflame will not give a Performance Discount, Bonus or any other compensation for any losses suffered due to price changes, range changes or products being out of stock.
- 5.17. If requested upon termination of a Brand Partner's relationship with Oriflame, Oriflame agrees to repurchase products from the Brand Partner, except in case of violation of the terms. Returns must be made within 12 months from date of purchase, and
 - will be refunded at 90% of the original net price paid after deduction of any Trade Discount, Incentive or Bonus paid to the network, and
 - items returned must be currently marketable Oriflame inventory including any Oriflame produced promotional materials, sales aids or kits,

For the purposes of the clause stated above, currently marketable Oriflame inventory means any products that:

- have not been used, opened or tampered with in any way; and
 - have not passed the expiry date; and
 - are still marketed by Oriflame in its catalogues.
- 5.18. If an Oriflame Brand Partner in any way is involved, legally or otherwise, in any dispute or activity that may involve or negatively affect Oriflame or its reputation, such Oriflame Brand Partner must immediately inform Oriflame.
 - 5.19. Oriflame reserves the right to expand or revise the Oriflame Success Plan, qualification criteria, or the Code and Rules with immediate effect.
 - 5.20. Any Cash on Delivery order (COD) placed by Brand Partner with Oriflame through all means shall be confirmed sale and accordingly all the risks and rewards shall be transferred to the Brand Partner.

Oriflame shall provide Cash Award as eligibility criteria communicated subject to full

compliance with the Terms including but not limited to Oriflame's Code of Ethics, other rules and policies and responsibilities of Oriflame's Directors as mentioned below in Clause 6.

6. RIGHTS AND RESPONSIBILITIES OF DIRECTORS AND ANY HIGHER LEVELS AS PER ORIFLAME SUCCESS PLAN

In addition to the general rules above that apply to all Oriflame Brand Partners, the following rules apply specifically to Directors and up. Violation of any of these special rules will result in immediate loss of Directors (and higher level) status and any underlying privileges - including any related remuneration - and may even result in termination of membership.

- 6.1. As a Director (and higher level) you must service your Personal Group Brand Partners during each Catalogue Period by:
 - a. Recruiting and continuously developing your Personal Group.
 - b. Assisting, guiding and motivating the members of the Personal Group.
 - c. Conducting periodic meetings to train, motivate, set goals and to follow up.
 - d. Training your downline Oriflame Brand Partners to best conduct their Oriflame business.
 - e. Maintaining frequent communication, informing about meeting dates, venues, product news, training sessions, etc.
 - f. Participating in all seminars and meetings organised by Oriflame.
 - g. Enforcing the Code and the Rules and leading by example.
 - h. Attending business meetings with Oriflame that you are called upon to attend by your Area Sales Manager.
- 6.2. A Director (and higher levels) must adhere to clause 2.13 and 2.14.
- 6.3. In case of a Director (and higher levels)'s death, a Membership may in certain cases and at the sole discretion of Oriflame be inherited by the next of kin of the deceased and provided that the next of kin can make plausible that he/she will be able to fulfil all requirements of a Director (and higher) as listed in 6.1 above. Written claim for the Membership must be made within 3 months from the date of the death. In the absence of any such claims, the Membership will be terminated.
- 6.4. A Director (and higher level) must follow any additional rules or instructions communicated in writing by Oriflame from time to time.

7. COMPLAINT HANDLING PROCEDURE

Any complaint based on breaches of the Code of Ethics or Rules of Conduct shall be addressed to the local Oriflame sales organization and/ or the Managing Director of the Oriflame company operating in the country in question. The complaint handling body in each Oriflame market is led by the Managing Director (Oriflame Code Administrator) of the local Oriflame company.

Appendix 1

Communication Guidance

WHEN APPROACHING A CUSTOMER/ POTENTIAL ORIFLAME MEMBER DO:

- **DO:** Identify yourself and Oriflame
- **DO** explain the purpose of your solicitation and type of products Oriflame has
- **DO:** Try to answer any and all questions in a fair, truthful and understandable way
- **DO:** Only make claims about the products that are authorized by Oriflame. Refer your contact to the Oriflame website where she can read more about the products and the claims; specifically, draw her attention to the Oriflame complaint handling procedures
- **DO:** Respect the privacy and other personal restraints the person may be under (e.g. time, place, physical condition)
- **DO:** Stop any explanation (and leave) if asked to do so
- **DO:** only collect and/or store personal data of customers or potential customers when it is required and ensure you handle and protect that personal data in accordance with local laws on privacy and personal data protection
- **DO:** Whenever you are selling Oriflame products
- inform the customer about the correct price of the products, terms of payment and delivery date
- give your customer a written order form at the time of sale
- inform the customer about the right to return and get a refund for products delivered which are re-sellable as new

- Oriflame's product guarantees, after-sales service and complaint handling procedures.

- DO: when presenting to potential Brand Partners:
 - Inform them that actual earnings and sales will vary from person to person and will depend upon the skills of the seller, the time and effort put in and other factors; and

Provide them with sufficient information at the time of sale:

- Name, Address, registration number or enrollment numbers, identity proof and telephone number of the direct seller and details to enable a reasonable evaluation of direct selling entity;
- A description of the goods or services to be supplied;
- Explain to the customer about the goods and replacement procedure in case of defect;
- The order, date, delivery date, the total amount to be paid by the consumer along with the bill and receipt;
- Time and place for inspection of the sample and delivery of goods;
- Information of his/her rights to cancel the order and/or opportunity to return the product in saleable condition and avail full refund on sums paid/ income paid;
- Details regarding the complaint's redressal mechanism

Always feel free to remind your contact about the fact that Oriflame is a reputable direct selling company that focuses on the development of innovative products in a sustainable way. Oriflame offers quality products and the ability to build a business. The business opportunity provides an independent, fun and flexible way of improving one's financial position while enhancing one's abilities and self-esteem.

**WHEN APPROACHING A CUSTOMER/
POTENTIAL ORIFLAME MEMBER DO NOT:**

- **DO NOT:** Push the customer to buy or join – it is OK if they don't; they may still come back to you if you have made an impression of professionalism and have treated them fairly
- **DO NOT:** Overstate the product features – fairly and honestly present your experience using a product; always refer to the product leaflet or another information provided by the company
- **DO NOT:** Overstate any facts about:
 - the use, features and characteristics of the Oriflame products
 - the income opportunity Oriflame offers (in terms of e.g. time and easiness to reach levels, expected amounts earned at each level and generally the easiness and likelihood of being successful – remember, it all depends on the time and effort one is willing to put in and individuals personal skills;
 - your own success and experience with Oriflame or use someone else's statement of success which is not true or which is misleading
- **DO NOT:** Lie, be aggressive, intrusive or disrespectful
- **DO NOT:** Hesitate to tell your contact if you do not have, or are not sure about the answer to her question and contact the Oriflame Sales Support to clarify the question; then return to her with a correct answer
- **DO NOT:** Use improperly or without the required authorization the personal data of customers, other Oriflame Brand Partners and or potential Oriflame members;

- **DO NOT:** use comparisons with other companies which are not based on facts that cannot be verified
 - **DO NOT:** unfairly damage the reputation of another company or systematically entice or solicit the sales force of another company
 - **DO NOT:** induce a person to purchase goods based on a statement the person can reduce or recover the purchase price by referring other customers to you for similar purchases

Appendix

Brand Partner Online Policy

BACKGROUND

This policy serves to clarify how Oriflame Brand Partners can shape their presence on the Internet without interfering with Oriflame's brand building activities or breaching copyright related laws, rules and agreements.

1. GENERAL

Oriflame offers its Brand Partners the possibility to set up Brand Partner Personal Homepages (PHP) as well as various other centrally provided tools to sell and promote the Oriflame products and business opportunity on the Internet.

These applications are today the only approved digital tools where the Brand Partners can offer products for sale as well as displaying images and logotypes for which Oriflame is the rights owner.

Brand Partners are also allowed to host websites on which they communicate around Oriflame, its products and opportunity as long as it is clearly stated that these are not official Oriflame sites. At all times it must be transparent who is behind the site and relevant contact details must be visible.

The Brand Partner should communicate in her own words and may only quote Oriflame texts by clearly referring to the source.

A Brand Partner may not build e-commerce sites on which Oriflame products are sold or otherwise conduct e-commerce outside of the approved Oriflame applications.

The Brand Partner should abide by the Brand Partners Digital Guidelines Handbook at all times for conducting business. The Brand Partners Digital Guidelines Handbook shall be used as a guideline by Brand Partners for growing their Oriflame business online. Failure to comply with the same shall have such consequences as provided in the said guideline's handbook and the Brand Partner Agreement.

2. DOMAIN NAME

Brand Partners may not register domain names containing the word “oriflame”. The Brand Partner shall not register a social media page with name and picture that can mislead the consumer to believe that the page is an official Oriflame page/group.:

- A social media (e.g. Facebook, VKontakte) group name and picture shall clearly state that it is operated by an individual, e.g. “Anna’s Oriflame Team” with Anna’s own image.
- A social media page, group name shall not be named e.g. “Oriflame Casablanca” with an official Oriflame image e.g. Oriflame logo, Oriflame images.

3. **DISCLAIMER**

Brand Partners that host websites of their own and mention that they are part of Oriflame must make sure to clearly publish information that they are either

- a) Independent Sales Brand Partners for Oriflame
- b) Independent Oriflame Brand Partners, or
- c) Independent Oriflame Beauty Brand Partners

This information must be published clearly on the start page as well as under a disclaimer that is visible on all pages of the website. Name and contact information should be available on the website or in the account information for a social media page.

If a Brand Partner has a private website without Oriflame affiliation this policy is of course void.

4. **CONTENT & REFERENCES TO ORIFLAME**

No content is to be copied from the official Oriflame website and published under the Brand Partner’s own name. If a Brand Partner links official Oriflame content to his/her own site from an Oriflame-owned domain this must be clearly stated.

5. **IMAGES**

A Brand Partner may not take still or moving image material from an official Oriflame site and publish on his or her own site. All image material is copyright protected, and Oriflame has acquired the rights to use it. These rights are not extended to Brand Partners.

- Moving images; videos etc: May be used through sharing function if and when available. The sharing function provides automatic reference to the source site.
- Images of models or persons: May be used through sharing function if and when available. The sharing function provides automatic reference to the source site.
- Images of Oriflame products: May be used with or without sharing function as long as the source site is mentioned in a visible and unambiguous way (for example: “source: www.oriflame.com 2012”).

Any claims from a 3rd party that may be addressed to Oriflame will be transferred to the Brand Partner.

6. **THE ORIFLAME LOGO**

The Oriflame logo may be used in the formats that can be found on official Oriflame websites. The logo may not be altered or animated and can only be used as page header or footer, as well as in email signatures in its original format.

7. **SOCIAL MEDIA SHARING**

Oriflame encourages presence on blogs, social networking sites and similar. Brand Partners are encouraged to blog and leave comments about Oriflame products where they deem it appropriate, but must adhere to the Code of Ethics’ section 1.3 above re product claims. To as large an extent as possible we recommend that the Brand Partner uses the sharing functions provided by Oriflame in order to secure correct display and source information.

8. SEARCH ENGINE MARKETING

Brand Partners may conduct search engine marketing, such as Google Adwords, if the Oriflame rules of online presence are followed. In addition;

- The ad must clearly indicate that it was created by an Independent Brand Partner
- The heading should not give an impression that it is an official or in any way endorsed ad by Oriflame, and;
- It is prohibited to use “Oriflame” as a keyword.

Please take into consideration that each buyer of e.g. Adwords is responsible for any infringement against any other brand owner.