

ENAGİC TR DIŞ TİCARET Ltd. Şti.

Istanbul/Türkiye

DISTRIBUTOR AGREEMENT

FEBRUARY 2025



ENAGİC TR DIŞ TİCARET Ltd. Şti. Kültür Mh. Körkadı Sk. Güzel Konutlar Sitesi C Blok No: 1/FA Istanbul/Türkiye Phone: +90 (212) 279 35 75

This Agreement has been entered into by **ENAGIC TR DIŞ TİCARET Ltd.** Şti. having its office located at the address of Kültür Mah. Körkadı Sok. Güzel Konutlar Sitesi C Blok 1/FABeşiktaş/Istanbul, whose trade registration number is 424951- 5, (shall hereinafter be referred to as "<u>ENAGIC</u>") on one hand

" <u>Distributor</u> "		
Male Female	Distributor Number (to be filled in by ENAGIC):	
Distributor's Last Name: _	Phone.:	
Name:	Mobile:	
Date of Birth: /	_/ E-mail Address:	
Date of Registration:	stributor* is a company registered with the Trade Registry: / Trade Registry Office:	
on the other.		
*The Company Owner me	st be the same person as the Distributor.	
I have read this entire agre	ement and agree to the supplementary provisions, including the earnings plan and	th

I have read this entire agreement and agree to the supplementary provisions, including the earnings plan and the Regulations and Procedures. These supplementary provisions are an integral part of the agreement. <u>I agree not</u> to make any medical, therapeutic and curative or similar claims about ENAGIC products.

I hereby give my consent and permission for my photograph to be used on the ENAGIC Website and other ENAGIC publications.

This agreement must first be accepted by ENAGIC, and the agreement shall enter into force on the date of exchange of the Distributor Identification (ID) number.

ENAGİC TR DIŞ TİCARET Ltd. Şti.

Distributor _____

Istanbul, ____

(Date)

(Place)

(Date)

1. THE BASIS OF CO-OPERATION

1.1. ENAGIC TR DIŞ TİCARET Ltd. Şti. (ENAGIC) offers its customers health and lifestyle products in the field of water filtration and purification through direct sales. The product range has been updated over the years and adapted to the current needs of the market.

The ENAGIC dealership system is operated through independent sales representatives (Distributors) promoting and selling ENAGIC products to their personal contacts. This system is based on a Multi-Level or Network Marketing system established on the basis of the ENAGIC Earnings Plan, which organizes the duties of Distributors according to their functional position in the organization. Furthermore, this Plan regulates the performance criteria that a Distributor must meet in order to achieve individual functional positions and the earnings paid for the successful fulfilment of each contractual duty.

1.2. The Distributor and ENAGIC shall cooperate during the implementation and operation of the ENAGIC system and shall work together to maintain its integrity. In this context, the Distributor shall fulfil its duties both as an independent sales representative and as a business partner who strictly observes the requirements of the ENAGIC sales system, the Earnings Plan and the individual instructions issued by the company.

ENAGIC shall regularly update all necessary information about the products and ensure that these documents are always accessible to the Distributor.

1.3. A Distributor shall have the freedom to choose its Sales Area to conduct its business operations as long as it officially promotes ENAGIC products to this country. A full list of approved countries shall be provided by ENAGIC upon request.

2. APPOINTMENT, DUTIES AND STATUS OF THE DISTRIBUTOR

2.1. <u>APPOINTMENT</u>

Upon sponsorship by another Distributor and acceptance of the application by ENAGIC management, the new Distributor shall be accepted into the ENAGIC sales organization. Then, the Identity (ID) number, which will be used as a reference for any transaction within the company, shall be notified in writing. No application fee shall be required to become a Distributor. Once the application is approved, the new Distributor may receive a start-up kit from its sponsor containing forms, information leaflets and other materials needed to develop its business. This starter kit is sold by ENAGIC at a reasonable price.

2.2. <u>DUTIES</u>

a. SALES OPERATIONS: The Distributor sells the products in the ENAGIC product range to customers as an **independent commercial agent** on behalf of ENAGIC. Products can only be purchased directly from ENAGIC and are sold and distributed without any change in design, appearance, names, sales prices, payment terms, warranty and terms of use, etc.

The Distributor may not offer discounts or any other concessions. Any discount offered by a Distributor may constitute grounds for termination.

b. WORKPLACE RESTRUCTURING: <u>As an independent commercial agent</u>, the Distributor shall contribute to the development of the ENAGIC sales organization by recruiting new Distributors and by informing, guiding and motivating all Distributors belonging to the 'Line of Responsibility'.

2.3. STATUS + STATUS OBLIGATIONS

As a self-employed commercial agent, the Distributor must also comply with the legal regulations on taxation of self-employment earnings in direct sales.

The Distributor shall be responsible for the fulfilment of its business obligations, in particular for the payment of taxes and the provision of (public or private) insurance coverage in the event of accidents, illness, retirement or inability to work due to illness. In case the Distributor fails to fulfil its tax payment obligation or any similar legal obligation, it shall be individually responsible in criminal and civil terms.

2.4. CONDUCT TOWARDS CUSTOMERS

Distributors agree to avoid making misleading claims about products and the purpose of communication and to maintain a limited and respectful communication with the customer by understanding the customer's needs, focusing on meeting the customer's demand and selling the product. Distributors shall identify themselves only as an ENAGIC distributor by name.

3. ADVERTISING, SALES PROMOTION AND INTERNET ACTIVITIES

3.1. Within the framework of its contractual activities, the Distributor shall identify itself by the title 'Self-Employed ENAGIC Distributor' and, if appropriate, shall add the title of the functional position it has reached. Other uses of the company name, products and ENAGIC trademark are prohibited except for the purposes of advertising and promotional activities approved by ENAGIC.

3.2. While carrying out sales activities and structuring work, the Distributor shall only make statements regarding ENAGIC products and the ENAGIC sales system that are consistent with the statements in the official ENAGIC advertising and promotional materials.

3.3. Distributors can create their own advertising websites using only ENAGIC Web Systems or one of the OnLead products officially recognized by ENAGIC, and these sites offer the possibility to choose a template that can be customized with their own messages and contact details. These websites provide a direct link to the Company website, thus providing the distributor with a professional and Company-approved internet presence. Only these pre-approved websites can be used by distributors. Distributors are not permitted to design an independent website containing the Company's name, logos and product and service descriptions, or to use 'blind' advertisements containing product or income claims associated with Company products, services and earnings plan. Persons who violate the above-mentioned rules shall be subject to disciplinary action, including termination of Distributor status. In addition, the Distributor's website domain name must not contain the word 'ENAGIC'.

3.4. Only ENAGIC shall be authorized to sell and distribute official brochures, leaflets and promotional materials (printed, electronic or otherwise) containing information about ENAGIC, ENAGIC products and ENAGIC sales system to <u>final customers</u>. The Distributor may produce its own advertising and broadcasting materials (printed, TV, radio, etc.), but these materials must comply with the official samples provided by ENAGIC and must have written authorization from the company.

The Distributor must not provide its own ENAGIC activities on the Internet other than those provided through ENAGIC Web Systems. (See Article 3.3.)

3.5. The Distributor must notify ENAGIC Management in advance of the place, time and content of promotional activities and events for the general public. ENAGIC shall be entitled to change or even cancel events if necessary in the best interests of the company, the ENAGIC sales organization and its members.

3.6. Distributors may not make references and comments about ENAGIC, its product range and sales system in printed and electronic media without written authorization from ENAGIC.

3.7. No claims can be made about the healing or therapeutic properties of the products. In particular, no distributor may claim that the Company's products are designed to diagnose, treat, cure or prevent any disease. Such statements are considered medical claims. ENAGIC has listed below the specific applications set forth in the policy on the prohibition of medical, therapeutic or curative claims, which include, without limitation:

1) Prohibition of medical, curative or therapeutic claims, whether expressed or implied;

2) Prohibition of the use of marketing and promotional materials that describe the ability of Kangen Waterm to alleviate, cure, diagnose, prevent, relieve or treat any medical condition, disease or ailment.

3) Any breach of these rules shall result in the imposition of disciplinary penalties, administrative fines, suspension of commission and/or termination of distributor status.

4. NON-COMPETITION

4.1. The Distributor shall be authorized to sell other goods, products and services that do not compete with the ENAGIC product range. However, it is prohibited to offer or advertise these products together with the ENAGIC product range. Furthermore, the Distributor must inform ENAGIC Management in writing about additional sales activities.

4.2. In order to protect the ENAGIC sales organization, the Distributor shall be prohibited from abusing the company and persuading any downline member to sell other products and services other than or in addition to ENAGIC products. This also applies to other products that do not compete with ENAGIC. This competition ban shall also include the geographical borders of the Marmara Region, one of the geographical regions of Turkey where ENAGIC's headquarters is located.

4.3. The Distributor shall be obliged to maintain the confidentiality of all information about ENAGIC, its members, product range and sales system during and after the service period, unless such information has been made public. This also includes data and other facts about ENAGIC members that do not belong to the Distributor's line of responsibility (downline).

Furthermore, the Distributor shall use the aforementioned information only for the purposes of ENAGIC.

5. INCOME, EARNINGS

5.1. According to the ENAGIC Earnings Plan, a Distributor shall receive commissions and earnings from the commercial supply and installation business based on the calculation of the sales results of its members in the Line of Responsibility. The Distributor must check the submitted offers, calculations, payments and inform ENAGIC immediately in case of any possible objection.

If any member of the Distributor's Liability Line returns any product within the return period, ENAGIC shall deduct from the Distributor's bank account any commissions and payments received based on the sale of the relevant product. This shall also apply in the event of a warranty claim being made within the statutory warranty claim handling period.

6. CANCELLATION OF RETAIL CUSTOMERS' ORDERS

The Customer shall be entitled to withdraw from the Agreement within fourteen days. Exceptions to this right shall include products that have been unpacked or used. ENAGIC products are included among the products for which the right of withdrawal cannot be used once their packaging is opened due to hygiene conditions. If a customer returns a product to its Distributor in accordance with the instructions related to the right of return, ENAGIC shall authorize the Distributor to return the product to the company. However, the Distributor must ensure that the customer strictly follows the return procedures and instructions. The Distributor shall be obliged to check whether the product has been used or not. ENAGIC cannot be obliged to accept the return of any product that does not comply with these requirements or that is not returned in due time.

7. TERMS AND TERMINATION OF THE AGREEMENT

7.1. This Agreement shall be effective for an indefinite period unless revoked by the parties.

7.2. Either party to the Agreement shall be entitled to terminate the Agreement by the end of the current month upon 14 days' prior notice.

7.3. Furthermore, either party to the agreement shall be entitled to terminate this Agreement on the grounds of serious causes which make it impossible for the other party to continue to perform this Agreement until the expiry of the standard notice period.

It shall not be obligatory to send a warning prior to termination where the relevant breach and its consequences cannot be remedied or where the nature and amount of the impending damage require immediate termination of the contractual relationship.

7.4. After the termination of the agreement, the Distributor shall be required to observe a waiting period of six (6) months in order to restart the ENAGIC distributorship.

7.5. The Distributor's request to return its inventory in full (in case of shipment) shall be deemed by ENAGIC as termination of the Agreement. This shall not apply if the inventory is being returned based on warranty claims.

8. TRANSFER OF THE CONTRACTUAL POSITION, DEATH OF THE DISTRIBUTOR, CHANGE OF THE LINE OF RESPONSIBILITY

8.1. ENAGIC may at any time transfer its contractual obligations (subject to this Agreement and by assuming the existing rights and duties in full) to a successor company that continues to operate in the same field of activity. In the event that the Distributor does not accept such transfer and notifies ENAGIC immediately thereof, the Agreement shall be terminated on the day following such notification.

8.2. On the other hand, the Distributor shall be entitled to assign its contractual obligations only upon written authorization by ENAGIC. Such approval shall only be granted where ENAGIC is satisfied that the person assuming the obligation is able to fulfil the duties and obligations performed as required under the functional position of the current Distributor. In addition, the newly-appointed Distributor must be willing to complete appropriate training if requested by ENAGIC.

8.3. The duties and obligations of an ENAGIC Distributor are individually defined and can therefore only be fulfilled on an individual basis. This shall mean that the agreement shall be terminated upon the death of the Distributor. Exceptions may be accepted by ENAGIC in cases where the conditions of Article 8.2. are met and the new Distributor is able to present a certificate of succession and refrains from claiming compensation from the company. If this is not accepted by ENAGIC, the agreement shall terminate automatically.

8.4. ENAGIC does not permit Cross Sponsorship. This means that the Distributor will not be allowed to change its original Sponsor (as written on the application form) and its line of responsibility.

9. OBLIGATION OF CONFIDENTIALITY AND PROTECTION OF PERSONAL DATA

9.1. All kinds of information relating to ENAGIC, its employees or customers, which have been submitted to the Distributor in written/verbal, electronic and similar media or acquired by the Distributor due to the performance of the Agreement, shall be considered as "confidential information". This information shall not be transferred or disclosed by the Distributor or its employees to third parties and institutions for any purpose whatsoever, or access by third parties to such information and documents shall be strictly prevented.

9.2. The Distributor declares that they are aware of the fact that they are prohibited by the Banking Law from disclosing the secrets of ENAGIC and its customers to any party other than persons and organizations expressly authorized by law, and that third persons who disclose the secrets of ENAGIC and its customers will also be subject to punishment as perpetrators of this offence.

9.3. The Distributor hereby agrees, declares and undertakes that even if the agreement is terminated for any reason, it will be obliged not to disclose the secrets, information and documents belonging to ENAGIC and its customers to third parties and to return all kinds of information and documents in its possession and to destroy them in case it is not possible to return them.

9.4. The Distributor agrees and undertakes that it will take the necessary measures to keep ENAGIC's software applications, designs, concepts, techniques, processes, methods, systems, mask works, formulas, experimental works, works under development, source codes of software, installation and software development information strictly confidential unless not required otherwise by mandatory notifications served pursuant to the applicable legislation and laws.

9.5. The Distributor agrees, declares and undertakes that all of the personal data acquired under the Agreement are confidential, that it will not use them for purposes other than those specified in the Agreement, that it will not disclose them to third parties without the written permission of ENAGIC unless required by law, and that it will immediately delete, destroy or anonymize the personal data upon the elimination of the grounds requiring the processing of personal data.

9.6. Personal data shall be retained, recorded and updated in accordance with the Law on the Protection of Personal Data (LPPD), and shall be disclosed/transferred to third parties, classified and processed in the manners listed in the LPPD to the extent permitted by the legislation. The Distributor agrees, declares and undertakes that it has informed the data subjects regarding their rights under the LPPD and the processing and transfer of their personal data in a demonstrable manner, that it has obtained and retained the explicit consent of the data subjects regarding the procedures that do not fall within the scope of the exceptions specified in the LPPD, that it will immediately submit to ENAGIC all kinds of documents, including but not limited to relevant forms, images, and computer records, if requested by ENAGIC, that it has obtained all necessary permissions in accordance with the provisions of the LPPD and other laws for the disclosure of personal data to ENAGIC, and that the data exchange between the Distributor and ENAGIC is carried out in accordance with the law.

9.7. The Distributor agrees, declares and undertakes that it has fully complied with the provisions of the Law for the processing of personal data, that it has taken all necessary measures to prevent unlawful processing of, and unlawful access to, personal data, and to ensure their protection, and that the information systems hosting personal data are protected against unlawful access.

9.8. The Distributor agrees, declares and undertakes that if it fails to comply with the above-mentioned obligations, it will pay the damages to be incurred by ENAGIC therefor in cash and all at once, without the need for a decision of an institution.

9.9. Breach of the obligations specified herein shall constitute grounds for unilateral termination by ENAGIC without compensation.

9.10. The Distributor's obligations set forth in this article are of a permanent nature and shall survive indefinitely upon termination of the relationship with ENAGIC.

10. WARRANTY CLAIMS OF DISTRIBUTORS

ENAGIC guarantees the best quality for its products. If the Distributor receives a defective product, ENAGIC undertakes to replace, repair or refund such product within 30 days. A defective or faulty product is a product that does not conform to the sample or model agreed upon by the parties or that does not have the specifications that it should objectively have, and thus which is in violation of the agreement at the time of delivery to the consumer. The 30-day period shall start from the moment the Distributor informs ENAGIC in writing about the condition of its product and upon receipt of the return number and dispatch order from the company.

11. LIMITATIONS TO CLAIMS:

11.1. All claims under this contractual relationship, which particularly include warranty claims, are limited to a period of one year starting from the initiation of the claim process.

11.2. Legal provisions stipulating a mandatory extended time limit shall not have any impact on such period, and the warranty period shall be limited to a period of 1 year.

12. DATA PROTECTION

The Distributor agrees that ENAGIC will retain and process its personal data and all data related to the cooperation electronically and in other ways. The Parties have also agreed that ENAGIC will make such data available to other members of the ENAGIC sales organization within Turkey or abroad and to member companies of the international ENAGIC group, regardless of whether they are located within Turkey or abroad, if necessary for the cooperation process and the national and international implementation of the ENAGIC sales system.

13. AMENDMENTS TO THE AGREEMENT

13.1. If ENAGIC deems it necessary to modify any part of the agreement or the ENAGIC Earnings Plan for the mutual benefit of both parties, the Distributor shall be immediately notified through the communication means used by the company and Distributors. The Distributor shall be informed of the effective date of such amendment. If no written objection is received or no date is notified to the Distributor, the changes shall be effective automatically after one month. If the parties fail to reach a mutual agreement, the agreement shall be terminated as soon as possible. In order for each amendment to be considered effective, it must be documented in writing through one of the written means of mutual communication, even if it is done by e-mail, website, etc.

14. FINAL PROVISIONS

14.1. Both parties declare that no other contractual arrangements exist other than those set out in this Agreement.

14.2. If any of the articles set out in this Agreement is or becomes invalid or ineffective, this shall not affect the enforceability of the remaining provisions of this Agreement. However, both parties shall be obliged to cooperate without delay to agree on another article to replace the invalid and ineffective article serving the same purpose to the extent possible.

14.3. The parties hereby irrevocably agree, declare and undertake that all kinds of notifications served to the addresses specified in this agreement will be deemed to have been validly served, that any change of address must be notified to the other party in writing within 7 days of the change, and that otherwise, the notifications to be made to the address in the agreement shall have all consequences of a validly served notification.

14.4. Turkish law shall apply to the resolution of all kinds of disputes arising herefrom between the Parties, and Istanbul (Çağlayan) Courts and Execution Offices shall have jurisdiction to resolve the same.

14.5. This Agreement, consisting of 14 articles and 9 pages, has been issued and signed in two copies on based on the free and independent will of the parties.

DISTRIBUTOR

Annexes: ID Photocopies, companies' lists of authorized signatures, power of attorney