

General Terms of Contract

A. Objective of the contract and status of the authorised dealer

1. This contract regulates the collaboration between the Authorised Dealer (hereinafter referred to as AD) and smovey GmbH (hereinafter referred to as Firm) in the areas:

- a. Sales of all products of smovey GmbH to end consumers in direct selling.
- b. Participation in the setting up and supervision of a sales team that serves the sale of smovey products indirect selling.

2. The AD is an independent distribution partner of the Firm.

He acts exclusively for his own entrepreneurial and business purposes. He is not entitled to act in the name of the Firm or to enter into commitments for the Firm. The AD must register his business independently and deal with his social security commitments.

3. "Contractual partner" can only be a person (a natural person) or a so-called legal person (i.e. an aggregate corporation or mass of assets explicitly with legal personality by way of the legal system of the respective state: e.g.. OG, KG, GmbH, AG, cooperative society, foundation etc.).

B. Conclusion of the contract

The contract is concluded when the AD has sent this application to the Firm by post and paid the license fee and when the Firm has confirmed the acceptance of the application by post or e-mail at its own discretion and after examination of the prerequisites defined below. smovey will provide the AD with the necessary documents online, such as the digital smoveyMANUAL and the remuneration plan. Minimum contractual prerequisites:

- a. The AD has reached the age of 18 and is legally competent.
- b. The application form has been filled in completely and does not contain any amendments, additions or deletions.
- c. There are no grounds in the person of the AD, which contradict the commercial interests of smovey. In particular, the AD is not already a sales representative in a comparable direct selling company.
- d. The AD has paid the smoveyLICENSE FEE of € 82,50 (excl. Vat). Consequently the AD is in principle entitled to make use of the sales support of the Firm and will receive support in the administration of end customers. The licence fee will be repaid if the application is not accepted by the Firm. A license fee of € 99 will be charged at the beginning of each calendar year. If the AD application is registered after the 30. September, a license fee will not be charged for the following year. If the license fee is not paid, this could lead to the instant termination of the contract by smovey GmbH after stipulation of a deadline of 14 days under the penalty of cancellation of the contract.
- e. Every person is allowed to have himself/herself registered as a licensed partner only once – double registrations e.g. as a legal person or as an additional natural persons are inadmissible.

C. Scope of activity team work

Besides his activities as an authorised dealer, the AD must also undertake team tasks. The tasks of the AD comprise the sustainable promotion of the sales of the AD, which belong to his group, as well as the sales of the AD, which belong to his distribution bases, which are developed from his group; furthermore, the sustainable promotion and supervision of the authorised dealers, which are developed in the distribution bases of the AD and belong to the so-called lines of responsibility.

D. Contractual remuneration

The payment of the AD will be as specified in the relevant, valid remuneration plan.

E. Confidentiality and competitive behaviour

1. Confidentiality

During and following the termination of the contractual relationship, the AD shall not disclose any internal data or information concerning smovey GmbH, which he has acquired in the scope of his AD activities to third parties, neither directly nor indirectly use for purposes that are not involved with the commercial activities of the Firm. These business and operational secrets of the Firm are especially the names and addresses of smovey authorised dealers and customers.

2. Competitive behaviour

The AD is permitted to sell other goods if these do not compete with products in the smoveyRANGE. However, these offers may not be presented or promoted together with goods of the smoveyRANGE and/or in the framework of the same smovey GmbH sales event and/or other advertising campaigns. The joint offer of goods for retail sale (smoveyPARK, hotels, therapy centres, etc...) is excluded from this specification. The active solicitation of smoveyLICENSEPARTNERS is

prohibited for the AD both during and after the term of this contract. In general, it is not allowed for members of the smoveySALESORGANISATION to promote or market goods or services from competitors besides or instead of their cooperation with smovey GmbH. It is prohibited for the AD to engage in the pursuit of non-commercial objectives with e.g. religious, political or ideological content in the framework of the smovey ACTIVITY.

F. Termination of the cooperation

1. This agreement may be terminated on adherence to a notification period of one month to the end of the relevant month furnished in written form by the AD (also per e-mail).
2. The right to extraordinary and immediate termination in the event of an important reason shall remain unaffected. An important reason is for example, the violation of the confidentiality and competitive regulation of this contract.
3. The termination requires the written form.
4. The contract shall end without the requirement for a separate declaration of intent if:
 - the AD has not paid the license fee, or has not paid it in good time.
 - in event of death of the AD.
5. If the authorised dealer, for whatever reason, should decide not to pay the license fee any longer, or to terminate the license agreement, all acquired training achievements in accordance with the smoveyACADEMY, as well as the entire team/ distribution network (downline, if available), from which commission has been obtained until now shall expire/lapse. The entire distribution structure (downline, if available) will be assigned to the previously overriding sponsor (upline), unless the Firm issues the written approval to bequeath or transfer the sales organisation to a third party. A new smoveyLICENSE can be purchased only after six months from the date of termination.
6. In event of termination of contract in accordance with provision G. "Return of goods", the Firm will take back unsold goods in the scope of the regulation defined in provision F/1.

G. Return of goods

In event of termination of the contractual relationship, the Firm will take back all products intended for sale to end buyers which the AD has acquired from the Firm in the exercising of the contractual obligations during the last 30 days prior to the termination of the contract, in as far as they are in a saleable condition (i.e. free from any impairment such as traces of usage). In return, the Firm will reimburse the respective purchase price to the AD after deduction of the following costs:

- amounts that are still owed by the AD by the return date,
- a processing fee amounting to 10%

H. General

1. The company shall reserve the right to change fees, selling prices for products and advertising material as well as regulations in the smoveyManual and in the remuneration plan if economic circumstances should deem such measures necessary in the common interest of preservation of the existence of the business in the view of the Firma. The Firm will communicate this to the AD on adherence to a period of notice of one month.
2. If one provision of this contract should be or should become ineffective, this shall not affect the effectiveness of the remaining provisions of the contract.
3. A valid smovey LICENSE may only be transferred / bequeathed once to an explicitly defined person by the official licensed partner. This is undertaken by means of the contract form „smoveyLICENSE-Transfer“ and can be requested from smovey GmbH.
4. In case of erroneous or illegible information and the resulting costs (e.g. payment reversals), a processing fee of € 10 will be invoiced.

I. Data protection

The correct handling of data is a major concern for smovey. The AD shall agree that his personal data as well as all the data pertaining to the contractual cooperation are stored and processed electronically in as far as this is of importance for the fulfilment of contract. Data from other companies in the smovey group at home and abroad will be provided to the same extent, especially if these are of relevance for the fulfilment of tasks resulting from the remuneration plan (e.g. calculation of commission and / analysis). In the event of termination of a contractual relationship, customer / and authorised dealer data will be deleted after the expiry of the clearing phase (12 months) if the data does not fall within the legal obligation to retain data.