#### § 1 Glossary

- 1. All terms written in these Rules with capital letters shall have the same meaning and sense as ascribed to them in current FM World Club Rules, Marketing Plan, Rules hereto unless these Rules provide otherwise.
- 2. The terms used in Rules hereto have the following meaning:
  - Dega Soft Dega Soft spółka z ograniczoną odpowiedzialnością (limited liability company) having its registered office in Wrocław (Poland) (postal code: 51-129), ul. Żmigrodzka 247, entered into the register of businesses of the National Court Register maintained by the District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Department of the National Court Register, under KRS number: 0000517456, tax ID (NIP) :8952033399, with the company's share capital in the amount of 5.000,00 złotych;
  - 2) FM POLSKA FM GROUP POLSKA spółka z ograniczoną odpowiedzialnością (limited liability company) having its registered office in Wrocław (Poland) (postal code: 51-129), ul. Żmigrodzka 247, entered into the register of businesses of the National Court Register maintained by the District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Department of the National Court Register, under KRS number: 0000763677, tax ID (NIP): 8952199148, with the company's share capital in the amount of 70.000,00 złotych;
  - 3) FM World FM WORLD spółka z ograniczoną odpowiedzialnością (limited liability company) with the registered seat in Wrocław, Poland, at 247 Żmigrodzka street, 51-129 Wrocław incorporated in the National Court Register of Entrepreneurs run for District Court for Wrocław-Fabryczna in Wrocław, 6th Economic Division of the National Court Register under number KRS: 0000411446, TIN: 8952010760, identification number REGON: 021825974, Share capital: 182.900, 00 PLN
  - FM WORLD Branch, Branch FM WORLD UK and any other entity than FM WORLD UK that runs a business activity which involves direct sales of FM WORLD Products in the MLM system and the provision of services jointly with a franchise agreement concluded with FM WORLD;
  - 5) Business Partner, Distributor a natural person, a legal person, an organisational unit without legal personality having legal capacity under separate regulations, which has concluded with FM WORLD DISTRIBUTION or the Branch and FM WORLD CLUB membership agreement (Agreement, Distribution Agreement);
  - 6) **Rules** these Rules
  - Sales Network a homogenous international direct Sales Network, based on multi-level marketing (MLM) of FM WORLD Products, organized by FM World by using participating in the FM WORLD Sales Network Business Partners;
  - 8) **Website** a website constituting a form of use of the FM World Trademark allowed by the FM World Club Rules in the scope of the website, the template of which is made available to the Business Partner, provided that this product is purchased from the Branch, as well as learning the content of the Rules, accepting the provisions of the Rules and concluding an Agreement
  - 9) **Agreement** a contract concluded between the Business Partner and FM Polska or Branch regulating the mutual obligations of the parties in connection with obtaining the right to use and using of the Website.

## § 2

## **General Provisions**

- 1. The Rules specify the general conditions for acquiring and using the Website by a Business Partner.
- 2. The Website constitutes the website, including the FM World Trademarks, which the Business Partner is authorised to use under the Agreement. The Website constitutes his or her business card and is the only officially admissible form of direct advertising by the Business Partner in a manner which complies with the principles of the Sales Network.
- 3. The condition of using the Website is the prior acquisition of the Website from the Branch, which is available in the online store of the Branch with which the Business Partner has concluded the Partnership Agreement. The rules and manner of purchasing a Website from a Branch are governed by separate provisions of relevant rules or agreements available directly from the Branches.
- 4. The Agreement provides conditions for the Business Partner to use the FM World Trademarks. The use of FM WORLD Trademarks by the Business Partner without legal authorisation, in particular the prior written Agreement, under the pain of nullity, is prohibited.
- 5. A Business Partner may use the Website only after learning the content of the Rules, undertaking to comply with the provisions of the Rules and concluding the Agreement.
- 6. The Website consists of a non-editable permanent part, which is the subject of copyright protection granted to FM World, and an editable part, which includes the tabs: "About me" and "Contact".
- 7. Editable elements of the Website entered by the Business Partner must not:
  - a. breach or infringe any rights of third parties,
  - b. contradict or infringe applicable law
  - c. be contrary to generally accepted moral or ethical standards, which includes but is not limited to content regarding

pornography, calling for racial, ethnical or religious violence, otherwise offensive, as well as promoting phonographic or computer piracy, disseminating data breaking techniques, viruses etc.

d. constitute materials which may result in acts of unfair competition or any other similar publications in theirs content or activities,

e. include misleading indications regarding the origin of the Website or elements related to the Business Partner's participation in the FM World Club subject to the Agreement and other separate agreements concluded by the Business Partner with the Branch,

f. be contrary to the assumptions of multi-level marketing, direct sales, Marketing Plan, FM Club Code of Ethics, FM Club Rules,

g. include advertisements, as well as links allowing access to other websites or other internet addresses or sources of information, with the exception of placing links to their own profiles on social networks or websites for use of which the Business Partner has a legal title, unless such websites could violate the provisions of the Rules including but not limited to paragraph hereto,

h. include information which are available on the FM WORLD website exclusively after logging in or other, addressed exclusively to Business Partners,

i. concern any information regarding products that occur in the market under a company other than FM WORLD.

- 8. Dega Soft performs supervision over the adequacy of the data processing and administration of the Website, based on a separate agreement existing between Dega Soft and the Branch.
- 9. The Business Partner by concluding Agreement undertakes to use the Website exclusively for the purpose of selling, distributing, advertising or promoting within the scope of FM WORLD Products or FM WORLD Services, and in the case of a Business Partner who has concluded a distribution agreement with FM POLSKA, it will apply as well to Telephony Products or Services, if he or she also concluded a separate agreement with the Operator, as a result of which points are awarded for the purchase of Telephony Products or Services.

#### § 3

#### Order and use of the Website

- 1. The Business Partner acquires the Website from the Branch, which is available in the online store of the Branch with which the Business Partner has concluded a Partnership Agreement. The rules and manner of purchasing a Website from a Branch are governed by separate provisions of relevant rules or agreements available directly from the Branches.
- The Branch or Dega Soft will provide the Business Partner with information on generating the Website within 3 business days from the date of purchase to the e-mail address indicated in the Agreement together with the login and password for logging in.
- 3. The Business Partner's login and password will be the standard login used by him or her to log into the online store and partner area on the website of the Branch with which the Business Partner has concluded a Partnership Agreement.
- 4. The Business Partner who concludes the Agreement is obliged to store the password to the Website in such a way which will prevent third parties from getting acquainted with it or gaining access to it.
- 5. The Business Partner may not disclose the password to his or her Website to third parties, unless Agreement explicitly regulates otherwise.
- 6. If an incorrect password is entered three times, the password will be blocked. To unlock the password for a subpage, the Business Partner should use the password unlocking function in the Back-Office FM World system.
- 7. In the event of losing the confidentiality of the password to the Website, the Business Partner shall immediately, but no later than within 24 hours from the moment of receiving the information, change the password to the Website.
- 8. FM World, the Branch or Dega Soft are not liable for:
  - a. use of hyperlinked pages by the Business Partner, including reliability, correctness, topicality, completeness, content and compliance with generally applicable law, as well as with generally accepted ethical and moral standards of data contained on pages accessible through links placed on the Business Partner's Website
  - b. materials published by the Business Partner in the editable part of the Website, including the correctness or reliability of the information contained therein, in particular relating to FM World Products, FM World Services and in the case of the Business Partner who has concluded a distribution agreement with FM POLSKA, it will apply accordingly to Products or Telephony Services, if he or she has concluded a separate agreement with the Operator, as a result of which points are awarded for the purchase of Telephony Products or Services,
  - c. statements, assurances, acts or negligence on the part of the Business Partner,
  - d. interruptions in the operation of personalised services and services arising for technical reasons (maintenance, inspection, replacement of equipment, etc.), as well as for reasons for which FM World, the Branch or Dega Soft are not liable for or are independent from them (force majeure, etc.) and for the damages which may arise as a result of it,
  - e. any damage to the Business Partner that may result from incorrect writing or reading of data,

- f. damages that may occur as a result of disclosing the password to the Website to unauthorised entities,
- g. data loss caused by a failure of the equipment, system or other circumstances for which FM World, Branch or Dega Soft are not liable for or are independent from them, such as recess at work, strikes, causes of force majeure.
- 9. By concluding an Agreement, the Business Partner is obliged to, in the event of causing damage to FM World, Branch or Dega Soft or a third party by his or her action or omission, contrary to the provisions of the Rules, Agreement or the provisions of generally applicable law, and related to the management of the editable part of the Website, release FM World the Branch, Dega Soft from responsibility, in particular by redressing the damage and covering all costs related to the enforcement by the aforementioned entities of their claims.

## § 4 Remuneration and rules of settlements

- 1. The provisions of payment for using the Website and FM World Trademarks result from the Agreement concluded with the Branch.
- 2. If the Business Partner shall conclude an Agreement in relation to his or her business activity or if the Business Partner who is a natural person purchases Products for his or her own use, provides advertising services of the Network and Products and does not conduct business activity in this respect, has concluded a mandatory contract with the Branch on the provision of advertising services, he or she will settle accounts with the Branch for using the Website on the basis of a VAT invoice issued by the Branch.
- 3. Payments for using the Website will be made in advance, for each year of using the Website.
- 4. The Branch shall be entitled to deprive a Business Partner of the right to use the Website in the event of breaching the provisions of the Rules or the Agreement and to withhold payments for using the Website made for particular year. Nevertheless, the Branch should summon Business Partner to refrain from breaching the provisions of the Rules or the Agreement within the specified time limit indicated in the content of the summons, not shorter than 7 days, along with the warning, that after an ineffective expiry of the aforementioned term, the Branch will be entitled to exercise the right under the first sentence of this section. The retention of payment made for a particular year should be without prejudice to the Branch's right to claim damages against the Business Partner in scope exceeding the payment made by the Business Partner for a particular year.

# § 5

## **Duration of the Agreement**

- 1. The Agreement for the use of the Website will be concluded for a period of 1 year, with effective moment of termination on the last day of the calendar month, which by its name corresponds to the name of the calendar month from the date of the Agreement's validity, with the right to automatically extend it for subsequent annual periods if neither of the Parties of Agreement shall not submit to the other party in writing, under pain of nullity, a notice of termination of the Agreement within 1 month before its termination, with effect at the end of the calendar month.
- 2. The automatic extension of the Agreement may be applied for a period not exceeding 2 years. After the expiry of such a two-year period, the Agreement shall expire without the need for any declaration by either of the Parties of Agreement in whatever form, and the continuation of the Agreement concluded between the parties requires the conclusion of another Agreement, whilst further use of the Website will not be possible.
- 3. The Branch is entitled to terminate the Agreement without notice in cases indicated in it and when the Business Partner:
  - a. breaches the provisions of the Agreement or the Rules and, despite the Branch's request to cease violations within a specified period of time, nevertheless not shorter than 3 days, does not cease them;
  - b. in the event of actual cessation of performance, the obligations arising from the Agreement or the Rules for a period longer than 7 days,
  - c. breaches the provisions of the current versions of FM WORLD Club Rules, the Code of Ethics of the FM WORLD Club, the Marketing Plan or other rules in force as part of the legal relationship between the Business Partner and the Branch, as well as in the event of violation of generally applicable law by the Business Partner.
- 4. Either of Parties of Agreement is entitled to terminate it for important reasons by handing one month written notice, under pain of nullity, with effect at the end of the calendar month.
- 5. The contract may provide other rights to terminate it or withdraw from it.
- 6. In the event of termination of the Agreement due to a notice handed by the Branch based on the provisions of the sections. 1-4, the Branch is not liable for loss of profits (*lucrum cessans*).
- 7. The Agreement will expire (without the need for any additional declaration of will in whatever form by the Branch or Business Partner) in case of:
  - a. termination or expiration of the Partnership agreement on the date of expiry of this agreement,
  - b. transfer-takeover (cession) of rights and obligations under the Partnership agreement, jointly with the FM World

Club Rules - on the day of assignment of rights and obligations arising from the Partnership agreement,

- c. occurrence of circumstances that prevent or seriously impede the performance of the provisions of the Rules or the Agreement by either Party, including in particular the event of suspension or cessation of running a business activity by the Business Partner, if the Business Partner concludes the Agreement in relation to the business activity conducted by the Business Partner or if the Business Partner who is a natural person, purchasing Products for his or her own use and providing advertising services for the Network and Products, not conducting business activity in this respect, who has concluded a commission contract with the Branch regarding the provision of advertising services - on the day of occurrence of such circumstances,
- d. withdrawal by the Business Partner consent for processing his or her personal data of by FM World or the Branch on the day of withdrawal of this consent.

### § 6

#### **Final Provisions**

- 1. In the event of temporary termination (suspension) by the Branch of the Partnership agreement concluded by the Business Partner under the provisions of the applicable FM WORLD Club Rules, the Agreement shall be automatically subject to temporary termination (suspension) for the period of temporary termination (suspension) of the indicated Partnership agreement, without the need to submit any additional declaration of will in this regard by the Branch.
- 2. The condition of concluding the Agreement is extending by Business Partner's consent for the procession of one's personal data by FM World or the Branch and transfer them to FM World and in case of concluding the Agreement with FM Polska, also to FM Mobile, as well as not to withdraw such consent for the effective period of time of Agreement. Withdrawal of consent for FM World, the Branch or FM Mobile for processing personal data of the Business Partner will result in expiration of Agreement in the day of revocation of consent to the processing of personal data. Extending consent to processing of personal data is completely voluntary, however, without such consent, the Branch will not be able to conclude an Agreement with a Business Partner.
- 3. The Business Partner concluding the Agreement acknowledges that as a result of using the Website, access to the information provided by him or her, including in particular his or her personal data disclosed by him her, will be made public on the Internet, to which the Business Partner agrees.
- 4. The Business Partner by concluding the Agreement will declare that he or she learned content of Rules and will undertake to comply with its stipulations.
- 5. The Rules form an integral part of the Agreement.
- 6. Within the scope unregulated in Agreement, mutual rights and obligations of Parties resulting from the conclusion of Agreement shall be regulated by Rules, unless the Agreement explicitly regulates otherwise. However, the Agreement may provide different conditions than those resulting from Rules.
- 7. The Branch or FM World may change the Rules, FM World Club Rules, Marketing Plan, Code of Ethics, as well as other documents regulating mutual relations between the Business Partner and the Branch for relevant reasons. Relevant reasons include but are not limited to adding a new Level, introduction of new Products to be sold within the Network, acquiring the rights to use a Trademark, necessity of changing the Discount and Remuneration calculating rules, necessity of adapting the provisions of the Rules to applicable legal regulations, necessity of regulating the principles of membership in FM WORLD Club that has not yet been covered by the Rules and which are subject of doubts or disputes as to their application to Business Partners, the introduction of new functional, organisational and technical solutions by FM World or the Branch, modification or change of the IT system used by the Branch to perform their obligations towards Business Partners.
- 8. Changes to Rules performed by the Branch shall be made by submitting the current content of the Rules to the Business Partner, as well as to the e-mail address indicated by Business Partner, for which the Business Partner agrees.
- 9. Within 14 days of receipt of the notification, the Business Partner will have the right to refuse consent to the proposed amendment of the Rules. The absence of a declaration made in the provided form in this period will be equivalent to the acceptance of the proposed amendment. Refusing to agree to the proposed amendment to the Rules submitted within this period will be tantamount to termination of the Agreement.
- 10. In matters not governed by this Agreement, regulations of the generally applicable law of the Branch's jurisdiction will apply.
- 11. These Rules shall enter into force on April 22nd, 2020.