

MINDTECH BUSINESS PRACTICES

As an Independent MindTech Distributor, you have the responsibility to conduct business ethically and fairly, and the guidelines provided in this chapter will help you to do that.

MindTech aims to help you build and maintain a stable, healthy MindTech business.

1.1 Purchasing and Selling MindTech Products

1.1.1 Product Purchases

Purchasing MindTech products and then promoting and reselling them to customers are basic to your MindTech business.

As a Distributor, you may purchase MindTech products directly from the MindTech office or through the online portal, telephone, fax, mail-in, or e-mail, or through your upline MindTech Distributor(s) / Leader(s).

1.1.2 Pick-up Orders

You may call, e-mail, mail-in or fax your orders in advance to minimise your waiting time. There is no handling fee for pick-up orders at the MindTech office.

You may pick up your order once the payment is fully settled. Payments can be in the form of cash, bank transfers, ATMs, bank drafts, and credit / debit cards (Visa and Master Cards). Proof of payment must be received before orders are shipped.

1.1.3 Delivery of Orders

You may call, e-mail, mail-in or fax your orders to MindTech office. For mail-in orders, you may make the payment by bank draft or bank transfer to: Maybank Berhad – 514271619747

All you need to do is complete the pay-in slip and deposit the cash to the above-mentioned account. Similarly, you can also use the bank transfer facility for fax-in orders.

For West Malaysia, orders received before 12 noon (except Saturday) will normally be delivered within three (3) working days; whereas for East Malaysia (Sabah and Sarawak), orders received before 12 noon will normally be delivered within the next five (5) working days.

The company may impose handling charges on orders below a certain amount.

Please refer to our order form for further information.

1.1.4 Ordering Deadline

The last day of the calendar month is deemed as the last day of the BV month. Should the last day of the calendar month fall on public holiday, the next business day will be the last day of the BV month. Please ensure that your order together with full payment is received by the company before the last day of the BV month if your order is to be accounted in that month.

1.1.5 Product Sales

The sale of MindTech products to customers allows more people to enjoy the benefits of MindTech Products, and it is the basis for your MindTech business.

All Independent MindTech Distributors are allowed to sell freely to anyone who is not yet a MindTech Distributor, even if that customer is being supplied by another MindTech Distributor.

As direct selling in Malaysia is governed by the Direct Sales Act 1993, all MindTech Distributors are reminded to conform to ethical business practices as outlined in the Act.

Distributors are advised to use the published Suggested Retail Prices, and observe requirements such as Cooling-off Period and other regulations cited in the Act.

1.2 MindTech Guarantee

The Retail Guarantee is one of the strongest selling points you have as an Independent MindTech Distributor. It is your responsibility to honour your customers with MindTech Retail Guarantee.

When a customer seeks to avail of the Retail Guarantee, ask him / her to fill out a return and exchange form with the following information:

- The reason for the exchange or refund of the product;
- Item description, quantity, batch number and size;
- Monetary value of product returned / exchanged;
- Name, address and telephone number of the customer; and
- Date of return.

Once the customer has signed the return and exchange form, you may replace the product or refund the price paid.

The retail customer is required to return the purchased product within 30 days together with the return and exchange form and the original sales receipt to the Distributor who sold the product to them. MindTech will not accept any returned products directly from retail customers. When submitting the exchange / refund form to MindTech, please indicate the order number, if available, under which the returned product was originally purchased from MindTech.

MindTech will replace a product or refund the money to the MindTech Distributor (less the bonus paid out, if any) upon receipt of the returned product within 30 days from the date of purchase stated in the invoice.

Please note that the Retail Guarantee does not apply to multiple units case quantity inventory returns, or return of products past its expiry date.

Product Exchange

MindTech warrants the quality of its products and shall exchange any products with manufacturing defect. MindTech will not entertain product exchange due to mishandling or improper storage. All product exchange has to be accompanied with a Product Exchange Return Form and original invoices.

MindTech Distributor may return purchased products to MindTech within 30 days from the date of purchase (attached with original invoice) for exchange if the product is in a sellable condition (with at least 6 months shelf life), unless otherwise required by law.

MindTech will not accept any partial return or exchange for individual products from Promotion packs. All returns or exchange must correspond to the quantity and items in the invoice.

In Malaysia, MindTech will only accept return of products sold in Malaysia.

1.3 Resignation and Buy Back Policy

In building a sound independent MindTech business, it is necessary to forecast and plan carefully before purchasing products for your inventory. MindTech Independent Distributors have the right to resign from the MindTech Marketing Plan at any time.

Any MindTech Distributor who is considering this option should first consult his / her upline Sales Leader and MindTech Customer Relations to be fully advised of current rights and obligations regarding resignation and buy back policy.

Buy Back Policy

In accordance with the Direct Selling Act 1993, a Distributor is allowed to return goods purchased within 6 months (180 days) from the purchase date subject to the terms where the said goods are in a sellable condition. Distributors will be fully responsible for all shipping expenses in returning the goods. The return value of the goods is subject to a 10% handling fee. The Company will deduct the total amount of bonus paid in relation to the said return. The Company shall refund the net return value within two (2) months from the date of return. With this return, the Distributor is deemed to have automatically resigned from the Company and the Company is no longer bound under any contract with the said Distributor after this.

1.4 Direct Selling Rules

The MindTech Opportunity and Products are designed specifically for direct selling and may not be sold or promoted to or from retail stores, either directly or through third parties. Any Independent MindTech Distributor who does this is subject to disciplinary action which may include but not limited to termination of Distributorship.

Each country has its own legal and regulatory requirements. As an Independent MindTech Distributor in Malaysia, you have the responsibility to comply with the laws and regulations of the country.

The MindTech products made available for sale in Malaysia have been specifically formulated, manufactured, and labelled to comply with Malaysian regulatory requirements. Malaysian Independent MindTech Distributors shall not sell MindTech products other than those provided by MindTech Malaysia. Likewise, you are not allowed to sell products to countries outside Malaysia.

1.5 Other Locations

You may promote MindTech products and the business opportunity at fairs and community gatherings, including business and job opportunity fairs, as long as the appearance of your display upholds the MindTech quality image. To this end, you may display and demonstrate MindTech products and distribute MindTech literature for the purpose of developing interest in MindTech and obtaining customers leads.

You may provide free product samples, but you may not sell MindTech products at these locations because such activity is inconsistent with the direct selling nature of the MindTech business.

Any violation of the provisions of the MindTech Marketing Plan as described in, but not limited to this Business Manual and the R&R, may subject the Distributorship to disciplinary action. For further details, please refer to R&R.

1.6 Ethical Business Practices

MindTech insists that every Independent MindTech Distributor shall:

- honour the Retail Guarantee;
- avoid making products or earnings claims that are unfounded, deceptive or illegal.

Independent MindTech Distributors must honour and perpetuate ethical business practices.

Every MindTech Distributor has the responsibility to uphold the reputation of MindTech products and the MindTech Opportunity by conducting your business in a lawful and ethical manner; by being familiar and complying with the currently effective provisions of the Marketing Plan, and by observing this cardinal rule.

No product claims or Marketing Plan claims may be made other than those authorised through MindTech publications, product literature, audio / video tapes / disc recordings, labels, or the MindTech Marketing Plan and related materials.

1.7 Unauthorised Claims and Practices

MindTech Distributors may not make any unauthorised claims in any manner, including verbal statements, or materials in print or electronic media, to promote the sale of MindTech products or the MindTech opportunity that are unsubstantiated by or inconsistent with the product claims, usage directions, and Marketing Plan provisions published by MindTech.

- You may not make any statement that disparages or in any way damages the reputation of MindTech products.
- Unauthorised Marketing Plan practices or misrepresentations, such as exaggerating earnings claims, or encouraging significant upfront purchase schemes, are strictly prohibited.
- MindTech does not review nor approve literature prepared by Independent MindTech Distributors. You are responsible for the accuracy of your statement, and you may not imply approval or endorsement by MindTech.
- You may not sell products that are previously opened, damaged, reworked or past their expiration date.
- Non-compliance with this section will be seen as a serious violation and subject your Distributorship to sanction, including termination for cause.

Furthermore, it is an offence under the Direct Sales Act 1993 to furnish false or misleading information and by doing so could subject you to heavy penalties.

1.8 Unfair Competitive Activity

As an Independent MindTech Distributor, you may not engage in unfair competitive activity as outlined in the R&R.

In keeping with this policy, you may not directly or indirectly attempt to solicit Independent MindTech Distributors into another direct selling company, or otherwise promote to MindTech Distributors another direct selling company or its products while remaining as an Independent MindTech Distributor.

If you have any questions, please review these guidelines with your upline Sales Leaders, or contact MindTech Customer Relations.

1.9 MindTech Policy Review

MindTech reserves the right to modify all or part of its Marketing Plan, including but not limited to, this Business Manual and the R&R.

Any modification would be made only after careful consideration. If a decision is required to settle any disputes involving MindTech policies, any decision made by MindTech will be final and binding upon all parties.

For the purposes of special promotions, which may be announced by the company from time to time, MindTech reserves the right to modify requirements and / or qualifications that are part of the MindTech Marketing Plan, or the R&R.

RULES & RESPONSIBILITIES OF MINDTECH DISTRIBUTOR

All MindTech Distributors are required to abide by the Rules and Responsibilities of MindTech Distributors (R&R) at all times and while conducting business with the Company.

The Company reserves the right to terminate the Distributorship at any time if there is a contravention of the R&R.

Every MindTech Distributor shall pledge as follows:

1. I will abide by all the Rules and Responsibilities with integrity, honesty and sincerity whilst conducting MindTech businesses.
2. I will abide by all the Rules and Regulations contained in the Direct Sales Act 1993 at all times.
3. I will not attempt to cheat or act in any way that will tarnish the good name of the Company, the industry and other Distributors for the purpose of building the business.
4. I will explain / present the MindTech Marketing Plan with accuracy and honesty as well as provide a clear and complete explanation regarding the levels of efforts required to achieve success.
5. I will not spread any negative or doubtful information or tarnish the good name of the Company, its products, the Management or staff of the Company or other Distributors for my own personal gains.
6. I will respect wholly, the principles of the direct-selling business.
7. I will not sell the Company products different from the prices fixed or approved by the Company.
8. I will not use the business name, information, communication materials, articles, advertising materials and events or other related Company materials for the benefit of other businesses.
9. I will give my level best to ensure that all the customers and Distributors under my sponsorship are satisfied with the Company products and services rendered.
10. I understand that the Company reserves the right to amend/add to the Rules and Responsibilities without prior consultation and notice.

INTRODUCTION

The Rules and Responsibilities (R&R) are enacted with the objective of protecting the rights and interests of MindTech Distributors and not to restrict the movements / activities of MindTech Distributors. The R&R gives benefits and shapes the Distributor as a responsible and ethical person. Any contravention of the R&R will result in disciplinary action(s) including the termination of the Distributorship by the Company.

AMENDMENTS / ADDENDUMS

The Company reserves the right to amend / add to the R&R without prior consultation or notice.

1.1 Qualifications to become a MindTech Distributor

- a) Anyone who is aged 18 years and above who is a Malaysian citizen or Permanent Resident residing in Malaysia, is eligible to apply to become an MindTech Distributor. The application that uses name of a company limited by shares (Sdn Bhd / Bhd) or names of others will not be accepted.
- b) The Company reserves the right to reject any application without prior notice or reason.
- c) All applications must be sponsored by a sponsor who is an existing valid MindTech Distributor.
- d) Legal husband and wife team is allowed to apply for one Distributorship only.
- e) A complete Application form is to be submitted to MindTech for approval.
- f) Purchase a new Distributor Starter Kit and provide MindTech with a photocopy of Identity Card.

1.2 Bonus Payments

- a) All bonuses will be calculated on monthly basis of the respective BV month and banked-in before 20th of the following month or such date as MindTech may deem fit. All Distributors are required to provide a valid bank account number upon registration and MindTech will charge a nominal fee for each transaction. The fee is subject to change without prior notice.
- b) Monthly bonus statements will be sent to MindTech Distributors.
- c) If there is any technical discrepancy with the bonus statement, the Distributor is advised to contact the Company within 14 days from the date of receipt. The Company reserves the right not to entertain any such reports after the notice period.

1.3 Contravention of R&R

- a) Contravention of R&R constitutes a serious offence. This act does not only result in adverse implications to the Distributor him / herself, it also implicates others as well. This matter will also cause wrong perceptions by the public, mass media, government authorities, Management and staff of Company, Company Board of Directors and Agent of the Company.

Rules of Conduct

- (i) When a Distributor receives or realises a wrongdoing, he / she has to complete the form made available by the Company and make a detailed report regarding the matter arising to the Management of the Company. The complainant must also inform his / her upline of the complaint.
- (ii) After receiving the report, the Company will immediately contact the Distributor concerned to obtain his feedback regarding the complaint.
- (iii) If both the report and feedback are not clear, the Company reserves the right to request from any other parties in order to obtain more complete information.
- (iv) After the receipt of complete information, the Company will invite the Distributor concerned for discussion and give warning or advice / counsel so that the matter does not recur. If required, the case can be brought to a disciplinary board for discussion accordingly including termination of the Distributorship concerned.
- (v) If required, MindTech reserves the right to amend/add any of the R&R without any prior notice.
- b) When a Distributorship is terminated, the Company will inform the Distributor of the decision via registered mail.

1.4 Responsibilities of Distributor towards the Company

- a) A Distributor shall promote the goodness of the Products and Marketing Plan of MindTech in an honest, sincere and fair manner. A Distributor cannot spread or misrepresent any information / explanation that is not accurate or true of the Company.
- b) Explanations must be provided that the Company's reward plans are for selling the Company's products. It must also be made clear that any benefits can only be attained through the efforts of hard work and dedication.
- c) A Distributor shall not make any statement or acknowledgement that is contradictory to those of the printed materials issued by the Company. If the good name of the Company is tarnished due to the above, the Distributor concerned will be responsible for all consequences as a result of their action.
- d) All statements regarding guidelines and usage of products must be in line with the Company's policy.

1.5 Company's Products

- a) A Distributor is not allowed to change, relabel, repackage or sell the products in any other form or smaller units or change any of the Company's products under the name or label authorised by the Company.
- b) All Company's products shall be marketed and sold in its original form and packaging.
- c) A Distributor is not allowed to exhibit or sell Company's products in public or private places except with written approval from the Company.
- d) A Distributor can only sell and promote Company products and other materials including sales aids, as provided by the Company.

1.6 Price of Product

- A Distributor is not allowed to reduce or raise the prices of the Company's products to increase their earnings or sales. This unethical practice will result in disciplinary action or termination of the Distributorship.
- The increase and decrease of prices in the above context means:
 - all Distributors shall sell MindTech products at retail price, as fixed in the Company's price list, and Distributor is not allowed to raise or reduce the price of any product.
 - all Distributors are not allowed to hold promotional campaigns except with the written permission from the Company.
 - Products obtained from sales promotions or special offers should be sold at retail price.
 - all Distributors are not allowed to urge, encourage, allow or teach their downlines to receive bonus payments back in price competition.
 - all Distributors are not allowed to sell/buy products to/from staff of the Company.

1.7 Advertisement and Usage of Name

- a) Distributors may not advertise MindTech products and / or Marketing Plan without prior written approval from the Company except the usage of language or similar contents used in the printed materials of the Company.
- b) Apart from Company's printed materials that will be marketed and / or sold by the Company to the Distributors, a Distributor may not use the name of the Company, logo of the Company, visuals of the Company, any brochures of the Company and / or other properties belonging to the company without prior written approval from the Company. In the event that a Distributor is terminated, he / she:

- i) shall refrain and stop using all Company's symbol / emblem and / or other statements.
- ii) shall not use any names, symbol, label, stationery, product name, copyright, design and / or printing materials related to any of Company's product.
- c) Distributors are not allowed to register or use any name, business name, logo or Company product name in any website, URL address, area code, electronic media advertisement or other forms of advertisements.

1.8 Membership Sponsorship

- a) 'Undercutting' of sponsorship of Distributors is not allowed. Undercutting of sponsorship in this context means:
 - (i) sponsoring a Distributor who is currently in another group and / or;
 - (ii) sponsoring someone's wife when in fact the husband is already a Distributor and vice-versa and / or;
 - (iii) sponsoring a Distributor from another sponsorship line for the purpose of conducting business whilst the Distributorship is still valid and / or;
 - (iv) allowing others or relatives to use his/her Distributorship for business purposes.
- b) Whenever undercutting of sponsorship occurs, the following actions will be taken:
 - (i) a Distributor who sponsors a fellow Distributor or a Distributorship couple from another group, his / her membership will be terminated.
 - all Distributors involved must be realigned back to the original sponsor.
 - (ii) if Couple 'A' under Distributor 'B' is found to be sponsored by another group:
 - distributorship of 'A' will be terminated and all his / her downlines will be realigned to 'B'.
 - (iii) if a Distributor originally sponsored by 'A' is found to be using the Distributorship of another person or his / her relative 'B' to conduct business.
 - distributorship of 'B' will be terminated and all his / her downlines will be realigned to 'A'.
- c) The Company reserves the right to:
 - (i) withhold bonus payments of the Distributors concerned.
 - (ii) terminate the Distributorship concerned.

1.9 Resignation, Voluntary Suspension, End of Suspension Period, Termination, Death or Loss of Earning Capability

- a) A Distributor who maintains the minimum BV in any BV month during the duration of his / her Distributorship will maintain his / her Distributorship for a period of 12 months from the last BV month that he / she made the purchase. Otherwise, the Distributorship will be terminated automatically at the end of the 12th BV month.
- b) A Distributor who terminates his / her Distributorship voluntarily will only be allowed to apply to become a new Distributor after 6 months from the date of termination.
- c) A Distributor can choose to resign as a Distributor by way of written notice to the Company, whereas his / her downlines will be realigned to his / her upline / sponsor.
- d) A Distributor can choose to suspend his Distributorship by giving the Company a written notice. With that, the Distributor should wait until the termination of his / her Distributorship (12 months from his / her last purchase) before he / she can reapply to become a Distributor.
- e) A Distributor who has resigned, been suspended or been terminated of his / her Distributorship is not allowed whether directly or indirectly to involve him / herself in the development or building of any Distributorship of the Company. He / she

must refrain from representing him / herself as a Distributor of the Company and promise not to influence Distributor, staff or agents of the Company in any actions detrimental, influencing, disagreements or others that will disrupt the operations or image of the Company.

- f) For the Distributor who has resigned, been suspended or been terminated of his / her Distributorship is no longer entitled to enjoy any benefits, titles and his / her downlines will be realigned to his / her sponsor. A Distributor who has terminated his / her Distributorship is not allowed to attain any benefits or other rewards from the Company. A Distributor who has resigned, suspended or terminated his / her Distributorship can reapply as a new Distributor with approval from the Company.
- g) Whosoever reapplies to become a Distributor cannot demand any bonus / incentive, title or position that was previously held by him / her before the termination of his / her Distributorship.
- h) When the Distributor passes away, loses working capability or faces health challenges, the agreement will be passed to the beneficiary of the Distributor as stated in the Notice of Candidacy and / or other document fixed by the Company and according to the relevant laws in the country concerned. However, in the event that one of the parties in the combined Distributorship (eg. a husband or a wife passes away) all ownerships, rights and benefits under the Distributorship will be transferred to the surviving party.
- i) Company reserves the right to demand compensation from the Distributor who has terminated his / her Distributorship in the event that he/she is found to have flouted any of the abovementioned rules or participated in any actions that might result in any financial losses or other losses to the Company.

1.10 Principles of Sponsorship

- a) A Distributor is not allowed to change his / her sponsor while his / her Distributorship is still valid.
- b) According to Company's policy, a Distributor cannot apply to hold 2 or more Distributorships. This will result in the termination of the other Distributorship(s).
- c) Application to change sponsor or move a part of all of the sales group is not allowed.

1.11 Marriage

- a) A husband who has more than 1 legal wife should appoint one only as part of his combined Distributorship. The other wife who wishes to be a Distributor must be sponsored under the combined Distributorship concerned.
- b) Based on discretion, if Company decides that (this decision is final) the actions of the Distributor and husband or wife concerned is against rules (including the couple who is already registered as combined Distributorship). Company reserves the right to terminate the Distributorship.
- c) If 2 Distributors decide to marry and neither is at the rank of Senior Supervisor level, one of the Distributorships must be surrendered within 45 days of marriage.
- d) If there is no election by the husband and / or wife, then the Company reserves the right to terminate the Distributorship with the lesser potential growth.
- e) If both Distributors are at Senior Supervisor level, each Distributor may choose to operate separately in its original line of sponsorship, or terminate one Distributorship voluntarily and the downlines will be passed to next qualified upline Distributor. One of the Distributor may choose to sell the Distributorship pursuant to the Sales of Distributorship in Clause 3.13.

1.12 Divorce

- a) When a Distributorship is separated by reason of divorce, the separation should be handled fairly and not unduly influence any party.

- b) The divorced couple must come to an agreement between themselves and one of them will submit the 'Termination of Distributorship Form' to the Company.
- c) The party that resigns after the termination of the Distributorship can reapply to be a new Distributor. If any misunderstanding arises as a result of the divorce and it is outside of the governing rules, the laws of the country concerned will become the guide.

1.13 Sales, Transfer or Assignment of Distributorship

- a) A Distributor may not sell, transfer or assign their Distributorship right to any person or entity without the written approval of MindTech. To obtain approval, you must:
 - (i) be a Distributor with good standing as determined by MindTech in its sole discretion.
 - (ii) satisfy all debt obligations with MindTech as the selling Distributor.
 - (iii) as the transferring Distributor, be in good standing and not in violation of any of the terms of the Distributor Agreement or these Policies and procedures, to transfer the Distributorship.
 - (iv) the combining of Distributorships is not permitted. MindTech will not approve the transfer of a Distributorship to any individual or entity that is a current Distributor or who has an ownership interest in any Distributorship. Similarly, MindTech will not approve the transfer of a Distributorship to any individual or entity that has previously had any ownership interest in, or operated, a MindTech Distributorship.
 - (v) no changes in line of sponsorship can result from the transfer of a Distributorship.

1.14 Communication with Company

- a) Regardless of the ownership structure of the Application, only the first applicant's name and identification number shall be recognized by MindTech for all correspondence, communication or inquiries in operation of the distributorship.
- b) MindTech will only issue one Distributor Identification Number to one distributorship regardless of the number of names that appear on the application form.

Note:

The Rules and Responsibilities of MindTech Distributors come in force when the Distributor is accepted as the Distributor of the Company and will be enforced as long as the Distributor concerned remains a valid Distributor of the Company.

DIRECT SALES ACT, 1993

The Direct Sales Act 1993 (called the “Act” throughout this chapter) came into effect on June 1, 1993. MindTech fully supports the Act and its goals which are to:

- regulate and promote ethical direct selling business
- protect the rights of consumers
- ban ‘pyramid’ direct selling businesses

This chapter highlights the details of the Act which are important to all MindTech Distributors.

1.1 Compliance with the Act

All MindTech Distributors are required to become familiar with and to comply with the requirements of the Act and its regulations.

Violations of the Act by MindTech Distributors could result in negative publicity, which could hurt the image of the entire MindTech family.

Thus, in addition to the heavy penalties which the government may impose upon violators, violating the Act may also result in termination of your MindTech Distributorship.

1.2 Licensing Requirements

Companies incorporated under the Companies Act, 1965, must obtain a Direct Sales License from the Ministry of Domestic Trade and Consumer Affairs before they are allowed to operate a direct sales business in Malaysia.

The Direct Sales License issued to MindTech Education Sdn Bhd is AJL 932113.

1.3 MindTech Authorised Distributor Card

Whenever you are conducting your MindTech business, you shall bring along:

1. Your National Registration Identity Card (IC)
2. The MindTech Authorised Distributor Card issued by MindTech

The Act requires your name and address to be listed correctly on the card. You are responsible for notifying MindTech if your name or address is incorrect or if any of the information has changed.

You are also required to affix your photograph onto your MindTech Authorised Distributor Card as soon as you receive it from MindTech. The Act requires that this photograph meet the following standards:

- it must be approximately 3.8cm x 3.2cm and have no white edges or border.
- your face from your chin to the top of your head must measure at least 2.54cm and must be in an upright position.
- you may not wear any head coverings in the photograph unless you regularly wear headgear as part of your religious or cultural customs and the headgear may not hide your facial features.

The Act requires that you show your IC and MindTech Authorised Distributor Card each time you conduct direct sales, or promote the MindTech Opportunity to anyone who is not already a MindTech Distributor.

1.4 Hours of Call

Under the Act, you, as an MindTech Distributor, may not call upon customers or prospects:

- on Sundays (in areas where Sunday is observed as a rest day);
- on Fridays (in areas where Friday is observed as a rest day);
- on any public holidays; or
- from 7.00 pm to 9.00 am daily on any day

There is an exception for prearranged appointments. You may call a customer at any time, even during the above restricted times, if you have scheduled an appointment with consent from the customer. MindTech Independent Distributors are strongly urged to always make appointments.

Whenever you call upon a customer, before entering his / her premises, you must immediately inform him / her that the purpose of your visit is to sell MindTech products.

If, at any time, the customer asks you to leave his / her premises, please comply immediately or else it is a violation of the Act.

1.5 Direct Sales Contract

Any single sales transaction above RM300 to non- MindTech Distributor requires a written Direct Sales Contract and a Notice of Rescission, which are available to you from MindTech.

You must complete the Direct Sales Contract by:

- clearly writing a description of the products sold and their prices;
- noting the total price; and
- signing the contract yourself and obtaining your customer's signature.

You must complete the Notice of Rescission by filling in the blanks and signing in Part 1 of the form as indicated.

The Act requires you to provide your customer with a copy of the signed Direct Sales Contract and Notice of Rescission. (The purpose of the Notice of Rescission is described below.)

1.6 Direct Sales Contract Cooling-off Period

In accordance with the Act, MindTech Direct Sales Contract provides the customer with a cooling-off period of 10 working days from the date of the Direct Sales Contract. During this time the customer is permitted to change his mind about making the purchase and to cancel the sale.

During this cooling-off period,

- delivery of the products is not allowed; and
- you may not accept any payment for the products.

1.7 Rescission of Direct Sales Contract

During the cooling-off period, customers have the right to cancel the contract by returning the Notice of Rescission.

The customer may do this by delivering the form to you personally or by sending it to you by registered mail within the cooling-off period.

Notices sent by registered mail are considered received within three days of posting.

Once you receive the Notice of Rescission form, you must consider the sale transaction cancelled.

1.8 Shortening the Cooling-off Period / Notice of Waiver

A customer who wishes to receive his / her products before the end of the 10 days cooling-off period may shorten the cooling-off period to 72 hours by giving you the Notice of Waiver.

Upon receipt of Notice of Waiver, you may then deliver the goods and accept the payment after 72 hours from the time the Direct Sales Contract was signed.

1.9 The Direct Sales Act 1993 and its Impact on all MindTech Independent Distributors

- Pyramid Schemes are Banned

The Pyramid Scheme is a business model or an arrangement where a participant receives a reward or consideration based on the number of new participants he / she managed to induce to join such scheme instead of on the volume or quantity of sales.

MindTech Independent Distributors are strictly not allowed to practice any form of pyramid schemes.

- No Front-end Loading of Products

MindTech Independent Distributors are not allowed to induce or coerce anyone, including new Independent Distributors, into buying quantities of products beyond his / her capacity, to sell or consume within a reasonable period of time.

- No Excessive Claims of Products

MindTech Independent Distributors are not allowed to make claims of products other than the description on the labels, and in publications of the Company.

- No Excessive Claims of Earnings or Benefits

MindTech Independent Distributors are not allowed to make exaggerated claims about future earning potentials, or promises of financial benefits and privileges other than those rewards provided for under the Marketing Plan which is dependent on each individual's efforts in the business.

- Truthful Identification of Self, Company, Products and Purpose

1. Always carry your National Registration Identity Card (IC) and a valid MindTech Authorised Distributor Card to show to prospective customers.
2. Show your prospective customers a sample of the relevant MindTech products.
3. Giving deceptive or misleading information is strictly prohibited. You are required to give accurate and complete answers to questions about MindTech products, prices, terms of payment and guarantee, delivery, offers and promotions.
4. Your testimonials must be true, applicable to the products in question, and product usage authorised by the Company in its publications.
5. State the purpose of your visit promptly and clearly. Do not take advantage of your customers' lack of knowledge, experience, age, illness, etc.

1.10 Be a Professional Direct Seller

- (i) Avoid intruding on your customers' privacy. Leave or stop discussing the products or business opportunity if you are requested to do so.
- (ii) Observe business hours allowed by the Direct Sales Act, 1993, that is from 9.00 am to 7.00 pm daily. You are prohibited from intruding on your customers' privacy on public holidays and Sundays / Fridays (in states wherever applicable as rest days).
- (iii) However, you may see your customers at any time or day if you have already made an appointment with them.
- (iv) Do not make unfair and inaccurate comparisons of competitors and their products. Attacking or running down of competitors and their products, either directly or by implication, is strictly prohibited.

1.11 Allegations of Unlawful or Unethical Direct Sales Activities

The Company views very seriously any allegations of unlawful or unethical direct sales activities being carried out by any MindTech Distributor.

The Company wishes to have the opportunity to investigate such allegations, which may sometimes be unfounded but can be detrimental to the reputation or business of the Company or of MindTech Distributors.

Instead of coming to know about the allegations indirectly from outside parties such as the Ministry of Domestic Trade and Consumer Affairs or the media, the Company encourages anyone to report to it any allegations of unlawful or unethical direct sales activities being conducted by any MindTech Distributor, and will investigate such allegations in order to protect the reputation and businesses of the Company and MindTech Distributors.

MindTech Distributors are required to report in writing any allegations of unlawful or unethical direct sales activities being conducted by any MindTech Distributor or person authorised by him / her, with full details and supporting documentary evidence to:

Managing Director

MindTech Education Sdn. Bhd. (1149981-U) (AJL932113)

(a wholly-owned subsidiary of Sasbadi Holdings Berhad) (1022660-T)

Lot 12, Jalan Teknologi 3/4, Taman Sains Selangor 1,
Kota Damansara, 47810 Petaling Jaya, Selangor Darul Ehsan.