



BEAUTERFLY

BEAUTERFLY INTERNATIONAL MALAYSIA

POLICIES & PROCEDURES

HANDBOOK

Effective October 2025

1 INTRODUCTION

1.1 PURPOSE

This Beauterfly International Policies and Procedures document outlines policies and procedures entered into by Brand Partners upon their application and agreement (and acceptance by Beauterfly International) to become independent contractors known as “Brand Partners”. Brand Partners may have been formerly referred to as “members” or “independent distributors” or “Beauterfly partners”.

The purpose of this document is:

- To set standards of acceptable business behaviour expected of Brand Partners in their effort to market and sell Beauterfly products and services to end consumers.
- To define Brand Partners’ relationship with Beauterfly International.
- To assist Brand Partners in marketing and selling Beauterfly products to Customers and to motivate, train, and lead others to market and sell to Customers.

1.2 TERMS

In this document, Beauterfly International Sdn. Bhd., is referred to as “Beauterfly” or “Beauterfly International”. The individual or entity entering the Agreement (as defined below), is referred to as “Brand Partner”. The terms “Sponsor,” “Direct Upline,” “Customer,” “Business Organisation,” and “Support Team” shall have the respective meanings set forth herein and in the Beauterfly International Marketing Plan (or “Sales Compensation Plan”). The term “Member” may be used to collectively describe Beauterfly product users. The term “direct upline” refers to a Brand Partner’s immediate upline Brand Partner. A Brand Partner account is referred to as being “active” if the Brand Partner purchased product within the previous 180 days (1 cycle) and is “inactive” if they did not. The term “sponsor” is the Brand Partner who directly sponsors a new Brand Partner into Beauterfly International. “Customers” are individuals who are not Brand Partners and who can purchase products directly from Beauterfly International for personal consumption but are not authorized to sponsor Brand Partners, earn commissions under the Beauterfly International Marketing Plan, or resell Beauterfly products. A Customer may become a Brand Partner at any time by meeting the requirements of the ‘Become a Brand Partner’ section below.

1.3 DOCUMENTS INCORPORATED INTO THE AGREEMENT

Throughout these Beauterfly International Policies and Procedures, whenever the term “Agreement” is used, it refers collectively to the Beauterfly International Partner Agreement (or “Brand Partner Agreement”), the Beauterfly International Policies and Procedures (“Policies and Procedures”), the Beauterfly International Privacy Policy (“Privacy Policy”), and the Beauterfly International Marketing Plan (or “Sales Compensation Plan”).

The Agreement constitutes the final, exclusive, and complete agreement between you and Beauterfly International regarding the subject matter hereof and supersedes all agreements, communications, understandings, and course of dealings between you and Beauterfly International.

You agree that Beauterfly International has not made and is not making any representations or warranties whatsoever regarding the subject matter of the Agreement, express or implied, except as explicitly stated in the Agreement, and that you are not relying and have not relied on any representations or warranties whatsoever regarding the subject matter of this Agreement, express or implied, except for the representations and warranties in the Agreement.

Notwithstanding anything to the contrary contained herein, nothing in the Agreement prohibits a Brand Partner from reporting possible violations to any governmental agency, or making other disclosures to, communicating directly with, responding to an inquiry from, or providing testimony before such governmental agency, regarding possible violations. Further, nothing in the Agreement shall bar or impede in any way a Brand Partner's ability to seek or accept any monetary award from any governmental agency.

Applicable laws differ from country to country. Therefore, Brand Partners must always abide by applicable Malaysia laws, as well as the laws and Beauterfly International policies applicable to each country in which the Brand Partners conduct business. Beauterfly International policies for each market in which Brand Partners conduct business are incorporated by reference into the Agreement and will govern Brand Partners' efforts in those countries and with citizens of those countries.

1.4 AMENDMENTS / ACCEPTANCE

A Brand Partner's compensation is based on sales of Beauterfly International partner packages for Brand Partners, as well as products sold to end customers. Beauterfly International has always reserved the right to change its Marketing Plan from time to time. Beauterfly International has long endeavoured to establish sales measurements and qualifications to compensate those who play an ongoing role in the sales of products to Brand Partners and Customers by engaging in activities such as finding new sales to Customers and motivating, training, and leading others to sell.

Beauterfly International may amend the Agreement (including all the documents that form part of the Agreement) from time to time. The changes will become effective 30 days after first published by Beauterfly International through official Beauterfly publications distributed to all active Brand Partners (e.g., WhatsApp Group Announcement), posted on the official Beauterfly International website, or sent to the primary email address listed on your account. Notwithstanding the foregoing, amendments to the Privacy Policy will be effective immediately upon its publication. Amendments will not apply retroactively to conduct that occurred prior to the effective date of the amendment unless expressly accepted.

Brand Partners who are not willing to accept any amendments or modifications, may voluntarily terminate his or her contract with Beauterfly International by providing notice to Beauterfly International prior to the effective date of an amendment or modification. Any continued business, ordering, acceptance of a commission or bonus payout, or any other benefit by a Brand Partner after the effective date of any amendments or modifications to this Agreement constitutes acceptance of this Agreement in whole with any and all amendments or modifications.

1.5 BRAND PARTNER COMPLIANCE

Brand Partners will abide by all rules, regulations, laws, and ordinances that are applicable to the operation of their business organisation as an independent Brand Partner.

Beauterfly International may take all compliance efforts necessary, including but not limited to, termination of the Brand Partner account if Brand Partners are in violation of any laws, regulations, these Policies and Procedures, or the Agreement.

1.6 INCLUSION AND ANTI-DISCRIMINATION

Beauterfly International offers its products to consumers regardless of race, religion, language, gender, cultural or other personal differences, and expects and encourages Brand Partners to treat others with respect, kindness, and consideration in carrying out business related to Beauterfly International or its products, even where there may be differences of opinion or outlook.

2 BECOME A BRAND PARTNER

2.1 REQUIREMENTS TO BECOME A BRAND PARTNER

To become a Brand Partner, you must meet the following requirements:

- Read, complete, sign, and submit a Brand Partner Agreement to Beauterfly International within 7 days of your enrollment.
- If you are an individual, be at least 18 years old and/or competent to enter into a legally binding agreement in your jurisdiction.
- If you are a business entity, provide a company registration number / SSM number.
- Purchase any required Beauterfly International Partner Packages - XS Xmart Starter, A1 Junior Partner, A2 Senior Partner, A4 Superior Partner or A6 Supreme Partner.

Beauterfly International may reject your Brand Partner Agreement for any reason to the extent permitted by law. Brand Partner Agreements may be submitted through registered mail, email, or to your Direct Upline. When enrolling by e-mail, or over the phone, your application and Brand Partner Agreement must be received within 7 days of your enrollment and accepted by Beauterfly International for any Brand Partner benefits to be extended. If the Brand Partner Agreement is not received within 7 days, your Brand Partner account will be placed on hold until the signed agreement is received.

A Brand Partner account can only be registered under one individual owner's name. Joint ownership or co-applicants are not permitted, unless the account is registered under a company, in which case the company shall be recognized as the official account holder.

3 OPERATING YOUR BRAND PARTNER BUSINESS

3.1 INDEPENDENT CONTRACTOR STATUS

Brand Partners are independent contractors who individually decide how, when, and where they will sell Beauterfly products in accord with the Agreement. Brand Partners are not purchasers of a franchise or business entity.

The Agreement with Beauterfly International does not create an employer / employee relationship, agency, corporate partnership, or joint venture. Brand Partners are not and will not be treated as employees for their services or for federal or state tax purposes. Brand Partners are responsible as independent contractors for paying local, state, and federal taxes due from all compensation earned as a Brand Partner. Brand Partners have no authority (expressed or implied) to bind Beauterfly International to any obligation.

Beauterfly International's primary business is in the beauty and wellness products. Brand Partners are provided the opportunity to sell, promote, and market Beauterfly products to consumers. Brand Partners are not involved in the formulation, testing, or production of Beauterfly's products.

Except to the extent necessary to comply with legal requirements and/or to protect Beauterfly International's intellectual property and brand integrity, Beauterfly International does not exercise control over the manner or means by which Brand Partners sell Beauterfly products, enroll customers and/or other Brand Partners in their business organisations, or operate their business, provided that Brand Partners comply with the Agreement.

Brand Partners may engage personal helpers or assistants without prior approval from Beauterfly International. However, the Brand Partner shall remain fully responsible and liable for all actions and conduct of such individuals. Any breach of this Agreement by a helper or assistant shall be deemed a breach committed by the Brand Partner who engaged them.

3.2 MULTIPLE BRAND PARTNER ACCOUNTS PROHIBITED

A Brand Partner may hold a legal or beneficial interest in only one Brand Partner account. If Beauterfly International determines that a Brand Partner has an unauthorized interest in multiple accounts, the Company reserves the right to terminate the subsequently created account(s) or take any disciplinary action it deems appropriate.

Exceptions apply only in cases of inheritance, where a Brand Partner acquires a beneficial interest in another account through direct inheritance or as a beneficiary of a trust from a deceased Brand Partner. In such instances, Beauterfly International must be notified in writing (as specified in Section 3.7) and must approve the transfer in writing prior to recognition of the inheritance.

Beauterfly International will collaborate with the inheriting Brand Partner to ensure the compliant integration of the inherited account within the Beauterfly International organization, including alignment with existing structures involving family members or Brand Partner networks.

A Brand Partner and their spouse or domestic partner may each maintain separate Brand Partner accounts only if the second account is sponsored within the other spouse's or partner's genealogy. Beauterfly International reserves the right to audit such accounts periodically and may terminate any latter-created account(s) if found to be non-compliant with this Agreement.

3.3 ACTIONS OF HOUSEHOLD BRAND PARTNERS OR AFFILIATED PARTIES

If any household member, spouse, domestic partner, or affiliated party of a Brand Partner entity engages in conduct that violates this Agreement and causes damage to Beauterfly International or its business organization, such violation shall be deemed a violation by the Brand Partner.

Beauterfly International reserves the right to enforce this Agreement and take appropriate disciplinary action against the Brand Partner in such circumstances.

3.4 BRAND PARTNERS' PROHIBITED ACTIONS

Any Brand Partner who encourages, assists, supports, or instructs—whether through informal guidance or formal paid training—another Brand Partner to violate any provision of this Agreement, including but not limited to manipulation of the Marketing Plan or engagement in unethical practices, shall be considered in violation of the Agreement.

Beauterfly International reserves the right to terminate the Brand Partner's account or to take any action it deems appropriate in response to such conduct.

3.5 CORPORATIONS, PARTNERSHIPS, LIMITED LIABILITY COMPANIES, AND TRUSTS

A partnership, corporation, limited liability company, or trust may apply to become a Brand Partner of Beauterfly International, provided that the entity demonstrates both the ability and intent to actively develop a Business Organisation through an appointed entity manager.

To qualify, the entity must submit to Beauterfly International the following documentation:

- A partnership agreement, certificate of incorporation, articles or certificate of organization, or trust agreement, as applicable; and
- A copy of the entity's state registration or a certificate of good standing issued by the relevant authority in the entity's jurisdiction of incorporation or organization.

The submitted documentation must clearly identify the names of all shareholders, officers, managers, partners, trustees, and other affiliated parties (collectively referred to as "Affiliated Parties").

The entity's authorized representative must also certify in writing that none of the Affiliated Parties hold a direct or indirect interest in any other Brand Partner account. A Brand Partner may convert their status under the same sponsor from an individual to a partnership or corporation by submitting the relevant supporting documents for Beauterfly International's review and approval.

Beauterfly International may terminate a Brand Partner's account or take any other action Beauterfly International deems appropriate if Beauterfly International, in its sole discretion, does not approve any change of business names, formation of partnerships, corporations, and trusts for tax, estate planning, and limited liability purposes.

In addition, by submitting a copy of the certificate of partnership or incorporation or other substantiating documentation for the entity, the new business entity applying to become a Brand Partner certifies that no Affiliate Party with an interest in the new business entity has had an interest in another business organisation within six months of the submission of the certificate (unless it is the continuation of an existing business organisation that is changing its form of doing business).

Brand Partners should contact support@beauterflyintl.com for any name changes or other changes in the Brand Partner's ownership.

3.6 SALE, TRANSFER, OR ASSIGNMENT

Beauterfly International reserves the right to assign or transfer this Agreement to any of its affiliated entities at any time, without the need for prior consent from the Brand Partner.

A Brand Partner may sell, transfer, or assign (collectively referred to as "Transfer") their Beauterfly International account, together with the associated Business Organisation and all rights and obligations under this Agreement, only after first granting Beauterfly International the right of first refusal to purchase the organisation.

The fair market value for such a purchase shall be mutually agreed to be the total cumulative commissions received by the Brand Partner over the preceding twelve (12) months. Both the transferring Brand Partner and the receiving party must notify Beauterfly International in writing of their intent to transfer the account and associated organisation by emailing support@beauterflyintl.com. Beauterfly International shall have thirty (30) days from the date of notification to exercise its option to purchase the organisation at fair market value.

For Brand Partners holding the rank of 1-Star Mentor or higher, any proposed transfer will be subject to review and approval by Beauterfly International's management to ensure that the transaction is legally compliant and aligned with the mutual best interests of Beauterfly International, the transferring Brand Partner, the receiving party, and their respective organisations.

Any receiving Brand Partner is responsible for any violations of the Agreement committed by the transferring Brand Partner and agrees that Beauterfly International may take disciplinary actions against the receiving Brand Partner.

3.7 INHERITANCES SUCCESSION

A Brand Partner's account and associated Business Organisation may be passed to the Brand Partner's legal heir(s) or legal representative(s). Once accepted by Beauterfly International, a joint account will be treated as a joint tenancy with rights or survivorship.

Appropriate legal documents for approval of inheritance or succession may also depend on the nature of the deceased Brand Partner's estate planning documents, or lack thereof. If the deceased Brand Partner had a will that transferred the account ownership, a copy of the will must be provided.

Similarly, if the Brand Partner account is held in a trust, the trust documents must be provided. If the estate goes through probate proceedings to determine the Brand Partner account ownership, the probate court order determining ownership must be provided. In some cases, a notarized affidavit will be accepted as evidencing facts that are not clear from a will, trust, or other document.

The process of reviewing and making determinations about proposed inheritance and succession of a Brand Partner account may take some time, particularly if a probate court is involved or the Brand Partner account ownership is being disputed. Beauterfly International may either place a hold on the Brand Partner account and its earnings / commissions or allow heirs or legal representatives to temporarily operate a Brand Partner account during periods of temporary incapacity or while any proposed inheritance or succession is reviewed.

If temporary operation by or the passing of a Brand Partner account to heirs or representatives is approved, Beauterfly International reserves the right to transfer or re-assign any or all of a Brand Partner's Business Organisation to other Brand Partners in good standing, if the heir(s) or representative(s) fail to demonstrate to Beauterfly International's satisfaction the capability and commitment to actively operate that Brand Partner's account.

Beauterfly International reserves the right, in its sole and absolute discretion and for any reason and at any time, to deny a Brand Partner the option of owning an interest in that Brand Partner's original account and an inherited account, including if Beauterfly International determines that the Brand Partner has not demonstrated the ability to operate two Brand Accounts and associated Business Organisations.

If Beauterfly International denies the right to have a beneficial interest in a second Brand Partner account that passed through inheritance, Beauterfly International may allow a short grace period for the Brand Partner to sell the interest in one of the Brand Partner accounts. After that grace period, the inherited Brand Partner account will be placed on hold or terminated, unless transferred to Beauterfly International's satisfaction.

3.8 DIVORCE, BRAND PARTNER BUSINESS CHANGES, AND/OR DISSOLUTION

Brand Partners may, with others, operate a single Brand Partner account as a husband-wife partnership, regular partnership, corporation, or trust (the latter three entities are collectively referred to herein as "Entity (ies)").

If a marriage ends in divorce or the applicable Entity dissolves, arrangements must immediately be made to ensure that any division of the Brand Partner account assets is accomplished so as not to adversely affect the interests of Beauterfly International and/or any of the Support Team Business Partner accounts.

During the proceedings of a divorce or Entity dissolution, the divorcing spouses or a dissolving Entity must adopt one of the following methods of operation:

- One of the parties may, with consent of the other(s), operate the Brand Partner account pursuant to a notarized agreement whereby the relinquishing party(ies) authorise(s) Beauterfly International to deal directly and solely with the other party(ies). A notarized request from any person being removed from a Brand Partner account is required, as well as a new signed Brand Partner Agreement.
- The parties may continue to operate the Brand Partner account jointly on a “business as usual” basis, whereupon all compensation paid by Beauterfly International will continue to be paid in the joint names of the Brand Partners or in the name of the entity to be divided, as the parties may independently agree among themselves.
- The parties may operate the Brand Partner account pursuant to a court order.

Beauterfly International will not divide any Brand Partner business organisations with a divorcing spouse or with affiliate parties of a dissolving business. Similarly, Beauterfly International will not split earned commission or bonus checks between divorcing spouses or parties affiliated with a dissolving entity.

Beauterfly International will recognize only one Brand Partner account for a Brand Partner and will issue only one commission check per commission cycle. Commission checks will always be issued to the same Brand Partner account owner(s) individual or Entity, until all parties to a Brand Partner account agree that commissions will be due and paid to another party, subject to Beauterfly International approval or Beauterfly International is ordered to do otherwise by a court of competent jurisdiction.

Former spouses or a former affiliate of a Brand Partner account who have completely relinquished rights associated with any prior Brand Partner account may re-enroll as a new Brand Partner under any sponsor but will have no rights to any Brand Partners or Customers associated with the former spouse’s or affiliate’s Brand Partner account. Such re-enrolling Brand Partners must develop the new Brand Partner Business Organisation in the same manner as would any other new Brand Partner.

3.9 ACCOUNT TERMINATION

When a Brand Partner account is terminated for any reason, that account position in the Business Organisation genealogy is evaluated by Beauterfly International for future use. Any terminated Brand Partner account may be sold by Beauterfly International to any qualified candidate, determined by Beauterfly International.

Further, any Brand Partner terminated account position may be used to place an existing Brand Partner, in good standing, who in the sole discretion of Beauterfly International demonstrates strong sales leadership, loyalty to the Beauterfly International brand, and a commitment to grow the business within the prior terminated account position of the Business Organisation genealogy and if such placement is in the best interests of Beauterfly International and the Brand Partner Business Organisation as a whole.

Any Brand Partner placement into a terminated account position under this policy cannot change the structural integrity of the existing Business Organisation genealogy, and the Upline Business Organisation of the terminated account position into which the existing Brand Partner account will be placed must consent to such placement.

Alternatively, Beauterfly International may also decide, in its sole discretion, to allow each Brand Partner and/or Customer account in the first level immediately below the terminated Brand Partner or Customer account position to “rollup”, which means to remove the terminated account from the genealogy and to move the prior front line accounts up to be under the same Sponsor as the terminated account.

3.10 TAXES

3.10.1 INCOME TAXES

You are responsible for complying with the tax laws in the jurisdiction where you reside. If you are a distributor and are resident in Malaysia you will be taxed as a self-employed individual on your income accruing in or derived from Malaysia or (if applicable) received in Malaysia from outside Malaysia.

As a self-employed distributor, it is your responsibility to file the appropriate tax returns and to make all payments of tax due. You must notify the Inland Revenue Authority of Malaysia of your self-employed status as soon as you register as a Beauterfly International Distributor.

Beauterfly International recommends that you seek the advice and assistance of a suitably qualified accountant or tax advisor for information regarding your personal tax obligations. Any fines or penalties incurred by Beauterfly International because of incorrect information provided to Beauterfly International will be your responsibility; and you agree to reimburse Beauterfly International for these costs.

3.10.2 GOODS AND SERVICE TAX (GST)

Beauterfly International is a GST-registered company and therefore is required to charge GST on its products. Please note that you are not permitted to separately charge GST on products you sell unless you are also GST-registered, as this is strictly prohibited by law.

3.11 PROHIBITED BUSINESS PRACTICES

3.11.1 NON-SOLICITATION AND RECRUITMENT

Beauterfly International and its Brand Partners have made a large investment in building their businesses and the Beauterfly International Brand Partner and customer lists are proprietary and confidential information owned by Beauterfly International Brand Partner benefit from authorized use of the Beauterfly International proprietary and confidential list. To protect this value, and as a condition of their Agreement with Beauterfly International, Brand Partners understand and agree that the following restrictions are reasonable and necessary to protect the legitimate business interests of Beauterfly International and other Brand Partners, and that such restrictions do not prevent Brand Partners from working other employments or business opportunities or otherwise earning a living.

In particular:

- Brand Partners are prohibited during the term of their Agreement from directly, indirectly, or through a third party, soliciting and/or recruiting any Beauterfly International Brand Partner or Customer to participate in any Network Marketing business venture offering similar or alternative products or services or business opportunity to those offered by Beauterfly International, regardless of who initiates the contact.
- Brand Partners are prohibited during the term of this Agreement and for a period of twelve months after termination of this Agreement from soliciting and/or offering any non-Beauterfly International products, services, or Competing Business Ventures either in conjunction with the offering of Beauterfly International products, services or business opportunity, or at any Beauterfly International meeting, seminar, launch, convention, or other Beauterfly International function.

The terms “solicit”, “recruit” or “recruiting” mean: (i) to Enroll, Sponsor, enlist, or invite an individual or entity to join or participate in a business, program, or organisation, or attempt to do so; (ii) to promote, influence, or encourage an individual or entity to evaluate, join, or participate in a business, program, or organisation, or attempt to do so; or (iii) to present, or participate or assist in the presentation of, a business, program, organisation, or its products to an individual or entity.

Any activity that constitutes solicitation and/or recruitment is a violation of this Agreement, regardless of whether the solicited or recruited individual or entity:

- Terminates or alters their relationship with Beauterfly International; or
- Agrees or declines to evaluate, join, or participate in any non-Beauterfly International product, business, program, or organization.

Solicitation and/or recruitment shall be deemed to occur whether such activity is conducted directly—including but not limited to personal conversations, electronic communications, or messages—or indirectly, through a third party or any other channel.

It is a strict violation of this Agreement to solicit or recruit any Beauterfly International Brand Partner or Customer, whether or not the individual's or entity's status as a Brand Partner or Customer is known to the person engaging in the solicitation or recruitment.

A Brand Partner who engages in conduct that violates any provision of this Non-Solicitation and Recruitment Section shall be deemed to have voluntarily terminated their Brand Partner account, effective as of the date of the violation. Accordingly, the Brand Partner shall forfeit all earnings, commissions, and/or bonuses payable for any period during which such violation occurred. If Beauterfly International issues any payment to the Brand Partner after the date of violation, all such compensation shall be immediately refunded to Beauterfly International upon demand.

In addition, any Brand Partner found in violation of this Section shall:

- Provide Beauterfly International with a complete accounting of all solicitation or recruitment activities undertaken; and
- Disgorge to Beauterfly International all profits, commissions, compensations, remunerations, or other benefits, whether direct or indirect, obtained as a result of or in connection with such activities.

The violating Brand Partner shall also be liable to other affected Brand Partners for any financial losses or adverse impact caused by such activities. Beauterfly International reserves the right to enforce this Section through injunctive relief, claims for damages, or other monetary remedies, all of which shall be cumulative and non-exclusive. Notwithstanding any other provision of this Agreement, Beauterfly International may, at its discretion, enforce this Section by lawsuit, mediation, or arbitration—or any combination thereof—before a court or tribunal of competent jurisdiction in Malaysia.

3.11.2 LEADERSHIP NON-COMPETITION

To protect Beauterfly International's brand identity and integrity and as a condition of the Agreement, Brand Partners who have achieved the leadership rank of Diamond or higher understand and agree to not engage in any other Network Marketing business.

However, any Brand Partner, including those holding the rank of 1-Star Mentor or higher, may freely participate in affiliate marketing programs, provided that:

- The affiliate products are not within the same or similar categories as Beauterfly International's products;
- The affiliate products are not in competition with Beauterfly International's product lines; and
- The affiliate programs involve the sale of products to individual customers through referral-based marketing, and do not include multiple levels of sales compensation or any form of multi-tier commission structure.

Additionally, any Brand Partner, including those holding the rank of 1-Star Mentor or higher, may purchase products from other multi-level marketing, party plan, or direct sales companies, provided such purchases are made solely for personal use and not for resale, promotion, or recruitment purposes.

3.11.3 BONUS BUYING AND STACKING

The Beauterfly International Sales Marketing Plan operates on the principle that all Beauterfly International sales are made for sale to and/or consumption by end consumers who are purchasing Beauterfly International products solely on the merits of the products themselves. Any device or scheme whereby a Brand Partner directly, indirectly, or through a third party causes Beauterfly International products to be purchased solely for the purpose of qualifying for sales bonuses or commissions constitutes fraud on the part of the Brand Partner and is a violation of this Agreement.

The following activities are strictly and absolutely prohibited and may result in the termination of your Agreement:

- Enrolling Brand Partners without their knowledge.
- Signing a Brand Partner Agreement for another person or Entity without their knowledge.
- Fraudulently enrolling another person or entity as a Brand Partner or Customer.
- Enrolling fake individuals or entities as Brand Partner or Customers.
- Seeking to increase commissions, bonuses, or other compensation by (i) providing financial assistance to Brand Partners of your Business Organisation, (ii) buying products through the account of another Brand Partner, or (iii) drop shipping through another Brand Partner's account.
- Improperly or without permission using a credit card, PayPal account, or other payment method for or on behalf of another Brand Partner when that Brand Partner is not the account holder of such credit card, PayPal account, or other payment method for bonus buying or commission qualification purposes.
- Purchasing more product than the Brand Partner can reasonably consume or re- sell in the pursuit of sales commissions, bonuses, or other compensation.
- Instructing other Brand Partners to purchase products solely in order to cause someone to meet any qualifications requirements on the Sales Compensation Plan

3.12 INTERNATIONAL

Compliance with foreign laws regarding intellectual property, data privacy and protection, customs, economic sanctions, export controls, taxation, literature content, and other direct selling guidelines is critical to successful international business and expansion of Beauterfly International into new markets. Consequently, Brand Partners are authorized to sell and enroll other Brand Partners only in countries or jurisdictions in which Beauterfly International is authorized to conduct business, as listed in official Beauterfly International literature, and only when following this Agreement and the Policies and Procedures of those countries and other applicable law.

Unauthorized pre-market opening activity may jeopardize Beauterfly International's ability to enter a new market and may result in loss of opportunity for many other Brand Partners. Beauterfly International may terminate this Agreement or take any other action Beauterfly International deems appropriate with Brand Partners who engage in unauthorized premarket opening activity. Brand Partners are not authorized to register product, trade names, trademarks, patents, web domains, or IP addresses in any country for or on behalf of Beauterfly International. Brand Partners agree to indemnify Beauterfly International for any such activity of yours that damages Beauterfly International, including, but not limited to, loss of profit, loss of goodwill, any damages, and reasonable attorneys' fees.

Beauterfly International Brand Partners will not place orders for shipments to or otherwise transfer, resell, or reexport Beauterfly International products to any countries or jurisdictions that are subject to a comprehensive embargo under U.S. law, or which are otherwise not approved by Beauterfly International. Beauterfly International reserves the right to terminate its agreement with Beauterfly International Brand Partners that violate these terms, without advance notice and without liability to the Beauterfly International Brand Partner.

Brand Partners that want to sell products and sponsor new individuals in a country officially recognized as open by Beauterfly International must do all the following:

- Be in good standing in the Brand Partner's country of residence
- Read, understand, and agree to follow the Agreement in place for that country
- Agree to follow all applicable laws of that country
- Agree to any tax withholdings that may be required for that country

Only products that have been registered for sale in Malaysia may be promoted and sold in Malaysia. International products that have been registered for sale in that same country may be promoted and sold, and such sales must comply with any authorisations by Beauterfly International and terms or policies related to sales in those countries. Brand Partners may not import products into any country that are not legally importable or saleable. Brand Partners must follow all laws in any country in which they sponsor Brand Partners, including, but not limited to, all direct selling laws, all solicitation laws, all advertising laws, all claims laws, all tax laws, and any other laws that apply to operating a business organisation in a foreign country.

Each Brand Partner that is not a resident of Malaysia understands and agrees that all services performed in connection with that Brand Partner's Beauterfly International business are performed outside Malaysia. Brand Partners that perform services overseas in connection with their Beauterfly International business must contact Beauterfly International at operations@beauterflyintl.com within 30 days of performing such services to report the time they spent in other countries on business activities in connection with their Brand Partner account.

3.13 NOT FOR RESALE (NFR) PRODUCTS AND LOCATION WHERE SERVICES ARE PERFORMED

In some countries, Brand Partners or customers may purchase Beauterfly International products on a not-for-resale (NFR) basis. If you purchase NFR products, it is against the law for you to resell them. NFR product availability may be different in each country.

3.14 ANTI-BRIBERY

Brand Partners and their agents, employees, or consultants must not pay or give, or offer or promise to pay or give, any money or anything of value to any government official or employee, political party, or candidate for political office (collectively referred to as "government recipient")—or to any person, while knowing or having reason to know that all or a portion of such money or thing of value will be paid or given to, or offered or promised to, directly or indirectly, any government recipient—for purposes of obtaining an unfair advantage or influencing any act or decision of a government recipient or inducing a government recipient to use his, her, or its influence with the government or instrumentality thereof to affect or influence any act or decision of such government. Brand Partner must cause their employees, officers, agents, and sub consultants to do likewise.

3.15 REPACKAGING, RE-LABELING, AND QUALITY CONTROLS

Brand Partners may not re-label, alter the labels of, repackage, or refill any Beauterfly products. Beauterfly's products must be sold in their original containers only. Brand Partners will not remove, deface, or modify any serial number, UPC code, batch or lot code, or other identifying information on products or packaging. Brand Partners will cooperate with Beauterfly International in the investigation and resolution of any quality or customer service issues related to sales of Beauterfly products, including disclosing information regarding product sources, shipment, and handling. Brand Partners will not remove, translate, or modify the contents of any label or literature on or accompanying the products, unless directed to do so by Beauterfly International.

Brand Partners will comply with all instructions provided by Beauterfly International regarding the proper care, storage, and handling of the products. Specifically, all Beauterfly products must be stored in a cool, dry place, away from direct sunlight. Brand Partners will regularly inspect Beauterfly's inventory for products that are expired or that will expire within 60 days and will not sell such products. Brand Partners will provide current contact information to customers and make it known to customers that you are available to answer questions, provide advice, and respond to customer concerns both before and after the sale of products.

Brand Partners will respond to any questions or concerns from their customers relating to product information, proper usage, or other inquiries. When responding to customer questions or concerns, Beauterfly International recommends that Brand Partners consult Beauterfly's materials, refer to and use available educational tools, or contact Beauterfly International directly. Brand Partners will cooperate with Beauterfly International with respect to any product recall or other consumer safety information dissemination efforts.

Beauterfly International strongly recommends that Brand Partners do not use Beauterfly products as ingredients in or components of any product for resale. If a Brand Partner uses Beauterfly products as an ingredient of any product for resale, the Brand Partner is strictly prohibited from using Beauterfly International trademarks or logos in conjunction with selling such product. Such re-labeling or repackaging could result in severe criminal penalties. Beauterfly International may terminate the account or take any other action Beauterfly International deems appropriate with any BrandPartner who violates this section. Additionally, Brand Partners agree to indemnify Beauterfly International against any harm resulting from a violation of this section, including but not limited to a use of Beauterfly International products as an ingredient and the repackaging or re-labeling of any of its products.

3.16 CONFIDENTIALITY AGREEMENT

Brand Partners may be supplied with information that is of a confidential or proprietary nature such as genealogical and organisation reports, Customer lists, Customer information developed by Beauterfly International or developed for and in behalf of Beauterfly International by Brand Partners (including, but not limited to, Customer and Brand Partner profiles, personally identifiable information, and product purchase information), Brand Partner lists, manufacturer and supplier information, business reports, commission or sales reports, marketing strategies and plans, product formulas, product information, promotional information, and other financial and business information ("Confidential Information").

Beauterfly International does not guarantee that the confidential information is complete, accurate, of satisfactory quality or fit for any purpose and agrees to accept Beauterfly International's confidential information "as is." In disclosing the confidential information, Beauterfly International does not undertake to provide any additional information to update or correct any inaccuracies in the confidential information.

All confidential information (whether in written, oral, or electronic form) is transmitted to Brand Partners in strictest confidence on a need-to-know basis for use solely in Brand Partner's Beauterfly International business for Beauterfly products and in accord with the Agreement. Brand Partners may use and disclose the confidential information only in strict accordance with the conditions and restrictions that Beauterfly International may require from time to time, including restricting disclosure of promotional information until Beauterfly International makes such information generally available to all Brand Partners.

Brand Partners must not use or disclose confidential information to compete with Beauterfly International or for any purpose other than for promoting Beauterfly International products and services. Brand Partners must adopt and maintain reasonable safeguards to protect the Confidential Information and must not disclose to a third party directly or indirectly unless such disclosure is expressly unauthorized by Beauterfly International in writing or required by law.

Each Brand Partner agrees to indemnify Beauterfly International against damages incurred for any and all such unauthorized Confidential Information disclosures.

Upon termination by either party, for any reason, each Brand partner must discontinue the use of such confidential information and destroy or promptly return to Beauterfly International any confidential information in their possession. Without limiting Brand Partner's obligations as set forth in this section, Beauterfly International may further require a signed nondisclosure agreement before releasing any business information to Brand Partners and may require Brand Partners to certify that they have returned or destroyed all confidential information upon termination of their accounts.

The obligations contained in this section survive and are subject to legal enforcement by injunction, damages, and all other available remedies. Brand Partners further understand and agree that if Beauterfly International prevails in any legal action to enforce its rights under this section, Beauterfly International will be entitled to all costs and reasonable attorneys' fees incurred in enforcing its rights under this section.

3.17 AUTHORISATION TO TAKE AND USE YOUR PHOTO OR VIDEO

Brand Partners consent to having their image captured in photographs or videos at various Beauterfly International-sponsored events by Beauterfly International staff and to have those images used by Beauterfly International as it sees fit in advertising and marketing materials. Brand Partners will not be compensated for this usage. Brand Partners that have a religious or moral objection to having their picture taken or appearing in a video must notify a member of Beauterfly International's staff at the event where photographs and videos are being taken. The provisions of this section will permanently survive the term of the Agreement.

3.18 RANK RECOGNITION

The Beauterfly International Marketing Plan pays compensation based on different ranks and the criteria set forth therein. Each month Brand Partners may qualify for sales commission payments according to the rank in which they qualify. Brand Partners are recognized by Beauterfly International in various ways and at various times as they achieve certain ranks. To be recognized at and enjoy the benefits of a rank (as defined by Beauterfly International), Brand Partners must meet the minimum requirements to qualify for that rank (or above) within the monthly time frame and must have their account in active and good standing.

Requirements to qualify for and to be invited to recognition awards and/or qualify for unique rewards, incentives, or events are published at Beauterfly's WhatsApp Announcement Group and the official Beauterfly website at www.beauterflyintl.com.

3.19 NON-EXCLUSIVITY FOR INDEPENDENT CONTRACTORS

Beauterfly International does not grant independent contractors, including Brand Partners, any exclusive territory or exclusive rights to sell Beauterfly International's products or services through any sales channel. For enquiries regarding territory exclusivity, interested parties may contact the Beauterfly Operations Manager at operations@beauterflyintl.com to request information on the terms and requirements for obtaining a Beauterfly Service Point (BSP)

Brand Partners are not required to pay franchise fees. Beauterfly International reserves the right to offer its products and services through any sales channel and territory, including, but not limited to, its digital commerce website, and other companies (e.g., e-commerce platform) or other distribution channels.

3.20 NON-DISPARAGEMENT, ANTI-HARASSMENT, AND EMPLOYEE PRIVACY

Brand Partners must not disparage, slander, or defame Beauterfly International, other Brand Partners, Beauterfly International employees, or Beauterfly International founders. They may, however, give honest reviews of Beauterfly International products and services, including negative reviews, either verbally or in writing without violating this clause so long as the reviews are accurate, honest, and not misleading. Reviews of Beauterfly International products or services by Beauterfly International Brand Partners must also not be biased, harassing, abusive, obscene, vulgar, sexually explicit, or inappropriate with respect to race, gender, ethnicity, or other intrinsic characteristics.

Beauterfly International does not tolerate any harassment, cyber-stalking, or other abuse of its employees (to include Beauterfly International's corporate officers). Beauterfly International asks its Brand Partners to remember that Beauterfly International employees have personal lives, personal opinions, and privacy outside the bounds of their employment at the company.

Employees do not speak for Beauterfly International when communicating via their personal emails, social media pages, phone calls, etc. Even when an employee is speaking in his or her capacity as a Beauterfly International employee, every employee is only human and may at times misspeak or speak imperfectly. Beauterfly International expects Brand Partners to exhibit grace not only in their dealings with one another, but also when dealing with corporate employees. Brand Partners who personally attack or verbally abuse Beauterfly International employees may face disciplinary action under the Agreement. In addition, Brand Partners of all ranks are expected to follow the appropriate corporate channels for resolving account issues or providing feedback (e.g., customer service teams, Diamond Support, etc.) rather than attempting to contact Beauterfly International employees directly through improper channels.

Violations of this section constitutes a material breach of the Brand Partner Agreement and may result in Beauterfly International terminating the account of the breaching Brand Partner.

The obligations contained in this Section survive termination of this Agreement and are subject to legal enforcement by injunction, damages, and all other available remedies. Brand Partners further understand and agree that if Beauterfly International prevails in any legal action to enforce its rights under this Section, Beauterfly International will be entitled to all costs and reasonable attorneys' fees incurred in enforcing its rights under this Section.

4 SPONSORING OTHER PARTNERS

4.1 SPONSORING

Brand Partners have the right to enroll and sponsor new individuals as Brand Partners. In the event that two Brand Partners claim to be the direct sponsor of the same prospective individual, the individual shall have the right to decide which Brand Partner to enroll under, provided the decision is made within three (3) days from the date of enrollment.

4.2 SPONSORING ONLINE

When sponsoring a new Brand Partner through the online enrollment process, Brand Partner may assist the new applicant in filling out the enrollment materials. The applicant must personally review and sign to the online Agreement. Brand Partner may not fill out the online application and Agreement for the new Brand Partner.

4.3 PRIVACY

Brand Partners must safeguard and protect all private information provided by Brand Partners and Customers in the operation of the Brand Partner's business organisation in accordance with the Beauterfly International Privacy Policy. Brand Partner may not sell any of the private information or otherwise retain, use, or disclose the private information for purposes outside of the business relationship contemplated by this Agreement.

Additionally, Brand Partner agrees to use and store the private information according to the following data storage guidelines:

- Hard copies of the private information must be stored in a secure location where only the Brand Partner can access it, in a locked cabinet if possible.
- Electronic copies of the private information are only on password-protected computers, laptops, and devices to which Brand Partner has exclusive access.
- Brand Partners must take reasonable security precautions on devices on which private information is stored, including using virus protection and anti-malware software and up-to-date software patches.
- Where saving electronic documents is necessary, Brand Partners should save private information to password-protected computers, laptops, and devices to which only the Brand Partner has access, and not to unencrypted portable storage device such as memory sticks, external hard drives, etc.

5 ADVERTISING

5.1 USE OF BEAUTERFLY INTERNATIONAL MATERIALS

To prevent inadvertent errors or improper claims, Brand Partners should strive to use the current Beauterfly International marketing materials, literature, and official claims and text when advertising and describing Beauterfly International's products or programs. The materials should be used in context so as not to be misleading.

5.2 EDUCATION AND REFERENCE MATERIALS

Beauterfly International places a strong emphasis on education and encourages all our Brand Partners to expand their knowledge about the remarkable products we have developed. Our commitment to education extends to our own Beauterfly International website, Beauterfly Linktree & Beauterfly Telegram which containing substantiated science and approved claims for advertising and promoting Beauterfly Products. Beauterfly International Brand Partners are encouraged to research and educate themselves on our products through a wide array of resources, including books, websites, YouTube channels, blogs, and more. We believe that continuous learning is essential for understanding our products.

As part of this commitment to education, Beauterfly International members are granted the freedom to use reference materials from third-party sources to promote Beauterfly International and its products. However, we emphasize that brand partners are not permitted to use any inappropriate product claims when advertising / selling Beauterfly International Products. Inappropriate product claims include statements that suggest Beauterfly International products can be used to diagnose, treat, cure, or prevent diseases.

Beauterfly International does not impose restrictions on the books, tools, or other reference materials you use for personal learning as long as you are not using these materials to advertise or sell Beauterfly International products.

When advertising our products, we are regulated by "Commercial Speech" standards that restrict the claims we can make. These regulations are in place to safeguard consumers and ensure informed decision-making when purchasing products. As a brand partner, any marketing material you create is considered as Beauterfly International corporate's advertising material. We strongly encourage our Brand Partners to promote Beauterfly International products while staying compliant and adhering to both our Policies and federal regulations.

5.3 BRAND PARTNER-DEVELOPED ADVERTISING MATERIALS AND PRODUCTS

Brand Partners that choose to produce or use advertising materials not developed by Beauterfly International must clearly identify that the material is from an "Independent Brand Partner" and not Beauterfly International, the company itself, and explicitly state that the materials have been approved or endorsed by Beauterfly International. Brand Partners are not permitted to use Beauterfly International corporate letterhead or any other representation that the Brand Partner is an employee of Beauterfly International.

Any use of advertising materials not produced by Beauterfly International must be compliant with all applicable laws and the Agreement. Such material must be produced in a professional and tasteful manner to protect the Beauterfly International brand. Material must not be used that reflects poorly upon Beauterfly International. Brand Partners agree that Beauterfly International may request the removal or discontinuation of use of Brand Partner-developed advertising materials, and Brand Partners agree to promptly comply with all such requests.

5.4 ADVERTISING CLAIMS AND REPRESENTATIONS

5.4.1 PRODUCT CLAIMS

Brand Partners are prohibited from making inaccurate and impermissible claims about any Beauterfly products. Brand Partners must not make any claim that Beauterfly products are intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease, including in a personal testimonial. Brand Partners must also avoid making any statements and claims that are false or misleading concerning Beauterfly's products.

5.4.2 EARNING CLAIMS

Brand Partners may not make any false, misleading, or potentially misleading claims of earnings, income or lifestyles.

Brand Partners are prohibited from making improper income claims, any testimonial, statement, or other representation, whether written or oral, that pertains to the following in connection with the Beauterfly International business opportunity:

- Exaggerated or guaranteed incomes, earnings, or profits.
- Hypothetical, potential, or estimated incomes, earnings, or profits that are in any way misleading.
- Exaggerated or luxurious lifestyles.
- Any other false, untruthful, incomplete, or otherwise misleading or potentially misleading information regarding income, earnings, or lifestyles.

For example, Brand Partners may not state or imply that operating a Beauterfly International business will lead to:

- Early retirement
- Income equivalent to a full-time career (“career-level income”)
- A luxurious lifestyle
- A large home
- Luxury automobiles
- Exotic vacations
- A spouse no longer having to work
- Financial freedom
- Or anything similar

Additionally, Brand Partners may not mention Beauterfly International in a social media post near one suggesting a luxurious lifestyle. Further, Brand Partners may not disclose images of any commission check or any images of bank accounts, balances, tax statements, or similar financial records.

Beauterfly International Brand Partners must provide a clear and conspicuous disclaimer describing the typical outcome for that audience as follows: “Most Brand Partners only earn modest supplemental income. A Brand Partner’s income and earnings will depend on their individual diligence, work effort and market conditions. Beauterfly International does not guarantee any earnings, income, or rank success”.

Additionally, if a Brand Partner makes an earning claim that implies an outcome that is not typical of his or her audience, then the Brand Partner must also provide a clear and conspicuous disclaimer describing the typical outcome for that audience. For example, a claim made online that implies part-time income levels could be accompanied by a disclaimer that “Most Brand Partners only earn modest supplemental income.. A Brand Partner’s income and earnings will depend on their individual diligence, work effort and market conditions. Beauterfly International does not guarantee any earnings, income or rank success”.

If a Brand Partner discusses or implies full-time-level earnings, he or she must accompany this discussion with a disclaimer that states something to the effect of, “Most people only earn modest supplemental income. A Brand Partner’s income and earnings will depend on their individual diligence, work effort and market conditions. Beauterfly International does not guarantee any earnings, income or rank success.

5.4.3 MARKETING PLAN CLAIMS

When presenting or discussing the Beauterfly Marketing Plan, Brand Partners must not imply or represent that success can be achieved without consistent effort, commitment, and time.

Examples of misrepresentations include:

- Anyone can succeed with little or no effort.
- Failure to succeed is just a lack of effort.
- The system will do the work for you.
- Just get in and your Business Organisation will build through spillover.
- Just join and I will build your Business Organisation for you.
- The company does all the work for you.
- You don’t have to sell anything.
- All you must do is buy your products every month.
- There are no risks involved.
- Everyone who joins makes money.
- Just recruit 2 person to do all the work for you.
- The company guarantees your earnings.

5.4.4 INDEMNIFICATION FOR UNLAWFUL ADVERTISING STATEMENTS

Brand Partners are fully responsible for all verbal and written statements they make regarding Beuterfly International products, services, and the Sales Compensation Plan that are not expressly contained in official Beuterfly International materials. Brand Partners agree to indemnify Beuterfly International and Beuterfly International's directors, officers, Brand Partners, shareholders, managers, employees, and agents, and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorneys' fees, court costs, or lost business incurred by Beuterfly International from any liability arising from or related to Brand Partners' actions in the promotion of Beuterfly International products, services, and business opportunity. This provision will survive the termination of the Agreement.

5.5 BEUTERFLY INTERNATIONAL INTELLECTUAL PROPERTY

The name Beuterfly, Beuterfly International, Beuterfly International Sdn. Bhd., Beuterfly International Corporation, Beuterfly International Thailand Co., Ltd., Beuterfly Intl., BeU, and all other names that may be adopted by Beuterfly International or its subsidiary or affiliate companies or used by those entities as trade names, product brand names, trademarks, logos, slogans, hashtags, web addresses, or URLs, text, photographs, and video ("Intellectual Property or IP") are herein referred to as "Beuterfly International IP" and are owned by Beuterfly International.

During the term of the Agreement, and only during that term, Brand Partners are authorized to (a) copy and use the photographs made readily accessible on Beuterfly International's free websites or services, the text of product and service descriptions provided by Beuterfly International, and the videos posted to Beuterfly International's online video sites (e.g., Beuterfly International's Vimeo® and YouTube® pages) and (b) use, except as prohibited herein, Beuterfly International's IP (excluding Beuterfly International's company logos) solely in connection with the development of online and printed materials for use in building and managing their business organisation.

Brand Partners may not, however, use this Beuterfly International IP in connection with any activity outside the scope of the Brand Partner's Agreement without Beuterfly International's written authorisation. Brand Partners may not sell materials containing these properties (e.g., marketing materials, including physical or electronic), essential oil accessories, swag, software or mobile apps, branded merchandise, books, brochures, movies, or other products that they sell to others (including other Brand Partners), directly or indirectly. Upon termination of the Agreement, this license will automatically terminate, and Brand Partners must immediately cease all use of Beuterfly International IP.

Brand Partners are prohibited from applying for, owning, or registering any Beuterfly International trademark, in whole or in part, or any confusingly similar word, logo, or symbol as a trademark in any jurisdiction in the world. In the event Brand Partners do so or have done so, Brand Partners agree to assign, at no cost, the trademark registration or application to Beuterfly International within 10 days of Beuterfly International's written request.

Brand Partners must use the phrase "Beuterfly International Independent Brand Partner" or "Beuterfly International Independent Distributor" in a legal and lawful manner in connection with any authorised Beuterfly International IP for online paid marketing program or effort, including pay-per-click online advertising, Google AdWords, paid social ads, video content, content syndication, and display marketing.

5.6 DOMAIN NAMES AND EMAIL ADDRESSES

Brand Partners may not use, register, or own any internet domain name, either in Malaysia or abroad, that includes any Beuterfly International IP or any derivative thereof. Nor may Brand Partners incorporate or attempt to incorporate any Beuterfly International IP or any derivative thereof into any email address.

In accordance with this policy, all existing Brand Partner-owned domain names that violate this provision will be expected to be brought into conformance within 30 days of notification of a violation by Beuterfly International. In limited circumstances, an infringing domain name or email address registration may be allowed to exist upon the signing of an annual trademark license agreement with Beuterfly International, which will also carry a license fee. Such license agreements may be offered by Beuterfly International at any time, and those Brand Partners with nonconforming domain name registrations who do not make such an agreement with Beuterfly International will be expected to transfer those registrations to Beuterfly International within the 30-day period noted above.

5.7 INTERNET POLICY

Brand Partners may use the internet to promote their Brand Partner accounts using websites, blogs, and social media. Any website or online application used to promote Beuterfly International, Beuterfly International® products, or Beuterfly International events must display a current Beuterfly International Independent Brand Partner logo in a prominent location so that visitors to the sites are not given the impression that it is an official Beuterfly International corporate site.

Additionally, any website or online application used to promote a Brand Partner's account must include the Brand Partner's member account ID. Any use of the internet to promote a Brand Partner's account may include current product descriptions, photographs, videos, and other media made available to Brand Partners by Beuterfly International. However, these internet sites may not (a) use Beuterfly International's trade dress or IP; (b) make any improper product, income, or Marketing Plan claims; (c) contain false or misleading information; (d) collect, store, process, or transmit any person's confidential information; (e) use old or outdated product descriptions, photographs, videos, and other media, or (f) have the appearance that it is operated by Beuterfly International or any third party (meaning anyone other than the Brand Partner).

When using social media, Brand Partners may not use as their username, account name, or other identifier (collectively "username") any of Beuterfly International's IP, company names, or any other name that may be confused with Beuterfly International Essential Oils or suggest Beuterfly International's sponsorship thereof. Usernames may, however, include the name "Beuterfly International," if they also include "Independent Brand Partner" or a similar identifier that effectively distinguishes it from a Beuterfly International account.

Brand Partners may use websites to also sell Beuterfly International products (with the exception of sites prohibited by section 5.8 below), but only subject to the above and following conditions:

- Each website must be operated by the Brand Partner in his or her legal name or registered fictitious name, conspicuously state such name, mailing address, telephone number, and email address (collectively, "site holder information"), and such site holder information must be included with any shipment of products.
- The Brand Partner must register the website to be used for sales with Beuterfly International. Registration is accomplished by emailing both the name of the URL and the Brand Partner's number to operations@beuterflyintl.com.
- Such site must display the Brand Partner, as well as the Independent Brand Partner logo.
- Such site must have a mechanism for receiving Customer feedback and the Brand Partner will (a) use all reasonable efforts to address all Customer feedback and inquiries received in a timely manner; (b) provide copies of any information related to Customer feedback (including any responses to Customers) to Beuterfly International upon request; and (c) cooperate with Beuterfly International in the investigation of any negative online review associated with the sale by the Brand Partner of Beuterfly International products and use any reasonable efforts to resolve any such reviews.
- Notwithstanding the clause at (c) above in the Agreement, such site may collect, store, process, and transmit Brand Partner or Customer confidential information, provided that the site complies with all applicable privacy, accessibility, and data security laws; regulations; and industry standards.

Brand Partners are responsible to ensure that all those operating any internet site on behalf of the Brand Partner or Professional Account comply with all the requirements addressed throughout this section and the remainder of the Agreement.

Any website or online application that is used by a Brand Partner to promote the Brand Partner's Beauterfly International account in any way may be monitored by Beauterfly International. Failure to monitor any such site or online application for any time period does not waive Beauterfly International's rights to ensure compliance with this section. At Beauterfly International's request, the Brand Partner will reasonably cooperate in demonstrating and/or providing access to and copies of all web pages, social media posts, and any other online content and/or activity related to the Brand Partner's or promotions of Beauterfly International on the internet.

Beauterfly International may terminate a Brand Partner's account or take any other action Beauterfly International deems appropriate for violations of this section.

5.8 INTERNET CLASSIFIED AD SITES, AUCTION SITES, SHOPPING SITES, OR ORDER FULFILMENT STORES RESTRICTED

Notwithstanding the foregoing in section 5.6, in order to protect integrity and image of Beauterfly International's brand and to protect the businesses that Beauterfly International Brand Partners are building, Brand Partners may not sell or promote, in any fashion, Beauterfly International products on any internet classified ad site (e.g., Mudah.my, Craigslist), marketplace (e.g., Facebook marketplace, Carousell), auction site, shopping site, or order fulfilment store (e.g., eBay, Amazon, Lazada, Shopee, etc.). Further, Brand Partners may not (a) enlist or knowingly allow a third party to sell Beauterfly International products on any internet classified ad site, auction site, shopping site, or order fulfilment store or (b) sell products to a third party that Brand Partner has reason to believe will sell such products on any internet classified ad site, auction site, shopping site, or order fulfilment store.

Beauterfly International will be entitled to all reasonable attorneys' fees and related costs incurred in enforcing its rights in any action in which it is found that Brand Partner violated the terms of this section. No Brand Partners sales are permitted via internet sites except for those permitted via section 5.6 and through the Beauterfly International Personal Websites in accordance with section 5.9.

5.9 TELEPHONE AND EMAIL SOLICITATION

Any email messages distributed to solicit for a Brand Partner's business must conform to the CAN-SPAM Act and contain appropriate opt-out provisions for the recipient. Failure to opt respondents out of Brand Partner's email, phone calls, or text when requested may subject such Brand Partners to legal action, and Beauterfly International may terminate their account or take any other action Beauterfly International deems appropriate.

Brand Partners may not engage in telemarketing to promote Beauterfly International products or the Beauterfly International business opportunity or to solicit potential Brand Partners or Customers. For purposes of this section, telemarketing refers to placing of one or more outbound telephone calls or texts, directly or through a third party, to an individual without that individual's express prior permission or invitation to call.

Brand Partners will indemnify Beauterfly International and Beauterfly International's directors, officers, Brand Partners, shareholders, managers, employees, and agents and hold them harmless from any and all liability, including judgments, civil penalties, refunds, attorneys' fees, court costs, or lost business incurred by Beauterfly International as a result of such prohibited telemarketing activities.

5.10 BEAUTERFLY INTERNATIONAL PROVIDED BRAND PARTNER WEBSITES

Beauterfly International offers Brand Partners a personalized website at an affordable cost to assist in sales and marketing efforts. You should contact Beauterfly International Operations at operations@beauterflyintl.com for more details.

Brand Partners should be advised that by using a Beauterfly International Personal website, the Brand Partner's contact information will become available to the public so that the public may contact the Brand Partner with questions. Beauterfly International will not be held responsible for any unintended or adverse consequences of this service.

5.11 SERVICE ESTABLISHMENTS

Beauterfly International products are allowed to be sold in Service Establishments, which are defined as personal service establishments such as offices of doctors, beauticians, chiropractors, and other health professionals, health clubs, gymnasiums, barber shops, beauty shops, nail boutiques, counselling services, aesthetic clinics, and other such businesses where the customers' use of the establishment is controlled by membership or appointment.

5.12 MINIMUM ADVERTISED PRICE

Beauterfly International has determined that certain advertising practices undermine Beauterfly International's IP, trade reputation, brands, and premium image within the target consumer population and discourage consumers from investing in the products and services, preventing the best possible service and support to consumers. Accordingly, to protect the integrity of the Beauterfly International brand, Beauterfly International has adopted this unilateral Minimum Advertised Price Policy (the "Policy"), which applies to all authorized Brand Partners in Malaysia.

The Policy applies to advertisements of all Beauterfly International products for which there is a current listed Malaysian Ringgit retail price (which is kept current on the official Beauterfly International member's portal) ("Covered Products"). The Minimum Advertised Price ("MAP") for each of the Covered Products may be amended by Beauterfly International in its sole discretion at any time without providing separate notice of that change. Beauterfly International is solely responsible for establishing the MAP for each Covered Product and communicating the MAP to all Brand Partners.

While Brand Partners remain free to advertise and sell all Beauterfly International Products at any price they deem appropriate, it is a violation of this Policy for a Brand Partner to advertise any Covered Product at a price lower than the MAP. Such advertisements include, but are not limited to:

- Offering coupons, discounts, reseller rebates, or other inducements that, when applied, result in a price lower than the MAP, including through use of a general sale, promotional code, or other similar provision that can be applied to Covered Products.
- Bundling Covered Products with other products or services (whether made by or provided by Beauterfly International or another entity) in a manner that implies below-MAP pricing for the bundled Covered Product.
- Strikeouts or strikethroughs of pricing information, "see price in cart," or other statements that suggest that a lower price for a Covered Product may be found at the final online checkout stage.
- Permitting any third party to alter the advertised price for any Covered Product.

It is not a violation to advertise that a customer may "call for price," "text for price," or "email for price," as long as no price is listed and no automated call, text message, or "bounce-back" email is used in response.

The terms “advertise” and “advertisement” include all promotional or pricing information displayed via any type of media, including, but not limited to, newspapers, catalogs, magazines, flyers, brochures, television, radio ads, billboards, signage (except signs displayed within a Service Establishment), websites, blogs, social media, affiliate marketing networks/comparison shopping engines, Brand Partner-initiated text messages or emails to customers or prospective customers, mobile/smart phone applications, banner ads, online product ads, paid search ads, pay-per-click ads, display ads, mobile ads, product listing ads, sponsored links, ads in any other media in a digital format that is communicated or conveyed via the Internet, and any other marketing or promotional materials, whether displayed online or through broadcast or other media.

Notwithstanding the foregoing, pricing information displayed at the final online checkout stage (when Covered Product is put into a shopping cart that contains the Customer’s name, shipping address, email information, and payment information) of a transaction is not considered “advertising” under this Policy. Pricing information in the “shopping cart” or “checkout” stages must be obscured technically so that it is not retrievable by shopping and pricing engines, and not displayed on search page results within the Brand Partner’s own website. It shall not be a violation of this Policy for Brand Partners to offer other incentives such as Beauterfly International product credit, gift cards, or a gift, plus additional reference materials.

Further, the advertisement of free or reduced-price shipping is not a violation of this Policy as long as such offer applies to all or almost all other products offered by a BrandPartner in the same product category.

This Policy does not constitute an agreement between Beauterfly International and any other entity. Beauterfly International neither solicits nor will it accept any assurance of compliance with this Policy from any Brand Partner or other party. Each Brand Partner must independently choose whether to comply with the terms of this Policy. This Policy is not negotiable and will not be altered for any individual Brand Partner. This Policy applies only to advertised prices and does not affect the prices that a Brand Partner may charge for Beauterfly International Products. Brand Partners have no right to enforce the Policy.

Beauterfly International may update, revise, suspend, terminate, reinstitute, or modify this Policy at any time in its sole discretion. No Beauterfly International employee or agent, including a Brand Partner’s sales representative, is authorized to modify, interpret, or grant exceptions to this Policy; solicitor obtain the agreement of any person to this Policy; or otherwise discuss any aspect of this Policy with any BrandPartner. Any questions about this Policy should be submitted in writing and directed to Beauterfly International Operations at operations@beauterflyintl.com.

5.13 TRADE SHOWS AND EXPOSITIONS

Subject to the requirements in this Agreement, Brand Partners may display and sell Beauterfly International products at trade shows and expositions. All literature displayed at the event must be official Beauterfly International literature, and Brand Partners must clearly identify themselves as Independent Brand Partners.

5.14 MEDIA INQUIRIES

Brand Partners must not respond to media inquiries regarding Beauterfly International, its products or services, or their Business Organisation. All inquiries by any type of media must be immediately referred to the Beauterfly International Operations at operations@beauterflyintl.com. This will ensure that accurate and consistent information reaches the general public and all federal and state laws and regulations are complied with.

6 PRODUCT SALES

6.1 SALES RECEIPTS

Brand Partners are required to document all retail sales. Brand Partners are required to furnish their Customers with copies of sales receipts, which specify the date of sale, the amount of sale, and the items purchased. Brand Partners must verbally inform their Customers of their cancellation rights. Additionally, if Brand Partners sell product inventory to other Brand Partners, a sales receipt must be provided to the buyer. The Brand Partner must maintain copies of all sales receipts for a period of two years and furnish them to Beauterfly International upon request.

6.2 EXCESSIVE PURCHASES OF INVENTORY AND 70% RULE

Beauterfly International's business model operates on the principle that all sales by Beauterfly International are made for sale to or consumption by end consumers who are purchasing Beauterfly International products solely on the merits of the product themselves. Brand Partners will not make and will not encourage their Business Organisation or any other Brand Partner to make unnecessary product purchases that could result in a large, stagnant inventory. This is called "front-end loading" or "inventory loading" and refers to the purchase of products that are stored, destroyed, or otherwise disposed of without being consumed. Brand Partners must consume their products or sell their products to people who will consume them. Brand Partners are expressly prohibited from collecting or otherwise storing excessive inventory, as described by this section. If any Brand Partner is found to be buying to meet qualifications within the Sales Compensation Plan, Beauterfly International may terminate the Brand Partner's account or take any other action Beauterfly International deems appropriate.

To be eligible for sales commissions, Brand Partners must not stock excessive inventory and must consume and/or sell to end consumers at least 70% of the inventory that they purchased for resale (and not personal use) before they purchase additional products. By ordering product, Brand Partners certify that they have sold or used at least 70% of all product previously purchased for sale.

6.3 DAMAGED OR EXPIRED PRODUCTS

Brand Partners must not sell any products that are damaged, expired, defective, have broken seals, evidence of tampering or are non-conforming. Brand Partners should notify Beauterfly International of any damaged product or shipping damage as soon as possible.

7 SALES COMMISSIONS AND BONUSES

7.1 SALES COMMISSIONS AND BONUS CHECKS

To qualify for sales commission compensation under the Beauterfly Marketing Plan, Brand Partners must be active and in compliance with the Agreement with no holds on their account. Commissions will be paid in accordance with the Beauterfly Marketing Plan. Brand Partners may elect to have sales commissions paid via the options below and may contact Customer Service for more information at support@beauterflyintl.com.

- Direct Deposit - Brand Partners may elect to have sales commissions paid via direct deposit to a local bank account. Direct deposits will be permitted based on policies determined by Beauterfly International. Brand Partners must enroll in direct deposit within the official Beauterfly member's portal.
- Credit on Account – Sales commission amounts may be retained as a credit on the Brand Partner account for future product purchases. Brand Partners may also elect to have all or a part of future commissions credited to their account by submitting their preferred withdrawal amount.

Brand Partners may access detailed sales commission reports from the Virtual Office at www.beauterflyintl.com. Brand Partners who do not have Internet access may request that the report be mailed for a small fee. Brand Partners should review their Sales Commission and Bonus Recap statements and report any errors or discrepancies to Beauterfly International within 45 days from the date of payment. Errors or discrepancies that are not brought to Beauterfly International's attention within 45 days will be deemed waived.

7.2 SALES COMMISSION WITHDRAWALS

Beauterfly International processes all sales commission withdrawals twice monthly, with the cut-off dates set on the 15th and the last day of every calendar month. Commission payments will be processed and credited to the Brand Partner's registered account within three (3) to seven (7) working days following each cut-off date, excluding Saturdays, Sundays, and public holidays.

Beauterfly International reserves the right to delay or withhold commission payments in cases where account information is incomplete, verification is pending, or any policy or compliance review is in progress.

7.3 BUSINESS SUPPORT FEES

A monthly business support fee may be assessed each month and is used to cover accounting, processing, account maintenance, and other costs. The fee may be tax deductible, so Brand Partners should consult their own tax advisor for details. Beauterfly International may charge other fees including Account Inactivity or Dormancy Fees and Account Notification Fees. These fees are used to offset the costs involved for Beauterfly International to maintain dormant accounts and provide notification to any Brand Partner with an account dormant for 180 days (1 cycle) or more.

The current business support fee schedule and other fees such as Account Inactivity or Dormancy Fees and/or Account Notification Fees are posted on the official Beauterfly member's portal, which Beauterfly International may amend from time to time. Beauterfly International may deduct any Business Support Fee and/or Dormancy Fee and other listed fees herein from any owed sales commissions or deduct from any credits on account included but not limited to; sales commission credits, returned order credits, and canceled order credits.

7.4 RETURNED COMMISSIONS PAYMENTS

Direct Deposit Returns – Any failed direct deposit payments will remain as a payment pending to allow the Brand Partner to update banking information within the official Beauterfly member's portal for future direct deposit payments.

7.5 MONTH-END ORDER PROCESSING CUTOFF

All website orders must be received and accepted on or before the last day of the calendar month at 23:59 PM (+8 GMT) in order to count for that month.

Changes made to pending orders that have not yet shipped will keep the original date the order was entered. All mailed-in orders must be postmarked by the last day of the month and received within the next three business days of the following month. If not received within the following three business days, the orders will be credited to the following month. All days are considered business days except for Saturday, Sunday and holidays when the mail is not delivered or when the Beauterfly International office is closed. The website is available 7 days a week, 24 hours a day, making it possible to place all orders by the end of the month.

8 ORDERS, RETURN AND REFUND POLICY

8.1 ORDERING METHODS

All Brand Partners may place orders through the official Beauterfly International member's portal or in-person at Beauterfly International Sdn. Bhd. Headquarters Kuala Lumpur, Beauterfly International Corporation Philippines, or Beauterfly International Thailand Co., Ltd.

8.1.2 OFFICIAL BEAUTERFLY INTERNATIONAL MEMBER'S PORTAL

The official Beauterfly International member's portal makes ordering and accessing information online quick and easy. Available 24 hours a day, 7 days a week, the member's portal online allows you to conveniently place orders. You will need your Beauterfly username and password (which should be kept confidential) to establish a login at www.beauterflyintl.com. You must always keep your password secure and order only from your own account.

8.1.3 IN-PERSON ORDERING

Brand Partners may also place orders in-person at any official Beauterfly International office or authorised service location, including:

- Beauterfly International Sdn. Bhd. Headquarters, Kuala Lumpur (Malaysia)
- Beauterfly International Corporation, Philippines
- Beauterfly International Thailand Co., Ltd.

Brand Partners should note that pricing may vary from country to country due to differences in tax rates, import duties, currency exchange rates, shipping costs, and local regulatory requirements. When placing in-person orders, Brand Partners are advised to:

- Verify current local pricing and promotions before purchase.
- Ensure that all payments are made directly to Beauterfly International or its authorised representative only.
- Obtain an official receipt or invoice for every transaction.
- Confirm that ordered products are properly entered and recorded under their official Beauterfly member account.
- Understand that in-person orders are subject to the same refund, exchange, and return policies as online orders.

8.2 GENERAL ORDERING POLICIES

Orders with invalid or incorrect payment types, or anything else that may prevent Beauterfly International from placing the order, Beauterfly International will attempt to contact you by phone or email to correct the order. Beauterfly International will make attempts to correct the order within 15 days, not to exceed the 4th day of the following month. If these attempts are unsuccessful, the order will be cancelled.

For orders to be counted in a given month, they must be received and accepted on or before the last day of the month. Changes made to pending orders that have not yet shipped will keep the original date the order was entered. This may affect commission qualification.

If an item ordered is out of stock or discontinued, Beauterfly International will attempt to contact you by phone or email so that you may select an alternative item, if qualifications are negatively affected. If we are unable to contact you or do not receive a response from you within two business days, Beauterfly International will remove the item and process the order. It is your responsibility to verify that the products in your order are available when shipped. No COD orders will be accepted.

Payment plans are not allowed when purchasing product. The balance may be paid with different credit cards but must be paid in full before the order will be shipped.

8.3 PRE-ORDERS AND BACK ORDERS

Beauterfly International may offer pre-orders and back orders for selected products. Pre-Orders refer to advance purchases made before a product is officially released or restocked. Pre-ordered products will be shipped once the product becomes available, based on the estimated release or arrival date. Back Orders refer to purchases made when an item is temporarily out of stock. Back-ordered products will be shipped with the customer's next order or as soon as inventory is replenished.

Beauterfly International will make reasonable efforts to keep customers informed of expected availability dates. However, all dates are estimates only and may be subject to change without prior notice. If a customer wishes to cancel a pre-order or back order, they must submit a written request to Beauterfly International before the order is processed and shipped.

9 SHIPPING

9.1 SHIPPING METHODS AND CHARGES

Domestic orders are generally shipped within 2 (two) to 3 (three) business days, excluding weekends and public holidays. An airway bill is included in each shipment, and package tracking is available through most major carriers within Malaysia.

For international orders, shipping and courier charges vary depending on the destination country and will be borne by the customer. Any customs duties, import taxes, or additional fees imposed by the destination country are the sole responsibility of the receiver.

Beauterfly International will make every effort to ensure smooth delivery and to avoid parcels being held by customs. However, in the event that a shipment is delayed or detained by customs, it is the receiver's responsibility to liaise with the relevant authorities and provide any required documentation for clearance.

- Any opened product within 30 days after shipment for a credit on your Beauterfly International account of the purchase price and applicable sales tax (less shipping charges).
- Any opened or unopened product up to 90 days after shipment for a credit on your Beauterfly International account of the purchase price and applicable sales tax (less shipping charges and a 10% handling fee). The credit applied for opened product will be based on the percentage of the product returned. For example, if you return 50% of a product, then a credit of 50% (less shipping charges and a 10% handling fee) will be applied to your Beauterfly International account.

If you sell product to non-Brand Partners, you are required to provide the same return policy to the non-Brand Partners as outlined in this Section. Brand Partners are also responsible for returning the product to Beauterfly International within 10 days of receiving the return from the non-member. Beauterfly International will not provide refunds on or accept returns directly from non-Brand Partners. Excessive returns may be deemed an abuse of Beauterfly International's return policy and may result in suspension of your return privileges and/or sales organisation. Damaged or incorrect shipments of products will not be subject to fees. If you are returning NFR products bought for personal use, please refer to the return policy of the United States Policies and Procedures.

9.2 RETURNS OF INVENTORY BY BRAND PARTNERS

If a Brand Partner chooses to terminate the Agreement, the Brand Partner may return any product inventory or sales aids purchased in the preceding 12 months for a refund if the Brand Partner is unable to sell or use the merchandise.

Brand Partners may return only products and sales aids that are in resalable condition, unless otherwise required by law. Resalable condition is defined as the same unopened condition as it was purchased new.

Brand Partner must return the products to Beauterfly International, prepay the shipping charges, and include a letter explaining that you wish to terminate the Agreement and receive a refund. Upon receipt of the products, you will be reimbursed 90% of the net cost of original purchase price, less shipping charges.

Beauterfly International will deduct from the reimbursement any commissions, bonuses, or other incentives received by you as a result of the product you are returning. If the Brand Partner account is terminated, you have 90 days from the date of termination to make arrangements with Beauterfly International regarding the repurchase of all returnable products. The Brand Partner acknowledges to be unable to return products more than 90 days from the date of termination.

9.3 PRODUCT KITS AND COLLECTIONS

All Beauterfly International product bundles and product collections must be sold as a whole unit. Brand Partners are prohibited from selling individual items from product bundles and product collections separately and promoting such activity within the Brand Partner's business organisation.

Any product bundle and/or collection returned to Beauterfly International must be complete; otherwise, the bundle and/or collection will not be eligible for an exchange or refund. No individual items from a bundle and/or collection will be eligible for a refund.

9.4 RETURN OF PROMOTIONAL PRODUCT(S)

For any complimentary item(s) received by the purchaser via a qualifying purchase or through the buy-one-get-one-free promotion or other promotion, returns will be handled as follows:

- If a qualifying purchase is returned in whole or in part and negates your qualification to receive the complimentary promotional item(s), the complimentary item(s) must also be returned, or you will be charged for the free product(s).
- If one of the promotional products is returned, Beauterfly International will not credit the Brand Partner, as Beauterfly International will assume the returned item(s) is the promotional product(s). If all promotional products are returned, Beauterfly International will credit the Brand Partner for the product purchased.

9.5 PROCEDURES FOR RETURNS

The following procedures apply to all returns for refund, repurchase, or exchange:

- The customer or Brand Partner who purchased it directly from Beauterfly International must return the products.
- The product(s) must be returned in its original box and container.
- All returns must be shipped prepaid to Beauterfly International. Beauterfly International does not accept COD packages.
- If returned product is not received by Beauterfly International HQ, it is the responsibility of the Brand Partner to trace the shipment. Beauterfly International is not liable for items lost or damaged in transit.
- No refund will be made for subsequent returns of the same product, except when the product is damaged or defective. Credits will be issued when Beauterfly International has processed the return.

10 BRAND PARTNER ACCOUNT MANAGEMENT

10.1 CHANGES TO A BRAND PARTNER ACCOUNT

Brand Partners must immediately notify Beauterfly International of changes to the information submitted in the Brand Partner's application. Brand Partners may update existing information by submitting a written request indicating the changes by email to operations@beauterflyintl.com, or in-person at Beauterfly International HQ by manually filling up the form provided. The modifications permitted within the scope of this paragraph do not include a change of sponsor or tax information. Sponsors and enrollers are not allowed to request account changes on behalf of others or relay such requests.

10.2 ENROLLER / SPONSOR CHANGES

To protect the integrity of all Business Organisations and to safeguard the hard work of all Brand Partners, Beauterfly International do not allow Brand Partners to change their Sponsor / Direct Upline.

10.3 WAIVER OF CLAIMS

BRAND PARTNERS THAT FAIL TO FOLLOW THE PROCEDURES OUTLINED IN THE ENROLLER AND/OR SPONSOR CHANGE SECTION FOR CHANGING ENROLLERS AND/OR SPONSORS ASSUME THE RISK THAT BEAUTERFLY INTERNATIONAL MAY NOT APPROVE OF SUCH CHANGE. BRAND PARTNERS UNDERSTAND AND AGREE THAT TO THE EXTENT PERMITTED BY LAW, NEITHER BEAUTERFLY INTERNATIONAL NOR ITS OFFICERS, DIRECTORS, OWNERS, EMPLOYEES, OR AGENTS WILL BE HELD RESPONSIBLE FOR ANY DAMAGES THAT RELATE TO OR ARISE FROM BEAUTERFLY INTERNATIONAL'S DECISION REGARDING THE DISPOSITION OF ANY ENROLLMENT AND/OR SPONSORSHIP OF A BUSINESS ORGANISATION THAT IS IMPLICATED BY NOT FOLLOWING THE PROCEDURES IN THE ENROLLMENT AND/OR SPONSOR CHANGE SECTION REGARDING CHANGING SPONSORS, AND BRAND PARTNERS WAIVE ANY AND ALL CLAIMS WITH RESPECT THERETO.

10.4 ENROLLER AND/OR SPONSOR PLACEMENT PROGRAM

When a new Brand Partner enrolls without a designated sponsor or enroller, they are deemed an orphan. If Beauterfly International assigns the orphan a Sponsor or Enroller it may do so in its sole and absolute discretion.

10.5 BRAND PARTNER BUSINESS ORGANISATION REPORTS

Business Organisation genealogy reports (“Reports”) are optional and may be ordered at any time. Brand partners with a Beauterfly International-sponsored personal website may receive one free emailed downline report per month, upon request, with all additional email reports costing the posted amounts each. Brand Partners who do not have a Beauterfly International-sponsored personal website will pay the posted amount for each report requested. Brand partners who wish to have the report faxed or mailed must pay the posted amount per page. Beauterfly International reserves the right to modify the charges described in this section. Business Organisation genealogy reports constitute confidential information as set forth the Agreement. Without limiting those obligations, Brand Partners may not use reports for any purpose other than for developing and supporting their business organisation.

Specifically, during and after the termination by either party for any reason of the Agreement, Brand Partners may not:

- Disclose any information contained in the reports to any third party
- Use reports to compete with Beauterfly International in violation of the Agreement
- Use reports to solicit or recruit any Brand Partner or customer listed on the reports or to engage in any conduct prohibited by the Agreement
- Use or disclose to any person, partnership, association, corporation, or other entity any information contained in any report
- Use reports to manipulate or attempt to manipulate the Compensation Plan, including in contravention of the Agreement.

Upon termination of their account or demand by Beauterfly International, Brand Partners will (i) return the original and all copies of reports (including electronic files) to Beauterfly International or (ii) destroy all copies in hardcopy, electronic, or other format of any report in your possession and provide evidence of such destruction to Beauterfly International. The obligations contained in this Section survive termination of this Agreement and are subject to legal enforcement by injunction, damages, and all other available remedies. Brand Partners further understand and agree that if Beauterfly International prevails in any legal action to enforce its rights under this Section, Beauterfly International will be entitled to all costs and reasonable attorneys’ fees incurred in enforcing its rights under this Section.

11 DISPUTE RESOLUTION AND DISCIPLINARY ACTION

11.1 DISPUTES WITH OTHER BRAND PARTNERS

If a Brand Partner has a grievance or complaint with another Brand Partner, it may be reported to the Beauterfly International Member Conduct Success team in writing via mail, fax, or email at support@beauterflyintl.com, the complaint should identify specific instances of alleged improper conduct and, to the extent possible, identify the relevant dates on which the event(s) complained of took place, the location(s) where they occurred, and all persons who have firsthand knowledge of the improper conduct. Upon receipt of a written complaint, the Beauterfly International Member Conduct Success team will investigate the matter, review the applicable policies, and render a decision on how the dispute will be resolved.

11.2 INDIVIDUAL ARBITRATION AGREEMENT (MALAYSIA)

This Individual Arbitration Agreement shall survive the termination of the Beuterfly Brand Partner Agreement.

11.2.1 PURPOSE AND SCOPE

This clause governs how any dispute, controversy, or claim arising between a Brand Partner and Beuterfly International Sdn. Bhd., including its affiliates, officers, directors, and employees (“Related Parties”), shall be resolved. Both parties agree that, to the fullest extent permitted by Malaysian law, all disputes shall be resolved through binding arbitration instead of through court proceedings, except where injunctive or enforcement relief is required. By entering into this Agreement, both Beuterfly and the Brand Partner expressly waive their right to trial in any court (except for enforcement or interim relief as stated below).

11.2.2 SEPARATE INDEPENDENT AGREEMENT

This arbitration clause shall be treated as a separate and independent agreement from the rest of the Beuterfly Brand Partner Agreement. If any other part of the Agreement is held invalid or unenforceable, this arbitration clause shall remain valid and binding.

11.2.3 ARBITRATION RULES AND VENUE

Unless otherwise required by Malaysian law, all arbitration shall:

- Be conducted in Kuala Lumpur, Malaysia, in accordance with the Arbitration Act 2005 (Act 646) and the Rules of the Asian International Arbitration Centre (AIAC) (formerly KLRCA).
- Be administered by the AIAC, and the proceedings shall be conducted in English or Bahasa Malaysia.
- Be presided over by a single arbitrator appointed mutually by both parties. If the parties fail to agree, the appointment shall be made by the Director of the AIAC.
- Be completed within 180 days from the date the arbitrator is appointed, unless otherwise extended by mutual consent.

Each Party agrees to bring disputes in an individual capacity only, and not as part of any class, collective, or representative action. The arbitrator shall have no authority to consolidate claims of different individuals or to hear any class arbitration. The arbitrator shall have no power to award punitive or exemplary damages, except where expressly provided by Malaysian law.

11.2.4 COST OF ARBITRATION

Beuterfly shall bear all AIAC registration and administrative fees. Each Party shall bear their own respective legal, professional, and witness costs, unless otherwise ordered by the arbitrator.

11.2.5 TEMPORARY INJUNCTIONS AND ENFORCEMENT RELIEF

Notwithstanding the above, either Party may seek temporary or interim relief (such as a restraining order or injunction) from a court of competent jurisdiction in Malaysia to protect confidential information, business interests, or trade secrets pending arbitration. Any award granted by the arbitrator shall be final and binding, and may be enforced in any court of competent jurisdiction in Malaysia pursuant to the Arbitration Act 2005.

11.2.6 OPT-OUT OPTION

A Brand Partner who does not wish to be bound by this arbitration clause may opt out by providing written notice to Beauterfly International within 30 days of signing this Agreement. Beauterfly reserves the right to terminate the Agreement of any Brand Partner who opts out of this clause.

11.3 JURISDICTION AND VENUE

For any matters not subject to arbitration, the courts of Malaysia shall have exclusive jurisdiction and venue, and this Agreement shall be governed by the laws of Malaysia, without regard to conflict of law principles.

11.4 WAIVER OF CLASS ACTIONS

The Parties agree that all disputes shall be pursued only in an individual capacity. Both Beauterfly and the Brand Partner waive any right to participate in any class action, representative, or collective proceeding, whether in arbitration or in court.

11.5 BREACH OF AGREEMENT

Beauterfly may terminate or suspend a Brand Partner's account, commissions, or privileges if it determines that the Brand Partner has breached any provision of the Agreement. Examples of Material Breach:

- Conduct bringing disrepute to Beauterfly, its management, or the direct selling industry.
- Violation of Malaysian laws or Direct Sales and Anti-Pyramid Scheme Act 1993.
- Filing false or malicious claims or complaints.
- Cross-line sponsoring, false representations, or duplicate accounts.
- Repeated violations after prior warnings.

Beauterfly may issue a written notice allowing the Brand Partner 15 days to cure or appeal the breach. Failure to remedy within the specified time may result in termination of the account and forfeiture of all commissions, bonuses, and ranks. Beauterfly reserves the right to suspend commission payments during investigations. Termination due to breach forfeits all withheld commissions.

11.6 APPEALS OF DETERMINATIONS OF BREACH

- A Brand Partner may appeal a determination of breach within 15 days of receiving written notice by submitting a written appeal with supporting documents to Beauterfly's Compliance Department.
- Beauterfly will review and issue a final written decision, which shall be conclusive and binding.

12 ACCOUNT MAINTENANCE POLICY

12.1 INITIAL MAINTENANCE PERIOD 180 DAYS (1 CYCLE)

All newly registered Brand Partners are entitled to a 180-day (6-month) free maintenance period, starting from the date your membership account is encoded into the system – in other words, the date you officially join as a Brand Partner. This 180-day period constitutes one full maintenance cycle during which your account remains active without any maintenance requirement.

12.2 SUBSEQUENT MAINTENANCE CYCLE

Upon completion of the first 180-day cycle, every Brand Partner must maintain their account for the next cycle by achieving a minimum of 60 BV (Business Volume) within each new 180-day period.

12.3 EFFECT OF NON-MAINTENANCE

Failure to meet the required 60 BV within the designated cycle will result in the account being classified as inactive, which will cause:

- All bonuses, rebates, and commissions to be temporarily held (frozen) until the account is reactivated.
- Inability to perform transactions, including fund withdrawals or bonus redemptions.

Once the required maintenance BV is fulfilled, the account status will be restored to active, and transactions and bonus entitlements will resume accordingly.

12.4 MAINTENANCE CLARIFICATION

BV used for account maintenance can come from personal purchases or direct retail sales made under the Brand Partner's account. Maintenance cycles are calculated based on the original join date and renew automatically every 180 days. It is the Brand Partner's responsibility to track their maintenance cycle and ensure timely fulfillment to avoid interruption of earnings or access.

12.5 VOLUNTARY TERMINATION

A Brand Partner may voluntarily terminate their account by submitting written notice to Beauterfly. If re-enrolling within six (6) months, the Brand Partner must rejoin under the same Sponsor/Enroller.

12.6 EFFECTS OF TERMINATION

Upon termination:

- All rights, ranks, commissions, and entitlements are forfeited.
- The Brand Partner must cease using Beauterfly's trademarks, intellectual property, and materials immediately.
- Beauterfly reserves the right to retain, reassign, or dissolve the terminated Brand Partner's organisation or downline structure.

12.7 TITLES NOT SUBSTANTIVE

Headings and section titles are for reference purposes only and do not affect the interpretation or construction of the Agreement.

This Policy Handbook and all materials contained herein are the exclusive property of Beauterfly International Sdn. Bhd. (Malaysia).

All rights are strictly reserved. No part of this handbook may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written consent of Beauterfly International Sdn. Bhd.

Beauterfly International Sdn. Bhd. reserves the full and sole right to interpret, revise, update, amend, or terminate any policy, rule, or clause contained in this handbook at any time, without prior notice. Such amendments shall take effect immediately upon publication on the official Beauterfly International communication channels, including but not limited to the company website, back office, or written circulars. All Brand Partners, members, and employees are expected to remain informed of the latest policies and updates, as continued participation in any Beauterfly program or activity constitutes acceptance of the current and applicable terms.

Beauterfly International Sdn. Bhd. shall not be held liable for any misunderstanding, loss, or consequence arising from failure to stay updated with the latest policy revisions.

Last updated on 10/10/2025