

## **TERMS AND PRIVACY POLICY OF LAB ONE**

### ***INTRODUCTION***

The below Code of Ethics of LAB ONE (hereinafter referred to as “the Code”) as well as the Terms of LAB ONE (hereinafter referred to as “the Terms”) are an integral part of the Application for Acceptance as a Partner of LAB ONE and lay out rules for cooperation with LAB ONE. The partner of LAB ONE shall be obliged to abide by the provisions of the Code and the Terms as well as all the changes thereto including those that were published on LAB ONE’s website or those about which the partner of LAB ONE was informed in another manner. LAB ONE reserves the right to exclude, at any time and with immediate effect, any partner of LAB ONE that in the Application for Acceptance as a Partner included false information or in their activity infringes the provisions of the Code or the Terms. The excluded LAB ONE Partners shall lose all their rights and privileges connected with the membership, including their network. The aim of the Code and the Terms is to protect the Partners of LAB ONE and guarantee the same high standards of activity to all Partners of LAB ONE. According to the ethical standards of LAB ONE, the Partners of LAB ONE shall be expected to fulfill all the legal requirements in effect in the country where they conduct their activity even if they were not included in the Code or the Terms. LAB ONE strictly complies with the Rules and Regulations of the European Direct Selling Association (SELDIA) as well as the World Federation of Direct Selling Associations. LAB ONE requires its Partners to strictly apply the above-mentioned Rules and Regulations whose terms were implemented to the Code of Ethics and the present Terms of LAB ONE.

### ***BASIC DEFINITIONS***

1. LAB ONE – stands for LAB ONE Sp. z o.o. with its seat in Wielogóra at ul. Warszawska 62, 26 – 660 Jedlińsk, entered into the register of entrepreneurs conducted by the District Court for the Capital City of Warsaw in Warsaw, 14th Commercial Division of the National Court Register under KRS number 0000324247, Tax Identification Number: 7962865445, Statistical Number: 141720883, being the owner of the online store [www.lab1.com](http://www.lab1.com).
2. The Terms – the present Terms of Cooperation between LAB ONE and the Partner.
3. The online store [www.lab1.com](http://www.lab1.com) – online store conducting sales of merchandise via the website [www.lab1.com](http://www.lab1.com) on the terms described in the Terms of Sales of the Online Store [www.lab1.com](http://www.lab1.com) owned by LAB ONE.
4. The Terms of Sales of the Online Store [www.lab1.com](http://www.lab1.com) – document determining rules of sale of the merchandise via the online platform [www.lab1.com](http://www.lab1.com), available at [www.lab1.com](http://www.lab1.com)
5. The Partner of LAB ONE/Partner – a. legal entities – established in accordance with the binding legal provisions, b. natural persons – persons who attained the age of 18 years, have full legal capacity, including those conducting business activity in the forms determined by legal provisions that due to fulfilling the conditions specified in the present Terms of Cooperation and the conditions included in the Marketing Plan of LAB ONE claim to gain the status of the Partner of LAB ONE as well as those that upon signing a separate Agreement of Cooperation with the Partner obtain a range of rights and obligations set forth in these Terms

6. The Marketing Plan of LAB ONE – document specifying rules for granting commissions to Partners depending on meeting the conditions outlined in the Marketing Plan of LAB ONE, the Marketing Plan constitutes an integral part of the present Terms.
7. The Platform of LAB ONE – stands for the system of direct sale of goods in the Online Store [www.lab1.com](http://www.lab1.com) on the terms and conditions of MLM as well as tools available for the Partners of LAB ONE enabling cooperation with LAB ONE.
8. The User Panel – stands for the tool on the Platform of LAB ONE that upon logging in to buy the goods, allows the Partner to determine the level of provision, change the data and use other functionalities implemented by LAB ONE.

### ***THE CODE OF ETHICS***

The Partner conducting their activity in LAB ONE shall be obliged to:

1. respect all the conditions of participation and LAB ONE'S effective rules adjusting its activities to the content thereof as well as to the intentions underlying their introduction;
2. in relations with other people, to be guided by principles of fairness and adequate treatment;
3. present the goods of LAB ONE and the terms and perspectives of cooperation with LAB ONE in a reliable and honest manner, gaining no other benefits from it than those resulting from the participation in LAB ONE;
4. reliably and timely fulfill the Customers' orders and to consider justified requests and claims submitted by users of cosmetics using the procedures determined by LAB ONE, not to make use of misleading, deceptive and dishonest recruitment or selling practices;
5. adjust their activities to the position held in LAB ONE and to the conditions of cooperation set forth in the official literature of LAB ONE with a sense and knowledge of personal liability for their infringement or non-compliance;
6. in no way and under no circumstances, to use the sales network of LAB ONE goods for indirect or direct promotion, advertisement, sale of products or services of other companies, particularly those conducting indirect selling;
7. carry out selling of only original products of LAB ONE, in the producer's packaging guaranteeing quality and proper performances of goods;
8. sell products exclusively in the system of direct selling avoiding any other forms of sale that are inconsistent with the rules determined by LAB ONE, in particular retail and wholesale sales.
9. comply with the Polish law and other national or international legal regulations should they apply to the Partner;
10. respect decisions and actions taken with regard to the Partner as a result of their actions or failures as well as due to the necessity of protecting the welfare or best interest of other persons and LAB ONE.

## **I. PARTNERSHIP WITH LAB ONE**

1. Cooperation with LAB ONE Sp.z o.o., hereinafter referred to as “LAB ONE” or “Company”, shall be carried out through the participation in LAB ONE consisting of any and all voluntarily submitted entities registered in LAB ONE – the Partners of LAB ONE.
2. The Partners of LAB ONE may be:
  - a. legal entities – established in accordance with the binding legal provisions,
  - b. natural persons – persons who attained the age of 18 years and have full legal capacity, including those conducting business activity in the forms determined by legal provisions.
3. Registration of the Partner of LAB ONE shall only be done via the website [www.lab1.com](http://www.lab1.com). The Partners of LAB ONE shall only gain the status of the Partner upon placing the first order of LAB ONE products eligible for point awards. The order should be placed over the span of the current reference period, however not later than during the next reference period under pain of termination of membership.
4. The electronic application for acceptance into LAB ONE shall require an obligatory confirmation by an already registered Partner of LAB ONE entitled to act for LAB ONE at the date the Application is submitted, hereinafter referred to as “the sponsor” (enter the number of the recommending person). The person that recommends accepting a new entity into LAB ONE becomes a sponsor. As a rule, entering the number of the recommending person shall result in placing a new Partner in their sponsorship group, however LAB ONE reserves the right to register a proposed Partner in another sponsorship group indicated by LAB ONE as well as to change a registration group.
5. Registration in LAB ONE shall take place at the date of approving by LAB ONE an electronic Application for acceptance into LAB ONE and assigning an individual membership number to the Partner. In extraordinary cases indicated by LAB ONE, including those connected to performing promotional activities, the undertaking of cooperation shall be possible without a prior confirmation of membership, and simplified registration in LAB ONE shall be made by placing an order and accepting the ordered products by paying the full amount.
6. LAB ONE shall have the right to reject, at any time, a submitted Application for acceptance into LAB ONE, and thus to refuse registration of membership or carrying out an order, without a necessity to justify such a decision. LAB ONE shall be entitled to unilaterally exclude the Member from LAB ONE with immediate effect, particularly in case of failure to meet or infringement of obligations connected with registration or undertaking and conducting activity in LAB ONE.
7. In performing the rights specified in point 1, note 4 of the present Terms, LAB ONE reserves the right to register the Partner in any selling network structure, particularly in cases where registration in the sponsor’s structure is impossible, unacceptable or inconsistent with the best interest of the Partner or Company. Spouses acting as

Partners shall be registered in the same sponsorship group directly one after another.

8. The Partners of LAB ONE, natural persons – as a rule, they shall undertake all activities personally and legal entities through the entitled members of their governing bodies while complying with the principles of representation binding on them.
9. Should the requirements set forth in point 1, note 8 above are met, the Partners of LAB ONE may appoint a representative to act on their behalf within a scope determined by a written authorization on condition that conducting operations by or with the participation of alleged representatives – that is, persons whose activity is in fact an activity conducted under the name or business name of another person - shall be unacceptable.
10. Members of LAB ONE shall be fully liable to LAB ONE and third parties for actions and omissions by the representatives appointed to act on their behalf, including actions while making orders, collecting goods, contracting liabilities (including financial ones) and undertaking other actions connected with LAB ONE membership and cooperation with the Company.
11. The Partner of LAB ONE may only have a single Partner account.

## **II. *INDIVIDUAL PARTNER ACCOUNT ON PLATFORM LAB 1***

1. An entity accepted into LAB ONE shall be assigned a single, individual Partner number by LAB ONE, under which it shall be registered and shall undertake cooperation with the Company after completing standard registration as well. The Partner may directly or indirectly have only one membership number.
2. In case of companies, the applicants acting in this form shall receive a single common Partner number assigned to a company that they conduct. Having a share in the company shall be deemed as indirectly having a membership number.
3. In extraordinary and justified cases LAB ONE may allow two persons who are spouses to register under a single number while maintaining the principle that a membership number is assigned to only one of these two persons and the other person may act as a representative.
4. The Partner shall be obliged to keep LAB ONE informed in a written form and within 7 days of any changes to data, in particular business name, last name, seat, place of residence or stay and data necessary for adequate communication, including those connected with timely and adequate settlement of statutory liabilities. Failure to fulfill the above-mentioned obligation shall result in considering all the actions (including those connected with delivery of products and correspondence) undertaken by LAB ONE in accordance with data and information at their disposal as adequate.
5. Any privileges, rights and benefits by LAB ONE shall be assigned to an individually attributed partnership number and may only be used by the entities that were assigned a given number.

6. An individual Partner account does not constitute a financial asset, however it may be a subject of sale, transfer, encumbrance or other dispositions for payment or without payment on behalf of a third party. The foregoing shall also concern inheritance authorized on conditions compliant with the provisions of the present Terms. The Partner shall be entitled to submit a justified application for approval by LAB ONE to transfer a number assigned to them to an immediate family member or the third party. LAB ONE may consent or decline the consent to transfer a membership number. Any privileges, rights and benefits by LAB ONE shall be assigned to an individually attributed partnership number and may only be used by the entities that were assigned a given number.
7. A membership number assigned to a natural person shall be hereditary and may be attributed to only one of the inheritors indicated in the court decision or named by all inheritors entitled to an inheritance by way of a common statement submitted as a notary act or in a written form with signatures certified by a notary. The person concerned should submit a written application within 3 months of a membership termination in case of a Partner's death.
8. In the event that an inheriting person has already been assigned a membership number, undertaking of cooperation with LAB ONE on the basis of a number attributed by inheritance may take place subject to prior written resignation from a current number. Up to the moment the written resignation from a current number is submitted, the Partner may not conduct any activity using a hereditary number. The Partner shall also have the right to choose one of the above-mentioned numbers including the right to resign from a number assigned to them by way of inheritance.
9. In individual cases that result from extraordinary circumstances beyond control and which relate to third parties only, LAB ONE may consent to conduct operations on the basis of a membership number assigned by way of inheritance and act in LAB ONE under two numbers exclusively within a time period strictly specified by the Company.
10. LAB ONE shall have the right to freeze an assigned membership number. Once such freezing is made, it shall be the exclusive responsibility of LAB ONE to decide on restoring the right to use it to the Partner or perhaps deleting it or to perform other dispositions concerning the number that are in the Company's or other Partners' best interest.

### **III. EFFECTIVE PERIOD OF INDIVIDUAL ACCOUNT IN LAB ONE AND ITS TERMINATION**

1. An agreement with the Partner of LAB ONE shall be concluded for an indefinite period of time. Both LAB ONE and the Partner of LAB ONE may dissolve it at any time with a one-month notice period, without stating a reason, by submitting a written notice of termination of the agreement to the address of the seat or an email address of the Partner of LAB ONE with effect at the end of full calendar month. Re-joining the system by the Partner that terminated the cooperation agreement with LAB ONE shall be possible as from 3 months after the date of termination thereof resulting from a submitted termination. In the case of serious infringement of the agreement and the provisions of the Terms by the Partner of LAB ONE, the Company shall have

the right to terminate the agreement without notice and with immediate effect that may be performed in the form of a written statement sent by post or an electronic statement sent by e-mail. Any conduct that adversely affects the economic interest and reputation of LAB ONE or another Partner of LAB ONE shall be considered as a serious infringement of the agreement's bases.

In case that a Partner is a Consumer, they may withdraw from the agreement without stating a reason within 14 days from the conclusion thereof.

2. Automatic termination of the Partner's individual account results from the Marketing Plan included in a separate publication and concerns the Partner's actions during individual settlement periods such as
  - a. failure by the Partner to place any order eligible for point awards,
  - b. failure by the Partner to place an order eligible for point awards over the span of 3 settlement periods with the date of the first day after the expiry of the above-mentioned period,
3. Membership in LAB ONE shall terminate in the case of:
  - a. death of the Partner – a natural person,
  - b. termination of the Partner – a legal entity.
4. The Partner shall be removed as a member of LAB ONE on the date the membership terminates or expires.
5. Termination or expiration of membership shall in no way exclude or limit the Partner's responsibility towards LAB ONE including responsibility for financial liabilities connected with membership and activity in LAB ONE.
6. Reactivating an account is described in a provision of the Marketing Plan that depicts the manner in which the Partner may recommence their activity in LAB ONE.
7. The Partner shall be entitled to submit at any time a written statement of resignation from the membership in LAB ONE. The statement in the original should be submitted to the seat of LAB ONE or sent by registered mail to LAB ONE's address.
8. LAB ONE shall have the right to exclude the Partner from LAB ONE with immediate effect in case of infringement of the provisions of the Terms, rules for cooperation or conditions for participation and activity, particularly in the event of:
  - a. providing false data during the process of registration to be accepted into LAB ONE including data concerning legal status, address, place of stay or residence or other data relating to a member of LAB ONE,
  - b. failure to inform or evasion from informing LAB ONE of any changes to the Partner's legal status, in particular concerning conducting, suspending or terminating business activity and current tax status,
  - c. carrying out operations, including placing orders on behalf of or for account of third parties, particularly in case of the lack of such third parties' knowledge or consent in this regard,
  - d. undertaking competitive action in relation to LAB ONE or the operations carried out by the Company,

- e. undertaking in any form and using any means of communication or media, activity infringing the best interest, good reputation, market position or image of LAB ONE,
  - f. infringing rules or conditions for selling products determined by LAB ONE as well as rules or conditions for conducting operations in LAB ONE,
  - g. endorsing by LAB ONE its prior decision of suspending membership in LAB ONE. In the above-mentioned case the exclusion shall take place on the date of posting by LAB ONE to the Partner a written notification of suspension of the right to LAB ONE membership,
  - h. convicting the Partner by final court judgment for activities relating to cooperation with the Company or participation in such activities that are contrary to law or that infringe the best interest of LAB ONE or third parties.
9. LAB ONE shall be entitled to suspend the Partner of the right to LAB ONE membership, particularly in case of:
- a. doubts as to adequacy of the Partner's operations in LAB ONE or sales of LAB ONE products carried out by them,
  - b. failure to disclose or update information on conducting business activity or changes to tax status,
  - c. disclosure of circumstances indicating infringement of rules for cooperation with LAB ONE.
10. The decision to suspend the right to membership shall be made by LAB ONE for the period of time necessary to explain, with the Partner's obligation to actively participate, all the circumstances of the case and reasons for suspension, however not longer than over the span of 3 settlement periods. Failure to explain the circumstances of the case by the Partner in the foregoing period of time shall result in the exclusion from LAB ONE.
11. Suspension of membership shall result in automatic loss of the right to purchase and sponsor as well as in the loss of rights arising from or connected to the activity in LAB ONE. On the date of suspension, the Partner shall lose the right to all benefits from LAB ONE, including in particular the entitlement to the gratuity for the entire period of suspension. Upon the suspension the Partner shall have no entitlement to gratuities and bonuses.
12. After termination of the suspension period, LAB ONE may decide to restore the right to LAB ONE membership or exclude the Partner from LAB ONE. LAB ONE's decision in this regard shall be make known to the Partner in writing.
13. All matters connected with the infringement of the Code of Ethics or the Terms shall be considered by LAB ONE represented by the Managing Director.

#### **IV. RULES AND CONDITIONS FOR CONDUCTING ACTIVITY**

##### **1. GENERAL PROVISIONS**

- 1.1. The Partners' activity in LAB ONE shall be carried out on their own account and at their own risk and a voluntary registration made with the use of "on-line" application as well as placing orders of purchase of products shall constitute a basis for such activity.
- 1.2. The products of LAB ONE shall be purchased by the Partners for their own needs, which shall not exclude the possibility to purchase the products with the aim of further reselling them to final users as part of business activity.
- 1.3. The Partner, apart from the conclusion of a purchase-sale agreement involving products and services of LAB ONE, shall not be connected with LAB ONE by any other legal relationship, including in particular employment law relationship or other contracts unless mutual relations of the Parties were structured by way of separately concluded written agreements.
- 1.4. The Partner shall not be entitled to undertake any actions directly or indirectly contrary to or infringing the provisions of the present Terms as well as rules and conditions for cooperation with LAB ONE, under pain of exclusion from LAB ONE.
- 1.5. Conducting business activity by the Partners shall be subject to generally binding regulations in this respect. LAB ONE shall not be responsible to the Partners or any third parties for negligence or actions by the Partners resulting in failure to observe or infringement of the effective regulations. LAB ONE shall provide no advisory services to the Partners, particularly concerning legal and financial aid or tax consultancy.
- 1.6. The Partners conducting or undertaking business activity shall be obliged to immediately inform LAB ONE of this fact by submitting a written notification, attaching adequate documents and sending them to LAB ONE's address. Any changes to the above-mentioned data shall also require an immediate notification.
- 1.7. While conducting their activity, the Partners shall be entitled to use the title "Independent Partner of LAB ONE" or "LAB ONE – Independent Partner". In external relations the Partners may not use the titles "Leader", "Manager", "Director" or "President", which are reserved for use exclusively in internal relations within LAB ONE and in relations with LAB ONE resulting from the Partner's position in the structure of sales of LAB ONE products.
- 1.8. The Partner shall have the right to use a business name of the company (business name) and logo (trademark), pictures, acts, information belonging to or protected for LAB ONE, exclusively under terms set forth by LAB ONE. Taking advantage of the foregoing rights in another respect shall be possible only upon receiving a prior written consent of LAB ONE defining scope, manner, form and, alternatively, period of time for such use.
- 1.9. The Partners shall be entitled to launch and use, for the purpose of cooperation with LAB ONE, websites on the server belonging to the Company, however they shall be obliged to strictly comply with the rules and conditions for use of the server defined in separate regulations.
- 1.10. In case of LAB ONE organizing additional promotional campaigns or loyalty programs, Rules and Conditions for Conducting Activity in LAB ONE shall apply only to matters which are not subject to regulations by rules of individual promotional campaigns or loyalty programs.

## 2. SYSTEM / RULES FOR SALE OF PRODUCTS.

- 2.1. The system of sales of LAB ONE products is a system of direct selling understood as sales only to final users of these products. The Company's goods may not be marketed in the forms contrary to the above-mentioned form of selling.
- 2.2. The wholesale or retail sale of LAB ONE products in shops, bazaars and marketplaces, on websites, in online stores and auctions as well as sales in any other form contrary to the essence of direct selling understood as sales to final users shall be considered as a serious infringement of rules for cooperation with LAB ONE and conditions of the present Terms. For the purpose of these Terms the notion of "sale" shall include indirect activity of the Partners as well as sales carried out by or with the assistance of third parties including the Partners' representatives or proxies.
- 2.3. The sale of LAB ONE products by the Partners shall not be subject to territorial exclusivity. Each Partner shall remain free to contact Customers within the entire area of their activity.
- 2.4. The products purchased by the Partner comply with safety standards and rules of registration in effect in the country where they were purchased by the Partner. LAB ONE shall not be liable to the Partners or third parties for any damages or claims resulting from or in connection with cross-border sales carried out within the territory of other countries.

## 3. QUALITY GUARANTEES

- 3.1. The products of LAB ONE are covered by quality guarantees provided that they are used in accordance with their intended purpose and during their shelf-life.
- 3.2. The Partners shall be entitled to sell the products of LAB ONE in original, closed packaging. Repackaging of the products as well as changing the packaging, labels or information on the products are prohibited. It is prohibited to sell the expired, damaged or otherwise defective products.
- 3.3. The Partners shall be obliged to provide their customers with reliable information on the products and accessibility thereof in the manner consistent with the data obtained from LAB ONE. It is prohibited to attribute other characteristics or features to the products than those defined by LAB ONE or resulting from the products' specificity.
- 3.4. The Partners of LAB ONE shall be obliged to notify their customers of the right to return the products of LAB ONE as well as of the conditions for such return.
- 3.5. LAB ONE shall not be responsible for actions or omissions of the Partners to the extent that such actions and omissions lead to improper and inconsistent with the products' characteristics use of the products giving rise to customers' claims against the Partners.

## 4. NON-COMPETITION CLAUSE

4.1. The Partners of LAB ONE shall not be prohibited to cooperate with other entities providing services on the market, however the indirect or direct sale of products of another MLM company to other Partners of LAB ONE and offering them cooperation shall be considered to be a serious infringement of LAB ONE's best interest. It is also prohibited to combine LAB ONE's presentation with other presentations on the same day as well as to use during such meetings the gathered personal data of the participants for the purposes other than acquiring new persons for LAB ONE.

## 5. NO-REPRESENTATION CLAUSE

5.1. The Partner shall not be entitled to act in favor of or on behalf of LAB ONE as well as to undertake any binding or regulatory actions in favor of or on behalf of the Company.

5.2. Receiving any cash payments by the Partner on behalf of or in favor of LAB ONE is prohibited. The Partner shall only be entitled to collect the receivables for products sold by them to the Customers.

5.3. In order to be valid, the undertaking any action by the Partner on behalf of LAB ONE shall require a prior written authorization granted on behalf of the Company by persons entitled to represent it.

5.4. The Partner shall not be authorized to give interviews, appear in the media as well as to undertake advertising, marketing and promotional activities on behalf of and in favor of LAB ONE without a prior written consent of the Company.

5.5. All works covered by protection under provisions of the act on copyright and related rights including promotional, advertising and informational materials as well as publications, films, pictures, literary and musical works, trademarks, logos and the name "LAB ONE" itself, also when they are placed on websites, belonging to or acquired in any form, may be the subject of exploitation by the Partners only upon a prior written consent of the Company strictly determining the scope of such exploitation. In particular, it is prohibited to process, use, distribute, copy or take advantage of the foregoing works in any other form.

5.6. The limitations indicated in point 5.5 above shall not apply in case of promotional, marketing and informational activities conducted by the Partners with the use of ready-made materials provided for this purpose by LAB ONE.

## 6. OTHER RULES

6.1. LAB ONE shall apply rules included in appropriate legal regulations in effect in the countries where the Partner conducts their activity related to terms within which they are entitled to resign from membership and recover all payments made in connection with acquiring a membership status as well as incurred to purchase starter sets and products.

- 6.2. The Partner of LAB ONE, upon making contact with the buyer of the products, shall be obliged to disclose their identity and explain the purpose for initiating contact with the customer. The Partner of LAB ONE shall ensure full transparency as to their identity at any level of communication with the customer both in electronic correspondence on websites and in social media. When providing personal data and information on the manner of communication, the Partner shall each time notify the customer that they are not an official representative of LAB ONE. The term "Partner of LAB ONE" used when providing data that identify the Partner, including e-mail correspondence, business cards, websites, social media etc. shall each time be preceded by the word "Independent".
- 6.3. Information provided to the customers by the Partner of LAB ONE should be formulated in a clear manner that is consistent with the principles of good faith, which apply to commercial transactions as well as in the manner that ensures protection of persons deprived of the ability to make their own decisions within the meaning of effective provisions.
- 6.4. The Partner of LAB ONE shall not join or support any demands or claims which are not consistent with the official demands or claims of LAB ONE or remain contrary to the latter. The Partner of LAB ONE shall refer to their own knowledge and experience in an honest and objective manner.
- 6.5. The products marked with LAB ONE's logo or trademark shall not be purchased or acquired by the Partner of LAB ONE from other sources than LAB ONE unless the Partner obtained a written consent of LAB ONE to that effect.
- 6.6. In each case when the Partner of LAB ONE becomes involved in any disputes or actions that may cause involvement or have an adverse effect on LAB ONE or the Company's position, the Partner shall be obliged to inform LAB ONE of such circumstance.
- 6.7. The Partner of LAB ONE shall not refer to comparisons that may be misleading or inconsistent with the principles of fair competition.
- 6.8. The Partner of LAB ONE shall not abuse the customers' confidence and shall respect the lack of commercial experience on their part nor shall they take advantage of the customer's age, illness, mental or physical disability, naivety and lack of understanding or knowledge of the language of communication.
- 6.9. At the customer's request, the Partner of LAB ONE shall terminate the presentation of a product or sales and undertake appropriate actions in order to ensure the protection of personal information on a current or potential customer. The customers shall be contacted by the Partners of LAB ONE personally as well as by phone or e-mail in a reasonable manner so as not to undermine their privacy.

## **V. FINANCIAL MATTERS**

1. Becoming the Partner of LAB ONE shall require an admission fee to be paid not later than on the date of payment for the first order. The amount of the admission fee and the conditions for its payment shall be determined by LAB ONE.
2. The admission fee mentioned in point VI, note 1 above, payable in relation with gaining membership in LAB ONE, shall constitute a payment for starter sets, giving access to basic information and marketing materials as well as for a set of products specified by LAB ONE.
3. Membership fees (annual) shall be collected for consecutive membership periods and the amount thereof shall be unilaterally determined by LAB ONE through publication in the official literature. Once paid, the membership fees shall not be returned unless otherwise stated in the official literature of LAB ONE.
4. The products of LAB ONE shall be sold at the prices determined and published by LAB ONE in the official literature and in price lists where dates of entry of new prices into force and their duration shall be specified.
5. Upon purchasing the products of LAB ONE, the Partners shall obtain the right to discounts to be used when making subsequent purchases and in case of organizing LAB ONE's distribution network services the right to a financial contribution operationally termed "gratuity" whose amount, conditions and settlement terms shall be specified in the Marketing Plan of LAB ONE.
6. The Partner shall bear full personal responsibility for timely and adequate tax settlements and other liabilities to tax offices and ZUS. Any responsibility of the Company in the above-mentioned regard, both to the Partner and third parties, shall be excluded.
7. All payments made to the Partner (if due) shall be made exclusively in the form of transfers to a bank account previously indicated by the Partner. The Partner shall be responsible for the adequacy and timeliness of data concerning the account to which payments are made. 7. The rules for paying gratuities to private individuals who are not operating commercially are specified in Appendix X.
8. The basic document determining the rules and the amount of a commission to be paid to the Partner of LAB ONE shall be the Marketing Plan of LAB ONE which constitutes an integral part of the present Terms.
9. In consideration of the rules described in the Marketing Plan of LAB ONE, the Company shall pay a commission directly to a bank account indicated by the Partner of LAB ONE.
10. An invoice delivered by the Partner of LAB ONE to LAB ONE's registered office address shall be the basis for paying a commission. An application for payment should be submitted in an electronic form via the Platform of LAB ONE.
11. LAB ONE shall notify the Partner via the Platform of LAB ONE on the user panel after logging in as well as by e-mail of the amount of a commission to be paid and data that should be included in the Partner's invoice. The time limit of payment of a commission shall be 14 days from delivery of a properly issued invoice to LAB ONE. Improperly issued invoices shall not be considered and the Partner shall not make claims for statutory interest on late payment in this regard.

12. In case of payment of a commission to a bank account, LAB ONE may automatically charge a handling fee to which the Partner of LAB ONE shall grant their consent. The amount of payment shall be accordingly decreased by all liabilities that LAB ONE shall be obliged to deduct and pay to the eligible entities in accordance with the binding legal provisions applicable in a given case.
13. LAB ONE reserves the right to suspend cash payment in case of any doubts as to the authenticity of documents sent by the Partner of LAB ONE as well as in the case of other irregularities or the lack of documents or information until LAB ONE and the Partner have clarified the issue once and for all or until additional documents required by LAB ONE have been delivered, which shall not give rise to the Partner's rights to charge statutory interest for late payment.
14. The minimal amount of a commission to be paid shall be 200 PLN.

#### **VI. *RULES FOR ESTABLISHING AND FUNCTIONING OF SPONSORSHIP GROUPS***

1. A sponsorship group shall be created by the Partners introduced to LAB ONE by the Partners already active in the sales network. Each Partner shall be authorized to sponsor other entities within LAB ONE.
2. In their sponsorship activity the Partner shall be obliged to maintain diligence when choosing persons to be introduced to LAB ONE.
3. By undertaking sponsorship activity the Partner shall assume the obligation of solid and ongoing cooperation with persons that they introduce to LAB ONE as a sponsor.
4. With regard to the sponsored persons, the Partner shall perform obligations for training such persons as well as motivating them to build a distribution network of LAB ONE and to fairly cooperate with the purchasers of LAB ONE products.
5. In no instance shall the Partner impose excessive charges for trainings and promotional materials. The amount of such charges shall correspond to their actual value.
6. The Partner conducting sponsorship activity shall be obliged to verify whether or not the entities acting in direct and indirect sponsorship groups meet their obligations towards LAB ONE, other Partners as well as customers in an accurate and timely manner.
7. The Partner shall be obliged to notify LAB ONE of any irregularities noticed by them in this regard.
8. Undertaking actions leading to take-over of Partners introduced to LAB ONE by other Partners shall be contrary to the rules for cooperation and shall constitute a serious infringement of the provisions of the present Terms.
9. It is prohibited to transfer individual partners or sponsorship groups within the sales network of LAB ONE as well as to undertake other actions aiming at or possibly aiming at such transfer.
10. In particular cases caused by extraordinary circumstances beyond control, LAB ONE may consent to change the position of part or the entire sponsorship group within

the sales network. The LAB ONE's consent shall be expressed in consideration of and bearing in mind the optimization of interests of the majority of Partners acting in a given sponsorship group as well as the necessity to ensure proper and effective functioning of the whole sales network.

11. In case of infringing the rules and conditions for sponsorship, the Partner's authorization to sponsor may be suspended or excluded according to LAB ONE's decision.
12. Detailed conditions as well as rules for establishing and functioning of the Partners in sponsorship groups shall be determined by LAB ONE in the officially published literature.
13. LAB ONE reserves the right to develop or modify the Marketing Plan, rules for qualification and recruitment as well as the provisions of the Code and the present Terms with the effect from the date they are made public.

#### VII. **PERSONAL DATA. ENTRUSTMENT OF PERSONAL DATA PROCESSING**

1. LAB ONE states that it is the administrator of the personal data within the meaning of article 7 item 4 of the Personal Data Protection Act of 29 August 1997 (Journal of Laws of 2002 No. 101, item 926 as amended), hereinafter referred to as "the Act", assigned to LAB ONE to be processed under the provisions below.
2. Under the article 31 of the Act, LAB ONE shall entrust the Partner with processing of the personal data to the extent and for the purpose specified in these Terms and the Partner undertakes to process the data in the manner ensuring compliance with the requirements set forth in the Act, particularly to abide by the provisions of chapter 5 of the Act.
3. Entrustment of processing personal data by LAB ONE mentioned in point 2 above shall include personal data necessary to execute the provisions of these Terms.
4. The aim of processing the data by the Partner shall be the implementation of the provisions of the present Terms.
5. The Partner shall be obliged in particular to:
  - a. use the data entrusted to them by the Ordering Party exclusively to the extent specified in point 3 of the present Terms and for the purpose described in point 4 of the present Terms,
  - b. not to perform any actions connected with further making available the personal data unregulated by these Terms unless the generally applicable provisions of law provide otherwise,
  - c. immediately return the personal data entrusted to them upon termination of membership in LAB ONE and delete the data from all electronic data carries where it was stored by the Partner for the purpose set forth in point 2 of these Terms.

6. LAB ONE reserves the right to carry out controls of the methods of the entrusted personal data protection employed by the Partner. The Partner shall be obliged to enable LAB ONE to perform such a control immediately upon request.
7. The Partner undertakes to immediately and appropriately deal with any inquiry by LAB ONE concerning the processing of the personal data entrusted to them under the present Terms, in particular those connected with organizing the personal data protection by the Partner.
8. LAB ONE shall authorize the Partner to process the personal data to the extent and for the purpose specified in the present Terms, particularly within IT systems and in the paper form as well as to grant further authorizations to process the data to persons cooperating with the Partner under a civil-law agreement that have access to the processing of the personal data.
9. LAB ONE and the Partner agree that in case of sending files containing the personal data, such files shall be protected during transmission through public network by cryptographic measures of personal data protection.
10. LAB ONE shall have the right to remove the Partner from LAB ONE if the Partner:
  - a. used the personal data in the manner inconsistent with the present Terms,
  - b. entrusted the processing of the personal data (further entrustment) to the third party without a consent of LAB ONE,
  - c. does not cease improper processing of the personal data despite being requested to do so.
11. LAB ONE shall not be responsible for the Partner's liabilities to third parties resulting from the processing of the personal data in the manner that is inconsistent with the present Terms nor for the liabilities of the Partner to the persons that were authorized by the Partner to process the data.

#### PROTECTION OF PERSONAL DATA

1. The data of natural persons acquired during and in connection with registration in LAB ONE shall be gathered in a set of data registered at the Office of the Inspector General for Personal Data Protection and named "Users of the website operating under the domain name [www.lab1.com](http://www.lab1.com)". The administrator of the data processed in a set of data "Users of the website operating under the domain name [www.lab1.com](http://www.lab1.com)" is LAB ONE SP. Z O.O. with its registered office in Wielogóra at ul. Warszawska 62, 26-660 Jedlińsk.
2. The aim of processing the personal data by LAB ONE shall be organizing and ensuring the functioning of LAB ONE on conditions set forth in the present Terms.
3. Subject to the use of the data exclusively for the purpose of making contact, the data may be made available to other Partners cooperating with LAB ONE SP. Z O.O. (sponsors).
4. The personal data may be made available to entities authorized under legal regulations.
5. Each Partner of LAB ONE shall have the right to access the content of their data and to correct it.

6. Providing data is voluntary, yet necessary to register in LAB ONE.
7. LAB ONE shall process the personal data obtained in the course of participation in LAB ONE with the aim of creating a Partner's profile. The foregoing processing of data shall be intended to prepare LAB ONE's product range that takes into account shopping preferences of the Partner. The Partner may object to processing of the data in relation to the profiling process.

#### VIII. **LIABILITY OF PERSONS USING TITLES OF LAB ONE**

Each person that is a Partner of LAB ONE should guarantee an ongoing development to their Partners through:

- a. sponsoring new Partners and developing a product sale network including in particular an ongoing development of sponsorship groups,
- b. help, advice and motivating development,
- c. periodic motivational meetings, setting out objectives and assessment of achievement thereof,
- d. trainings ensuring optimal personal development and building a sale network,
- e. frequent contact and providing current information on terms and places of meetings, new products, trainings, etc.,
- f. participating in all seminars and meetings, including those about which they are informed by LAB ONE,
- g. active selling of LAB ONE products,
- h. control and enforcement of the provisions of the Code of Ethics and the Terms as well as conducting their own activity in accordance with the requirements of the two foregoing documents.

#### IX. **USE OF LAB ONE'S BRAND NAME ON THE INTERNET.**

The present rules shall explain the manner in which the Partners of LAB ONE may shape their activity on the Internet without sabotaging actions to build a LAB ONE's brand name and without infringing rights, principles and agreements related to copyrights.

##### 1. General provisions

LAB ONE shall provide its Partners with the possibility of creating Personal Partner Websites on the platform of LAB ONE and with numerous other tools made available for the purpose of selling as well as promoting LAB ONE products on the Internet as well as the possibility of cooperating with the Company. As of today, these applications are the only approved digital tools through which the Partners may offer the products for sale as well as present images and logos the rights to which belong to LAB ONE. The Partners may also maintain websites where information on LAB ONE, products and possibilities of cooperation shall be placed on condition that it is clearly pointed out that these sites are not LAB ONE's official webpages. At all times, it must be absolutely clear who is responsible for a given website; appropriate contact details should also be visible. The Partner should provide their own information using their own words; only if an explicit reference to a source is given may they quote texts

of LAB ONE. The Partner may not create websites intended for electronic sale of LAB ONE products nor conduct electronic sale outside of the applications approved by LAB ONE.

## 2. The name of the domain

The Partners may not register the names of domains containing the word "LAB ONE". It is forbidden to create in social media a website with a name and images that may lead the consumer to think that it is the official website/group of LAB ONE.: - The name of a group in social media (e.g. Facebook) as well as pictures shall clearly inform that the group is conducted by a given entity, e.g. "Anna's LAB ONE Group" and a picture of Anna. – The website or group in social media shall not bear the name such as "LAB ONE Casablanca", "LAB ONE Warszawa".

## 3. Legal disclaimer

The Partners maintaining their own websites and making it known that they operate in LAB ONE must provide a clearly legible information that they are:

- a. "Independent Sales Partners of LAB ONE",
- b. "Independent Partners of LAB ONE" or
- c. "Independent Beauty Care Partners of LAB ONE" or the following clause: "This website is owned by an independent partner of LAB ONE.

The official website of the company LAB ONE in Poland is available at [www.lab1.com](http://www.lab1.com)". The information must be published in an unambiguous manner on the home page as well as in the form of a legal disclaimer visible on each and every page. The last name and contact details should be available on the website or in the information on the account on the website in social media. The above-mentioned rules shall not apply if the Partner has a private website unrelated to LAB ONE.

## 4. Content and mentions of LAB ONE

It is prohibited to copy content put on the official website of LAB ONE and to publish it as one's own. If the Partner on their own website places a hypertext link to official content of LAB ONE from a domain owned by LAB ONE, they shall be obliged to disclose such fact.

## 5. Images

1. It is prohibited to download pictures or films placed on the official website of LAB ONE and to publish them on the webpage of the Partner. All images are protected by the regulations of the copyright act and LAB ONE purchased the rights to use them whereby: - moving images; films etc. – may be taken advantage of by using the publication functionality in social media if such functionality is made available. The publication functionality in social media ensures automatic placement of a reference to a source website, - images of objects or persons – may be taken advantage of by using the publication functionality in social media if such functionality is made available. The publication functionality in social media ensures automatic placement of a reference to a source website, - images of LAB ONE products – may be downloaded on condition that a source website is provided in a visible and unambiguous manner e.g. (source: [www.lab1.com](http://www.lab1.com) 2016).
2. All claims of third parties against LAB ONE arising from the above-mentioned provisions shall be passed to the Partner and the Partner in turn shall release the

Company from the obligation to confer benefits to such persons under regulations of Article 392 of the Civil Code.

#### 6. LAB ONE'S GRAPHIC SIGN

LAB ONE's graphic sign (logo) may be used exclusively in the formats that can be found on the official websites of LAB ONE. The graphic sign must not be changed or animated and may be used solely in the form of a heading or a page footer as well as e-mail signatures in the original formats upon receiving a written consent of the Company.

#### 7. Publication in social media

LAB ONE shall encourage the Partners' activity in the blogosphere, social media and the like. The Partners shall be encouraged to maintain blogs and leave comments about LAB ONE's products whenever they consider it appropriate, however they must comply with the provisions of the Code of Ethics and the Terms concerning the presentation of products. It is recommended that the Partner, to the extent possible, use the publication functionality in social media provided by LAB ONE, which shall ensure proper publication and inclusion of information on the source.

#### X. **OTHER PROVISIONS**

1. All disputes arising from or connected with these Terms shall be to the extent possible settled amicably. In the absence of agreement, a dispute shall be resolved by the common court competent for the seat of LAB ONE sp. z o.o. In case of the absence of agreement in any disputes between the Partner that is a Consumer and LAB ONE sp. z o.o., such disputes shall be settled by the competent common Court.
2. In matters not regulated by these Terms provisions of the Civil Code shall apply.
3. In the case of concluding a contract for transfer/acquisition of rights and obligations of another Partner on the basis of an agreement between two Partners, the Partner acquiring a position within a structure shall continue cooperation under their User panel. Only LAB ONE may consent to such transfer by appropriately changing the User panel.
4. LAB ONE reserves the right to change the present Terms. Each Partner of LAB ONE shall be informed of any such change by proper notifications in the User panel without the necessity to sign the annex. In the event of the lack of acceptance of changes introduced into the Terms of cooperation, the Partner of LAB ONE may withdraw from the cooperation agreement within 7 days of the date of its publication. To become effective, a statement of the lack of acceptance of changes to the Terms resulting in the withdrawal shall require a written form on pain of invalidity. The Partner shall be considered to have accepted changes to the Terms of Cooperation if they conduct further cooperation activities after such changes have been made.
5. LAB ONE disclaims any liability for any damages incurred by the Partner at no fault of LAB ONE, in particular caused by failure of telecommunications links or servers of payment systems used by the Partners to pay a purchase price of the Products, failure or inaccessibility of bank sites or co-operating entities and occurrence of

circumstances of force majeure nature beyond the control of LAB ONE even if all due care is taken.

6. By registering on the Platform of LAB ONE, the Partner of LAB ONE shall acquire the right to promote LAB ONE, use LAB ONE's trademark and distribute products available in the Online Store [www.labone.pl](http://www.labone.pl) on conditions specified in these Terms.
7. The Partner of LAB ONE may conduct indirect sale and advertise LAB ONE complying in their activity with the effective legal regulations including tax law and other provisions connected with conducting business activity within the territory of Poland.
8. The Partner of LAB ONE conducting sales of products and promoting LAB ONE shall act on their own behalf and account as an independent economic entity. In particular, the Partner is not an employee, agent or commission agent of LAB ONE.
9. LAB ONE shall grant the Partner a limited non-exclusive license to use LAB ONE's trademark exclusively in relation to their activity within the Platform of LAB ONE and in accordance with the provisions of these Terms. The foregoing license shall be valid for the duration of the Cooperation agreement concluded with the Partner of LAB ONE and shall also involve the right to sell the products.
10. The Partner of LAB ONE shall not have the right to undertake any actions on behalf of and in favor of LAB ONE, and in particular to contract any liabilities on behalf of and in favor of LAB ONE Sp. z o.o., act as a representative of LAB ONE sp. z o.o. and to refer to any powers of attorney or other authorizations by LAB ONE sp. z o.o. The independent status of the Partner of LAB ONE is the most important element of carrying out direct sales in the MLM system.
11. Direct sales of the products using the Platform of LAB ONE may not be carried out in shops, kiosks, stalls nor in any other permanent organized points of retail sales without a prior written consent of LAB ONE sp. z o.o.
12. The Partner of LAB ONE may invite new persons to the system of LAB ONE and build their own structure of LAB ONE Partners as part of the Platform of LAB ONE.
13. Promotion of the Platform of LAB ONE during fairs, meetings and events may be carried out for advertising purposes or to gain new Partners of LAB ONE provided that the Partner of LAB ONE shall cover participation in the above-mentioned events on their own.
14. The Partner shall have the right to participate in official conventions/meetings organized for the Partners of LAB ONE and to invite other persons to events of this kind.
15. The only materials that may be used by the Partner of LAB ONE for promotional purposes shall be those available on the Platform of LAB ONE. All materials developed by the Partner on their own shall require a prior written approval of LAB ONE. Use of LAB ONE's trademark in advertisements and promotional offers of any kind - particularly leaflets, business cards, radio and television advertisements – must be agreed upon with LAB ONE and may be used only upon a prior written consent of LAB ONE.
16. LAB ONE shall make available to the Partner free of charge its own login and password to the business panel of LAB ONE where the Partner may analyze their structure and keep track of the results.

17. The promotional activity of the Partner of LAB ONE in social media must be consistent with the by-laws of a given internet service and must not entail any indication of sending out unwanted and unnecessary commercial information (spam) or another activity that may call into question the credibility and good reputation of LAB ONE as well as infringe the effective legal regulations or generally applicable ethical and moral standards or standards of personal culture. Any identified case of breach of the above-mentioned rules shall be considered individually and may cause suspension or termination of the Cooperation Agreement with LAB ONE.
18. Attention to the consumer's rights is one of the priorities of LAB ONE Sp. z o.o., therefore the provisions of the present Terms shall not be aimed at excluding or limiting any Consumer rights under mandatory provisions of applicable law and any potential ambiguities should be interpreted in favor of the Consumer. In the event of any potential discrepancies between the provisions of the present Terms and the foregoing regulations, the provisions of the Act on Consumer Rights shall prevail and should be applied.

TERMS AND PRIVACY POLICY OF LAB ONE SP. Z O.O.  
Wielogóra 2016