

LYCONET AGREEMENT

for Independent Lyonet Marketers

Version: December 2018

Preamble

Lyoness New Zealand Ltd., with registered office at Level 5, Tower 1, 205 Queen Street, Auckland 1010, New Zealand operates in cooperation with Lyoness Asia-Pacific Limited, Suite 2607-12, 26th Floor, Tower 2, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong a marketing programme referred to as "Lyonet" (hereinafter: "**Lyonet Marketing Programme**").

An essential element of this marketing programme is the Lyonet Agreement for Independent Lyonet marketers, which enables participants to promote the distribution and use of the Cashback World Programme as self-employed, commercial sales contractors and to obtain benefits from the same. After concluding the Lyonet Agreement with Lyoness New Zealand Ltd. (hereinafter referred to as "**Lyonet**" in this context), the contracting party shall become an independent Lyonet Marketer (hereinafter: "**Marketer**").

The Cashback World Programme is a shopping community operated by myWorld International Limited, with registered office at 40 Bank Street, London EC14 5NR, United Kingdom with its subsidiary companies (including myWorld New Zealand Limited) and cooperation partners, which enables participants (hereinafter: "**Members**") to obtain benefits from the purchase of goods and services from Loyalty Merchants (hereinafter: "**Loyalty Merchants**").

1. Object of the agreement

1.1 According to this Lyonet Agreement, the Marketer shall be entitled to promote the distribution and use of the Cashback World Programme and the Lyonet Marketing Programme, provided the respective requirements set out in section 4 are satisfied:

- (a) by gaining new Members and supporting existing Members,
- (b) by gaining new Marketers and supporting existing Marketers, and
- (c) by gaining new Loyalty Merchants and supporting existing Loyalty Merchants.

1.2 "**Loyalty Merchants**" are merchants that:

- (a) sell goods or services exclusively to consumers and:
 - i do not have more than 100 employees (full time equivalent),
 - ii do not have an annual turnover of more than NZD 20 million,
 - iii do not have more than 10 branches and do not have a transnational branch structure,
 - iv do not operate or use a regular customer loyalty programme (with a personal loyalty card),
 - v are not franchises, or
 - vi are not controlled by a foreign parent company.
- (b) are otherwise declared in writing on a case by case basis as a Loyalty Merchant by myWorld International Limited with its group companies and cooperation partners as the case may be.

1.3 The recruitment and support of merchants that do not qualify as Loyalty Merchants within the meaning of section 1.2 are not covered by this Lyonet Agreement. The Marketer is specifically prohibited from conducting initiation talks or negotiations with such persons or from engaging in any other promotional activity in order to recruit them.

1.4 In return for the sale activities set out in in this Lyonet Agreement, the Marketer shall receive remuneration according to the Lyonet Compensation Plan in **Annex 1** to this Lyonet Agreement (see also section 8).

2. Basis for the agreement

The sales activities of the Marketer shall be governed exclusively by this Lyonet Agreement, including all annexes.

3. Legal relationship

3.1 Lyonet grants the Marketer a non-exclusive right to act as a sales representative for Lyonet under the terms of this Lyonet Agreement. The Marketer shall not be subject to any regional restrictions with regard to the performance of his/her sales activities, but shall always be responsible for ensuring that he fulfils the legal requirements applicable in the respective country; the Marketer shall indemnify and hold Lyonet completely harmless in the event of any third-party claims.

3.2 The Marketer shall act as an independent contractor in the performance of his/her obligations under this Lyonet Agreement. No form of employment, service, or company relationship of any kind whatsoever is established between Lyonet/Lyoness New Zealand Limited and the Marketer. The Marketer shall provide his/her contractual services solely as an autonomous and self-employed activity, legally independent of Lyonet and shall not be bound in particular to instructions from Lyonet.

3.3 The Marketer is expressly prohibited from giving the impression in the course of business that he is an employee or otherwise on the staff of Lyonet, or of any affiliated company.

3.4 The Marketer is prohibited from representing Lyonet, including without limitation, he is not authorised to conclude contracts or receive services on behalf of Lyonet/Lyonesse New Zealand Limited. The Marketer is also prohibited from representing other group companies of the Lyonesse or myWorld Group. A violation of this section 3.4 shall entitle Lyonet to terminate this Lyonet Agreement for good cause in accordance with section 13.2.

3.5 The Marketer is entitled to one registration (i.e. one ID number) only. The residential or business address (registered office) of the Marketer must be stated in the registration. Multiple registrations made to obtain unjustified benefits from the Lyonet Compensation Plan shall entitle Lyonet to terminate the contractual relationship for good cause and to withdraw the benefits obtained in this manner. In the event of multiple registrations, the ID numbers last registered shall be deleted. Any benefits from the Lyonet Compensation Plan obtained solely by means of multiple registrations shall be forfeited.

4. Requirements for the activity and the entitlement to remuneration

4.1 If the Marketer is a natural person, he warrants that he is over eighteen years of age.

4.2 As a condition for the entitlement to claim remuneration under this Lyonet Agreement, the Marketer must be active in the exercise of a commercial activity. In doing so, the Marketer must independently ensure that his/her business is duly registered and that he has the necessary regulatory approvals to practice his/her trade. He must ensure the proper payment of taxes and levies and shall indemnify and hold Lyonet harmless in the event of any third-party claims.

4.3 The recruitment of new Loyalty Merchants requires activation by myWorld International Limited with its group companies and cooperation partners as well as separate training.

5. Rights and obligations of the Marketer

5.1 The Marketer shall be entitled to use the organisational support of third parties (such as assistance) for his/her sales activities. The sales activity itself must always be performed by the Marketer himself/herself. The Marketer must ensure that the obligations of this Lyonet Agreement are also met by these third parties.

5.2 The Marketer shall be obliged to make only such statements about Lyonet, a company affiliated with Lyonet, the Lyonet business model, and its distribution and marketing that are in accordance with Lyonet's official documentation.

5.3 As soon as the Marketer becomes aware of a possible violation of the provisions of this Lyonet Agreement by another Marketer, he must notify Lyonet without delay.

5.4 If the Marketer intends to hold events for a charge or otherwise offer services in connection with the Cashback World Programme or the Lyonet Marketing Programme to third parties for a fee, he must first obtain the consent of Lyonet in text form (an electronic message is sufficient).

6. Member registration

6.1 The Marketer can use the original registration form to promote new Members of the Cashback World Program to spread the Cashback World Program. He must consider that he has no power of representation and therefore is not entitled to receive declarations under the Cashback World Program. Only with acceptance of the registration application by the respective contractual partner of the Member is Membership in the Cashback World Program confirmed.

6.2 The Marketer has the following obligations when recruiting new Members:

6.2.1 The Marketer must ensure that the current version of the General Terms and Conditions for Cashback World Members ("Cashback World GTCs") is available to the potential Member in the place where the application for registration takes place and that the potential Member can examine the Cashback World GTC. Lyonet shall provide the Marketer with the required Cashback World GTC in the version required for the respective country at www.lyonet.com (log-in area) for downloading. The Marketer shall receive the necessary registration applications in printed form directly from Lyonet after the appropriate order has been placed.

6.2.2 When completing the application for registration form and thus before membership is established, the Marketer shall present the *Cashback World GTC* to the potential Member without being asked and shall expressly point out that they are an indispensable part of the contract to be concluded.

6.2.3 Before completing the application for registration, the Marketer must enter his/her information in the designated area of the application for registration form. To complete the application for registration of the potential Member, the Marketer must upload an adequately recognisable picture of the application for registration form fully completed and signed by the potential Member in the designated area.

6.2.4 The Marketer undertakes always to have an adequate number of copies of the current *Cashback World GTC* available for examination and to hand them over at the request of the potential Member.

6.2.5 The Marketer shall keep all original application for registration forms securely and make them available any time at the request of Lyonet.

6.2.6 Lyonet reserves the right to carry out random checks of the application for registration forms.

6.3 With respect to the application for registration process:

6.3.1 The Marketer shall be fully liable, and shall keep myWorld International Limited and Lyonet indemnified, for all loss, damage and expense incurred by myWorld International Limited and/or Lyonet in connection with or arising from any breach of this clause 6 by the Marketer (which includes all personnel and contractors of the Marketer).

6.3.2 The Marketer must record all data of the potential Members to be registered with the utmost care and shall be liable for any negative effects resulting from failure to comply with this obligation.

6.3.3 Any breach of this section 6 by the Marketer shall entitle Lyonet to terminate this Lyonet Agreement immediately for good cause according to section 13.2.

7. Communication Material

7.1 Lyonet shall make the advertising and information material (documents, catalogues, presentations, etc.) (hereinafter: "**Communication Material**") required by the Marketer to perform his/her sales activities under this Lyonet Agreement available to the Marketer for downloading free of charge at www.lyconet.com (log-in section).

7.2 The Marketer may use only the Communication Material authorised by Lyonet at any given time by making it available it at www.lyconet.com. Before using any Communication Material, the Marketer must check and confirm that it reflects the current version. The culpable use of unauthorised Communication Material by the Marketer shall entitle Lyonet to terminate this Lyonet Agreement immediately for good cause according to section 13.2.

7.3 In the event of termination of this Lyonet Agreement, the Marketer shall immediately destroy the Communication Material in his/her possession and confirm the destruction in writing to Lyonet, if necessary.

7.4 Publications and advertisements, as well as the use of trademarks applied for and/or registered for Lyonet or companies affiliated with Lyonet, such as the company logo and the brands Lyonet, Lyoness, Child & Family Foundation, Greenfinity Foundation, etc., require the written consent of Lyonet. The publication and use of trademarks applied for and/or registered for myWorld International Limited with its group companies and cooperation partners such as Cashback World or myWorld require the written consent of myWorld International Limited and its group companies and cooperation partners. This shall also apply to any use over the Internet or other electronic media. The right of the Marketer to use the Communication Material authorised by Lyonet according to section 7.2 shall remain unaffected.

7.5 The Marketer indemnifies Lyonet from claims of third parties, which assert these against Lyonet because of a culpable infringement of its protected rights by the Marketer.

7.6

8. Lifeline

8.1 The "**Lifeline**" of each Marketer consists of the Marketers or Members recruited by him/her, the Marketers or Members recruited by them (second level), and the Marketers or Members recruited by the second level Marketers or Members (third level), etc. The Lifeline therefore consists of all Marketers or Members assigned to the Marketer based on his/her recommendations and all successive recommendations, regardless of the level. The Lifeline is also referred to as the "**Downline**". The "**Upline**" consists of the referrers. The next Marketer in the Upline is referred to as the "**Coach**" and the second in the Upline is referred to the "**Senior Coach**".

8.2 The Marketer's compensation according to the Lyonet Compensation Plan shall be calculated based on all purchases made by all Marketers or Members at any level of his/her Lifeline. Purchases from another Lifeline shall not be considered in favour of the Marketer (even if the Marketer has negotiated the conclusion of the Lyonet Agreement with the Marketer).

8.3 The Lifeline cannot be changed and compliance with it is a principle of the Lyonet Marketing Programme for the protection of all Members and Marketers. Marketers who have not been eligible for compensation in the last 12 months can change their *Referrer* by appointing another Marketer as the *Referrer* to Lyonet with his/her consent. If the Marketer is also a Member, the Referrer may be changed only if the requirements for a change are also met as a Member. This means that no purchases shall have been made from *Loyalty Merchants* over a period of six months nor shall there have been any entitlement to compensation in the last twelve months. In this case, the Marketers or Members recruited directly or indirectly by the Marketer being changed (regardless of the level) shall remain in the original position of the original Referrer. The entitlement to compensation is defined and regulated in Annex 1 of the Lyonet Compensation Plan.

8.4 If a Marketer terminates his/her participation in the Lyonet Marketing Programme, or changes the Lifeline according to section 8.3 of this Lyonet Agreement or as a Member, this shall not affect the position of the remaining Marketers or Members of the Lifeline concerned (in the upper or lower part).

8.5 The transfer of the identification number (ID number) to third parties (e.g. due to a sale of the ID number) can in principle only take place with the written consent of Lyonet and the simultaneous transfer of all existing contractual relationships with the third party or between the Marketer and the Lyoness group and (at most) the myWorld group. However, if the Marketer dies, the contractual relationships (including his ID) existing between him and the Lyoness group and (if applicable) myWorld group will pass to his heirs in accordance with the applicable inheritance law.

9. Compensation

- 9.1 The Marketer shall be compensated for his/her sales activities under this Lyconet Agreement according to the Lyconet Compensation Plan in Annex 1. The Marketer shall not be entitled to claim from Lyconet compensation for expenses incurred in the performance of his/her sales activities (especially the reimbursement of travel costs and expenses, material or personnel costs).
- 9.2 In addition to compensation according to the Lyconet Compensation Plan, Lyconet may also offer additional premiums at its sole discretion. However, there is no obligation to do this.
- 9.3 All compensation shall be calculated on a weekly or monthly basis, taking into account all the Shopping Points credited according to the Lyconet Marketing Programme (according to the Lyconet Compensation Plan in Annex 1). Lyconet shall display all the information that is relevant to the compensation of the Marketer according to the Lyconet Compensation Plan in the statements that are made available to the Marketer in the login area of his/her www.lyconet.com website.
- 9.4 The Marketer must review this statement immediately and make any objections in writing to Lyconet on the Lyconet.com website and in the form specified by Lyconet no later than one week after receipt of the statement. Breach of this obligation may entitle Lyconet to claim for damages.
- 9.5 The compensation due to the Marketer from the Lyconet Marketing Programme shall be paid weekly to the Marketer's account, provided that the sum of the payment entitlements reaches an amount of NZD 20.

10. Secrecy and confidentiality

- 10.1 The Marketer undertakes to keep confidential, and ensure all personnel (including its and its related parties' employees, agents, contractors and consultants) the Confidential Information.
- 10.2 The Marketer may use the Confidential Information solely for the purpose of performing its obligations under this Lyconet Agreement, and may only may only disclose the Confidential Information to those of its personnel who:
- 10.2.1 have a need to receive it (and only to the extent that such personnel have a need to receive it); and
 - 10.2.2 have been made aware of its confidential nature and agreed to maintain its strict confidence.
- 10.3 This clause 10 shall survive after expiry/termination of this Lyconet Agreement.
- 10.4 A breach of this clause 10 entitles Lyconet to terminate this Lyconet Agreement immediately.
- 10.5 For the purposes of this section, "**Confidential Information**" means information of every kind comprising or in any way related to the current or future business or business interests, methodology, products, services, intellectual property, personnel, clients, suppliers, customers, Members, trade secrets, business data, commission rates, sales figures, or affairs of Lyconet, myWorld International Limited and/or subsidiary company (including information concerning the existence and terms of this Lyconet Agreement) which comes to the knowledge of the Marketer, but excludes information which:
- 10.5.1 is publicly available without breach of this Lyconet Agreement; or
 - 10.5.2 the Marketer obtained from a third party without breach by that third party of any obligation of confidence concerning that confidential information.

11. Data protection

- 11.1. To the extent that it is required to implement the Lyconet Agreement, in particular to calculate the Shopping Points and compensation according to the Lyconet Compensation Plan in Annex 1, Lyconet New Zealand Limited, being responsible for data protection, collects, stores and processes personal or company data as well as data on sales activities of the Marketers.
- 11.2. All requests for information, changes, and deletion of data may be directed to Lyconet New Zealand Limited, Level 5, Tower 1, 205 Queen Street, Auckland 1010, New Zealand or by e-mail to international@lyconet.com. Further privacy provisions related to the use of the Lyconet website can be found in the Privacy Policy at www.lyconet.com.
- 11.3. Lyconet uses internationally recognised security technologies to protect Marketers' data against unauthorised access.
- 11.4. If the Marketer uses additional IT-supported services and Lyconet processes personal data entered by the Marketer in this context, the parties shall conclude a contract data processing agreement.

12. Non-competition/non-solicitation agreement

- 12.1 The Marketer will not, for any part of the duration of this Lyconet Agreement, directly or indirectly, or through any third party, without the prior written consent of Lyconet, provide such services to a competitor providing services that are identical or like those of Lyconet or manage or participate in a rival company or otherwise support or advise it.
- 12.2 The same shall apply to competitors that are involved in the network sector (structure sales) generally.

- 12.3 The activities of the Marketer for competing companies already existing at the time of conclusion of this Lyconet Agreement and disclosed in text form (electronic message) shall be excluded from the aforementioned competition agreement.
- 12.4 During the term of this Lyconet Agreement, the Marketer shall also refrain from soliciting Marketers, Members, or Loyalty Merchants for other network marketing companies in particular, or even attempting to do so.
- 12.5 If the foregoing provisions of this section 12 are culpably violated by the Marketer or his/her assistants, Lyconet shall be entitled to demand the cessation of the aforementioned actions. This shall not affect the right of Lyconet to terminate this Lyconet Agreement and to assert a claim for any damage that has resulted or is resulting.

13. Duration and term of this Lyconet Agreement

- 13.1 The Lyconet Agreement shall be concluded for an indefinite period of time and may be terminated by either party subject to a notification period of 30 days.
- 13.2 Both parties shall have the right to terminate this Lyconet Agreement at any time for a good cause without notice. A good cause for termination by Lyconet shall exist especially in the following cases:
- (a) The Marketer deliberately makes false statements when concluding this Lyconet Agreement.
 - (b) The Marketer uses unauthorised Communication Material in violation of section 7.2.
 - (c) The Marketer uses trademarks applied for and/or registered for Lyconet or companies affiliated with Lyconet in violation of section 7.4.
 - (d) The Marketer violates the competition or non-solicitation agreement according to section 12 or violates the obligation to maintain secrecy and confidentiality according to section 10.
 - (e) The Marketer repeatedly provides wrong advice about the Cashback World Programme or the Lyconet Marketing Programme. An indication of wrong advice is if an above-average number of contracts mediated by the Marketer (including Members, Marketers, or Loyalty Merchants) is contested, cancelled, or terminated at the earliest possible date by the mediated supplier.
 - (f) The Marketer operates a commercial resale of vouchers of the Loyalty Merchants.
 - (g) The Marketer holds events for a charge or offers services in connection with the Cashback World Programme or the Lyconet Marketing Programme to third parties for a fee without the written consent of Lyconet.
 - (h) The Marketer has been convicted of an intentional criminal offence (i) committed to the detriment of Lyconet or a company affiliated with Lyconet and/or (ii) in connection with the conduct of his/her sales activities according to this Lyconet Agreement; (iii) which has a material connection with the activity of the Marketer according to this Lyconet agreement (e.g. property crimes such as fraud) or (iv) which is so serious that Lyconet can no longer be expected to cooperate further because of the destruction of the necessary basis of trust or a threat of loss of reputation.
 - (i) The Marketer is repeatedly in arrears with the fulfilment of a contractual payment claim or a not inconsiderable part of it.
 - (j) The financial situation of the Marketer deteriorates so significantly that the sustainable solvency of the Marketer is questionable based on concrete indications.
 - (k) In addition to the significant damage to the economic interests or the reputation of Lyconet or the Loyalty Merchant, in particular the breach of essential contractual obligations is considered as a good cause.
 - (l) A termination for good cause because of a breach of contract usually requires the expiry of a specified period for remedial action without success or a previous warning without success. However, the setting of a deadline or a warning shall be particularly unnecessary if the respective infringement is so serious that Lyconet can reasonably no longer be expected to continue this Lyconet Agreement for that very reason.
- 13.3 A notice of termination must be made in writing (and may be made in electronic form).
- 13.4 Any participation in the Cashback World Programme shall remain unaffected by the termination of this Lyconet Agreement.

14. Effects of the termination

- 14.1 On the termination of this Lyconet Agreement:
- (a) The Marketer shall be entitled to retain any compensation already paid out to the Marketer.
 - (b) The Marketer shall be entitled to any compensation payments for which all conditions according to the Lyconet Compensation Plan have already been satisfied at the time of termination.
 - (c) The Marketer shall not be entitled to assert any further claims against Lyconet, subject to mandatory legal claims.
 - (d) The Marketer shall destroy or return all Confidential Information to Lyconet.
- 14.2 Unless otherwise agreed, payments made by the Marketer (e.g. for services or voucher orders) shall not be refunded. No expenses of the Marketer shall be refunded.

15. Liability

- 15.1 Lyconet shall be liable without limitation for damages resulting from injury to life, limb, or health that are due to a deliberate or negligent breach of obligation by Lyconet. Lyconet shall also be liable without limitation for damages that are due to a deliberate or grossly negligent breach of obligation by Lyconet.

- 15.2 For damages due to simple negligent breach of obligations that are fundamental for the reasonable and proper conclusion of the contract and that the Marketer accordingly trusts to be fulfilled (cardinal obligations), the liability of Lyonet shall be limited to typical and foreseeable damage.
- 15.3 Other claims for damages shall be excluded, subject to the following section 15.5. This shall apply particularly if Lyonet is not at fault.
- 15.4 Insofar as the liability for Lyonet is limited or excluded, the limitations or exclusions shall also apply to the personal liability of the employees, legal representatives, and vicarious agents of Lyonet.
- 15.5 The limitations and exclusions of liability as specified in section 15 of this document shall not affect the liability of Lyonet according to the mandatory statutory provisions of the Product Liability Act, based on the fraudulent concealment of a defect or the assumption of a guarantee for the quality of an item.

16. Changes

- 16.1 The Marketer undertakes to notify without delay Lyonet in writing of any changes to his/her data that is essential to the Lyonet Agreement, including without limitation any changes to address and bank details. Furthermore, the Marketer undertakes to notify Lyonet immediately of any payment difficulties, but especially of impending insolvency or imminent over-indebtedness. If changes to the business address are not disclosed immediately, statements that Lyonet sends by post to the last known address shall nevertheless be deemed to have been received by the Marketer.
- 16.2 Individual agreements made in individual cases shall take precedence over this Lyonet Agreement. The contents of such agreements shall be governed by a written contract or written confirmation by Lyonet. No verbal agreements have been made between the parties. Moreover, Lyonet shall be entitled to send contract declarations and information required for the conclusion of the contract via SMS or e-mail to the Marketer provided that the Marketer has specified the corresponding contact data and does not object to the same.
- 16.3 Changes to this Lyonet Agreement and other contractual agreements between the Marketer and Lyonet communicated in text form to the address or e-mail address indicated by the Marketer shall be deemed to be accepted by the Marketer if the Marketer does not object to their applicability within 30 days of receipt of the written notification of change. At the beginning of this time period, Lyonet shall especially point out to the Marketer that his/her consent to the communicated changes to the General Terms and Conditions shall be deemed to be given if he does not object in text form to their applicability within the time period established. The changes to this Lyonet Agreement shall be deemed to be accepted by the Marketer only if this notice has actually been given.

17. Applicable law and court of jurisdiction

- 17.1 This Lyonet Agreement is subject to New Zealand law.
- 17.2 For all disputes arising from or in connection with this Lyonet Agreement, the courts of New Zealand shall have sole jurisdiction.

18. General conditions

- 18.1 The Marketer shall not be entitled to assign this Lyonet Agreement or the rights and obligations established between the parties based on this Lyonet Agreement to a third party or to transfer it in any other way, including by way of universal succession, without the prior written consent of Lyonet. However, if the Marketer dies, the contractual relationships existing between him/her and Lyonet shall pass to his/her heirs under the applicable inheritance law. Furthermore, the Marketer shall not be entitled to encumber any existing rights with a lien without the prior written consent of Lyonet.
- 18.2 The Marketer shall not have the right to offset claims of Lyonet. This shall not apply if the claims are reciprocal and interdependent, or if the Marketer offsets a claim that is uncontested, ready for decision, or defined by enforceable final judgement.
- 18.3 Should any provision of this Lyonet Agreement be or become totally or partially invalid, this shall not affect the validity or practicability of the remaining provisions.