



YTM India Marketing Pvt. Ltd.

216/1, Sector-1, Opp. Vishwanath Apartment
Geetanjali Nagar, Shankar Nagar, Raipur (C.G.) 492007

Independent Distributor Contract Agreement

This agreement is agreed and accepted electronically & online by and between the executing parties (Hereinafter mentioned and referred to as Independent Distributor and the Direct Selling Entity which expressions shall mean and include their respective legal heirs, assigns, successors, administrators, and undertakers).

Be known that this Contract agreement is executed and entered into in accordance with the provisions of India Contract Act and Consumer Protection (Direct Selling) Rules, 2021 (Hereinafter referred to as the Rules)

Whereas the applicant has voluntarily, of his/her own accord, free will, and without any coercion whatsoever, whether mental or physical, offered to join the Direct Selling Network business of the Direct Selling Entity named M/s YTM India Marketing Private Limited (registered under the provisions of the Companies Act, 2013, having Registration No. U74999CT2022PTC013475) with its head office at 216/1, Sector-1, Opp. Vishwanath Apartment, Geetanjali Nagar, Shankar Nagar, Raipur, Chhattisgarh - 492007, India (hereinafter referred to as "Company" or "YTM").

And whereas the YTM is engaged in "Direct Selling business" which means marketing, distribution and sale of goods or providing of services through a network of Independent Distributor as per its prescribed YTM Compensation Plan (Which may be read as part and parcel of this agreement as the same is not being reproduced here for the sake of brevity) not falling under the pyramid or Money circulation scheme.

And whereas the Independent Distributor, named below along with his / her KYC particulars therein has, after being explained all the provisions of the said YTM Compensation Plan, product details and the present E-contract Agreement in the vernacular language known to him by Shri _____ ID No. _____, duly ascertained and satisfied by visiting the YTM's website www.ytmindia.in, has voluntarily offered to join the direct selling business of the YTM and resolved to enter into this E-contract agreement, hence this deed.

DEFINITION:

In this Contract

1. " **Independent Distributor(s)**" means a person authorized by a Direct Selling entity through a legally enforceable written contract to undertake Direct Selling business on principal-to-principal basis.
2. " **Direct Selling Entity**" means the principal entity which sells or offer to sell goods or services through Independent Distributors, but does not include an entity which is engaged in a pyramid scheme or money circulation scheme.
3. " **Network of Sellers**" means a network of Independent Distributors formed by a Direct Selling entity to sell goods or services for the purpose of receiving consideration solely from such sale.

NOW THEREFORE THIS DEED AGREEMENTS AS UNDER:

1. **Compliance with Legal Framework:** YTM hereby affirms its full compliance with all relevant laws and regulations applicable to an Indian Direct Selling Entity, including but not limited to The Consumer Protection Act, 2019, Consumer Protection (Direct Selling) Rules, 2021, The Legal Metrology Act, 2009, E-commerce Rules, 2020 and any other pertinent rules and laws.
2. **Assurances and Commitments:** YTM provides the following assurances to the Independent Distributors, who hereby agree to the terms:

- a. **Non-Compensatory Recruitment:** This E-contract explicitly states that Independent Distributors will not receive compensation or incentives solely for the recruitment or enrollment of new participants.
- b. **Reasonable Purchase Requirements:** The Direct Selling entity ensures that participants are not required to purchase goods or services in quantities exceeding those that can be reasonably sold or resold to consumers.
- c. **No Mandatory Fees:** There is no requirement for participants to pay any entry, registration, or subscription fees. Additionally, there are no costs for sales demonstration equipment and materials or other fees related to participation in the YTM Direct Selling business.
- d. **Incentive Calculation Based on Sales:** According to the Compensation Plan provided by YTM (which is considered an integral part of this E-contract), all types of incentives, rewards, and benefits, both financial and non-financial, are calculated solely based on the effective sale, marketing, and distribution of products. These incentives are in no way linked to the recruitment, sponsoring, or introduction of new Independent Distributors.

3. Cooling Off Policy

- a. **Cooling Off Period:** YTM provides a reasonable cooling off period in compliance with clause 3(b) of the Consumer Protection (Direct Selling) Rules, 2021. A newly registered Independent Distributor is granted a 7-day cooling off period from the date of signing and executing the contract agreement. During this period, the Independent Distributor can cancel the contract agreement without any breach of contract or penalty.
- b. **Repayment of Compensation:** If an Independent Distributor receives any form of compensation from YTM during the cooling off period, they must repay the corresponding amount to YTM. This repayment must be accompanied by a formal repudiation letter and can be made through various methods such as cash, cheque, demand draft (DD), NEFT, RTGS, etc.
- c. **Reimbursement of Fees:** If YTM collects any fees, including training fees, franchise fees, or fees for promotional materials, and the Independent Distributor decides to return all goods received at the time of joining, they are entitled to a refund of these fees. YTM is responsible for reimbursing these fees through methods like cash, cheque, demand draft (DD), NEFT, RTGS, or Net Banking. Applicable taxes such as TDS and GST will be adjusted, and the repayment will be accompanied by an appropriate repudiation letter.

4. Buyback Policy

- a. YTM provides a buyback guarantee to every Independent Distributor under the following terms:
 - i. **Marketable Condition:** If the product is in a marketable condition and is returned within 15 days of receipt of goods accompanied by the original invoice, a 100% refund will be given. Marketable condition refers to products that are unused, sealed, undamaged, not expired, not seasonal, not discontinued, and not part of a special promotional product or service.
 - ii. **Unmarketable Condition:** If the product is in an unmarketable condition and is returned within 15 days of receipt of goods, no refund will be given. Unmarketable condition refers to products that do not meet the criteria defined for marketable condition.

- 5. **Product Warranty:** YTM commits to offering a warranty for the products it sells. Independent Distributors have the option to request an exchange or return of a product within 15 days of purchase if they identify any manufacturing defect or if the purchased product is of

substandard quality. To initiate an exchange or refund process, the Independent Distributor must present the original invoice along with their identity proof and address proof to YTM for verification purposes.

6. **Grievance Redressal Mechanism:** The Independent Distributor agrees that YTM has established a “Grievance Redressal Mechanism” for addressing grievances and complaints. This mechanism is annexed to this agreement and is considered an integral part of it, despite not being reproduced here for brevity.
7. **Age Confirmation:** The applicant Independent Distributor confirms that they have attained the minimum age of 18 years, or 21 years in the state of Maharashtra, and agrees not to knowingly sponsor any person under the age of 18 years, or 21 years in Maharashtra.
8. **No Investment to Join:** YTM explicitly states that it does not require, encourage, or seek any potential individuals (prospects or future Independent Distributors) to invest any money to join its Direct Selling business. Independent Distributors are responsible for covering the costs of the products they buy. There is no provision for earning money from recruiting other participants. Compensation for Independent Distributors is solely based on sales, marketing, and distribution of products in accordance with the Compensation Plan outlined by YTM. Independent Distributors agree to adhere to the terms of this agreement in its entirety, following the guidelines and principles set by YTM.
9. **Delivery Support:** YTM commits to providing all necessary support to Independent Distributors for the delivery of products. This support may be facilitated through franchisees, pick-up centers, available courier services, transport, or any other logistics services to maintain an effective support system.
10. **Requirements for Becoming an Independent Distributor:** By accepting the offer, the applicant agrees to complete the following steps. An individual, firm, or entity eligible to enter into a contract under the provisions of the Indian Contract Act, 1872, and wishing to become an Independent Distributor for the Direct Selling business of YTM can apply through an online method to market and sell YTM’s products across India. The process includes:
 - a. Fill out the application form online and upload scanned KYC documents.
 - b. Accept the terms and conditions of this E-contract agreement by clicking the “I AGREE” button.
 - c. After completing the above steps, the Independent Distributor can print out this agreement.
 - d. Upon executing this agreement and verifying all uploaded KYC documents, the applicant will be accepted as an Independent Distributor. A unique identification number and password will be allotted, allowing the Independent Distributor to access their personal account on the Direct Selling Entity's website.
 - e. The Independent Distributor must upload the following self-attested documents within 30 days from the date of signing this Agreement. The acceptance of the terms of this agreement is confirmed by clicking the “I AGREE” button at the bottom of this document.
 - f. YTM may scrutinize and verify the application and KYC particulars. It may reconsider and reject the application if the documents are unsatisfactory, altered, counterfeit, or not in accordance with government guidelines. The Independent Distributor acknowledges and accepts this possibility, and YTM holds the exclusive authority to decline the issuance of a unique ID number if necessary.
 - g. The KYC documents shall include, but are not limited to, verified proof of address, proof of identity, and PAN as per the provisions of the Income Tax Act, 1961, duly issued by the Government of India or a State/UT government. These documents include:
 - i. Aadhaar Card
 - ii. Voter ID Card
 - iii. Passport

- iv. Ration card
 - v. Any other identity document issued by the State/UT or central government that can be verified online.
 - vi. If the applicant is a company or firm, additional documents required include:
 - 1. CIN or Registration Certificate, MOA & AOA, or Partnership Deed, as applicable.
 - 2. PAN, GSTIN, FSSAI (where applicable).
 - 3. List of Directors/Partners of the applicant entity.
 - 4. Board Resolution/Authorization in favor of the Director/Partner signing and executing this E-Contract agreement and application.
11. The applicant Independent Distributor declares that he/she/they has/have not been declared bankrupt by a competent court of law as provided under clause (3) of section 79 of the Insolvency and Bankruptcy Code, 2016. Furthermore, the Independent Distributor confirms that they are neither of unsound mind nor have they been convicted by any court of law in the preceding five years from the date of joining YTM's Direct Selling business.
12. The applicant Independent Distributor agrees to take appropriate steps to ensure the protection of all sensitive personal information provided by consumers, in compliance with applicable laws. They will ensure adequate safeguards to prevent unauthorized access to or misuse of this data.
13. The applicant Independent Distributor agrees not to visit a consumer's premises without carrying an identity card and securing a prior appointment or approval.
- 14. Scope of Work and Responsibilities:**
- a. The Independent Distributor shall market, distribute, and sell YTM products using various methods including word of mouth publicity, product display and demonstration, distribution of pamphlets, and door-to-door selling to consumers and prospective Independent Distributors.
 - b. YTM retains exclusive ownership of its name and logo. The Independent Distributor is prohibited from using the trademark, logo, or design without prior written permission from YTM. Violations of this provision may result in termination of this agreement and Independent Distributorship, and may incur penal actions under prevailing Intellectual Property Rights (IPR) laws, as determined solely by YTM.
 - c. The Independent Distributor agrees not to manipulate, alter, or communicate any provisions of YTM's Compensation Plan, product pricing, BV (Business Volume) points without prior written authorization from YTM. Additionally, the Independent Distributor shall not send messages contrary to YTM's policies, principles, instructions, and prescriptions without prior written permission.
 - d. The Independent Distributor will receive specified percentage or points-based (BV Points) incentives for selling YTM's products under this E-contract Agreement.
 - e. YTM commits to providing comprehensive instruction books, catalogs, and pamphlets to assist in sales promotion. Mandatory orientation training will also be provided to Independent Distributors.
 - f. YTM shall issue photo identity cards to Independent Distributors containing their Name and Unique ID number (FSSAI Number, if applicable). These cards must be returned to YTM at the expiry, termination, or revocation of this agreement and must not be misused in any form.
 - g. The identity card provided does not establish an employee-employer, service, or salaried relationship between YTM and the Independent Distributor.
 - h. Independent Distributor is not authorized to collect cash, cheques, or demand drafts in their own name. All payments must be made in the name of YTM and deposited with their office within 24 hours of receipt. Failure to comply may result in liability for damages or compensation.

- i. YTM may establish various facilities for product sales including an Online Portal/E-commerce, Retail Outlets, and Authorized Sales Points/Pickup Centers.
 - j. Independent Distributors are prohibited from selling YTM products on e-commerce platforms or marketplaces without prior written consent. Additionally, they are restricted from listing, marketing, or discussing products or business opportunities on websites or online forums offering auctions as a mode of selling.
15. Sales Incentives / Commission Structure or Other Benefits:
- a. The Independent Distributor is eligible for financial incentives based on sales, marketing, and distribution of products and services, as per the YTM Compensation Plan. Specific details are outlined in the Compensation Plan document.
 - b. The Independent Distributor is authorized to market, sell, and distribute YTM products across all regions of India. No territorial restrictions or limits are imposed on the sale of products.
 - c. The Independent Distributor can access and inspect their account on YTM's website using their Unique ID and Password provided by YTM.
 - d. YTM reserves the right to restrict the list of products available for sale in particular areas or regions.
 - e. Changes in pricing, government regulations, market influences, or other factors may lead to alterations in the YTM Compensation Plan. Such changes will be communicated through notifications posted on the website. Independent Distributors are bound by these changes. However, if an Independent Distributor disagrees, they have the option to terminate this agreement within 30 days of notification by providing a written objection to YTM.
 - f. All payments and transactions shall be valued in Indian Rupees (INR).
 - g. YTM does not guarantee, assure, promise, or offer any facilitation fees or specific income amount to Independent Distributor upon becoming an Independent Distributor of YTM.
 - h. Sales incentives to Independent Distributor shall be subject to all applicable statutory deductions such as TDS (Tax Deducted at Source).
 - i. Sales incentives accrued and paid to Independent Distributor are inclusive of all taxes.
16. YTM shall diligently provide accurate and comprehensive information to both prospective and existing Independent Distributors regarding the reasonable earning opportunities and all related rights and obligations associated with their engagement.
17. The establishment of an office or any physical establishment for the purpose of conducting business by the Independent Distributors is not mandated by YTM. However, should an Independent Distributor choose to establish such an office or any other physical entity, they shall bear all associated expenses independently, without any obligation for reimbursement or refund from YTM.
18. The Independent Distributor pledges to focus exclusively on the marketing and distribution of products offered by YTM and refrains from engaging in the sale or promotion of products similar or identical to those offered by any other competing company or brand.
19. Each Independent Distributor is provided with a Unique Identification Number by YTM, which must be quoted in all transactions and communications with the company. This Unique Identification Number is immutable and any communication initiated without it, alongside the corresponding password, shall not be entertained by YTM.
20. The Independent Distributor commits to demonstrating unwavering faithfulness to YTM, upholding its integrity, and fostering positive relationships not only with the company but also with fellow Independent Distributors within the network.
21. It is incumbent upon the Independent Distributor to adhere meticulously to all the policies, procedures, rules, and regulations stipulated by YTM. Furthermore, they are obligated to comply rigorously with all pertinent laws, rules, regulations, directives, and mandates issued by

governmental bodies at the national, state, and local levels. The Independent Distributor must steer clear of engaging in any form of deceptive or unlawful trade practices, including but not limited to Mis-Selling or unfair trade practices as set forth in the Direct Selling Rules, 2021, and the Consumer Protection Act, 2019.

22. The Independent Distributor is entrusted with the responsibility of presenting, displaying, and clarifying the intricacies of the YTM Compensation Plan to potential prospects with absolute accuracy and adherence to the guidelines provided by YTM. Any deviation from these guidelines may lead to the termination or restriction of the Independent Distributor's involvement in the business.
23. YTM retains the exclusive authority to make changes to the terms & conditions, products, Compensation Plan, and policies, with or without prior notice. Such alterations shall be communicated through official channels and will be deemed binding upon all Independent Distributors from the date of the respective notification.
24. The Independent Distributor assumes full accountability for the delivery of goods to customers and is required to collect products from the designated transporter or courier at the final delivery point.
25. Independent Distributors are expressly prohibited from circulating any inappropriate or defamatory content pertaining to YTM or its products on social media platforms. Any contravention of this clause may result in the immediate termination of the contract agreement, with YTM reserving the right to initiate legal action against the erring party.
26. Each Independent Distributor is entitled to only one Distributorship code, which shall be issued against a single PAN Card.
27. The Independent Distributor shall refrain from employing any form of compulsion, inducement, or misleading statements or promises to coerce individuals into purchasing products from YTM or becoming an Independent Distributor.
28. All changes mandated by statutory regulations will be implemented immediately or in accordance with the law as prescribed.
29. The Independent Distributor grants YTM authorization to generate comprehensive sales and purchase records encompassing details such as product information, prices, taxes, quantities, and other pertinent details. These records will be meticulously maintained in compliance with all applicable laws and regulations.
30. YTM bears the onus of ensuring the quality of products and services marketed by Independent Distributors. Additionally, YTM is obligated to provide guidance to Independent Distributors, ensuring adherence to best practices that safeguard consumer interests within the realms of legality and ethics. Any Independent Distributor found operating outside the established policies and guidance of YTM shall be individually accountable for all actions related to the sale of products and services.
31. Any official notices or communications dispatched to the Independent Distributor's registered address, provided email ID, or mobile number, irrespective of the mode of transmission including registered post, courier service, email, or WhatsApp message, shall be deemed as officially delivered. However, it is incumbent upon the Independent Distributor to promptly notify YTM of any changes to their contact information. Failure to do so shall render any claims of non-delivery by the Independent Distributor invalid under all circumstances.
32. The term of this E-contract agreement is terminable at will, subject to earlier termination in accordance with the terms stipulated within this agreement or as prescribed by law. Upon termination of this agreement for any reason whatsoever, the Independent Distributor acknowledges that their right to sell products and receive incentives associated with their activities as an Independent Distributor will cease forthwith. YTM reserves the explicit right to terminate this E-contract agreement in the event of any breach of the conditions outlined herein by an Independent Distributor.

- 33. Limitation of Action:** Should an Independent Distributor wish to address any grievances to YTM, they are encouraged to follow the outlined procedures within the "Grievance Redressal Mechanism" annexed to this agreement. This mechanism serves as a structured framework for resolving disputes and complaints effectively. The Independent Distributor acknowledges that this Grievance Redressal Mechanism is an integral component of this agreement, and its provisions shall be binding upon both parties.
- 34. Indemnification:** That the Independent Distributor solemnly agrees to protect, defend, indemnify, and hold harmless YTM, along with its employees, officers, directors, agents, and representatives, from and against any and all liabilities, damages, fines, penalties, and costs (including legal costs and disbursements) arising from or relating to the following:
- a. Any breach of any statute, regulation, direction, orders, or standards notified by any governmental body, agency, or regulator applicable to the Independent Distributor, including the payment and deposit of taxes such as Income tax, GST, Trade tax, Professional Tax, whenever applicable. The Independent Distributor pledges to obtain necessary registrations and licenses whenever they are deemed applicable and required under the law.
 - b. Any breach of the terms and conditions stipulated within this E-contract agreement by the Independent Distributor.
 - c. Any claim alleging infringement of any intellectual property right or any other right of any third party, or any violation of the law committed by the Independent Distributor.
 - d. Protection against all matters concerning embezzlement, misappropriation, or misapplication of collections or monies that may, from time to time during the continuance of the Agreement, come into the possession or control of the Independent Distributor.
- 35. Relationship:** The Independent Distributor acknowledges and affirms that they operate as an autonomous business entity. This Agreement does not establish an employment relationship, partnership, agency, or legal representation between the Independent Distributor and YTM for any purpose whatsoever. The Independent Distributor explicitly disclaims any explicit or implicit authorization or authority to assume obligations on behalf of YTM or to act in any manner that would legally bind the entity. In the event of any breach of this provision by the Independent Distributor, they shall be held accountable for all resulting consequences, including but not limited to financial, statutory, civil, or criminal implications.
- 36. Liability:** Save for the provisions expressly stated within this Agreement, YTM bears no liability towards the Independent Distributor in the event of termination of this Agreement for any reason whatsoever. This includes, but is not limited to, claims for loss of profit or any claims pertaining to expenditures, investments, leases, capital investments, or other commitments undertaken by either party in connection with the business, whether such commitments were made based on or due to this Agreement.
- 37. Suspension, Revocation, or Termination of this E-contract Agreement:**
- a. YTM retains the right to suspend the operation of this E-contract agreement at any given time, prompted by changes in its own licensing conditions or upon directives from competent government authorities. In such an event, YTM shall not be held liable for any damages or losses incurred as a result of the aforementioned action.
 - b. In the event of any breach of the terms stipulated in this agreement by the Independent Distributor, which they have previously acknowledged and accepted, YTM reserves the right to take appropriate action. Without limiting other potential remedies, the entity may issue a written notice with a one-month notice period. This notice will require the Independent Distributor to furnish a written explanation for their actions. If the explanation is not provided or is deemed insufficient based on customary business practices, YTM retains the authority to suspend, block, or

- b. That their association with YTM and all their undertakings as described in this agreement shall be governed, in conjunction with this agreement, by the regulations and procedures specified in the YTM Compensation Plan accessible on the www.ytmonline.com. The Independent Distributor verifies that they have either perused these documents or they have been explained to them in a language they understand. They thereby agree to be legally bound by the provisions stipulated in this agreement.
- c. That he / she will function as an independent entity and will abstain from engaging in any actions that could result in misfeasance or malfeasance, leading to liabilities or obligations of any kind upon YTM.
- d. That all the information provided to YTM is accurate and truthful. YTM retains the sole right and freedom to take appropriate action against them if it is discovered that the information furnished was incorrect or false.
- e. That any violation of the terms and conditions outlined in this agreement may result in the termination of this agreement, as per the procedures detailed within.
- f. That I am the individual concerned and fully aware of the facts stated above. I voluntarily agree to be designated as an Independent Distributor across India, in accordance with the terms and conditions contained within this agreement.
- g. That I have diligently read and understood the terms and conditions regarding the appointment of an Independent Distributor by YTM. I have also reviewed the official website, printed materials, brochures, and convinced about the business. I am submitting the application to be appointed as an Independent Distributor based on my personal choice.
- h. That I commit to adhering to the policies, procedures, rules, and regulations established by YTM. I confirm that I have read, been explained, and fully comprehended the content of the document outlining the policies and procedures for the appointment of an Independent Distributor.

IN TOKEN OF HIS / HER AGREEING TO AND ACCEPTING ALL PROVISIONS OF THIS CONTRACT AGREEMENT SET HEREINABOVE, HE / SHE IS CLICKING ON THE "I AGREE" BUTTON GIVEN HEREIN.

I AGREE & ACCEPT

Name: _____ Bank A/C No.: _____
 S/O Shri.: _____ IFSC Code: _____
 Resident of: _____

 Pin Code: _____
 State: _____
 Pan No.: _____
 Aadhar No.: _____
 Name of the Bank & Branch: _____

NODAL OFFICER

M/S: _____

Address: _____

Mob no.: _____

E mail: _____
